

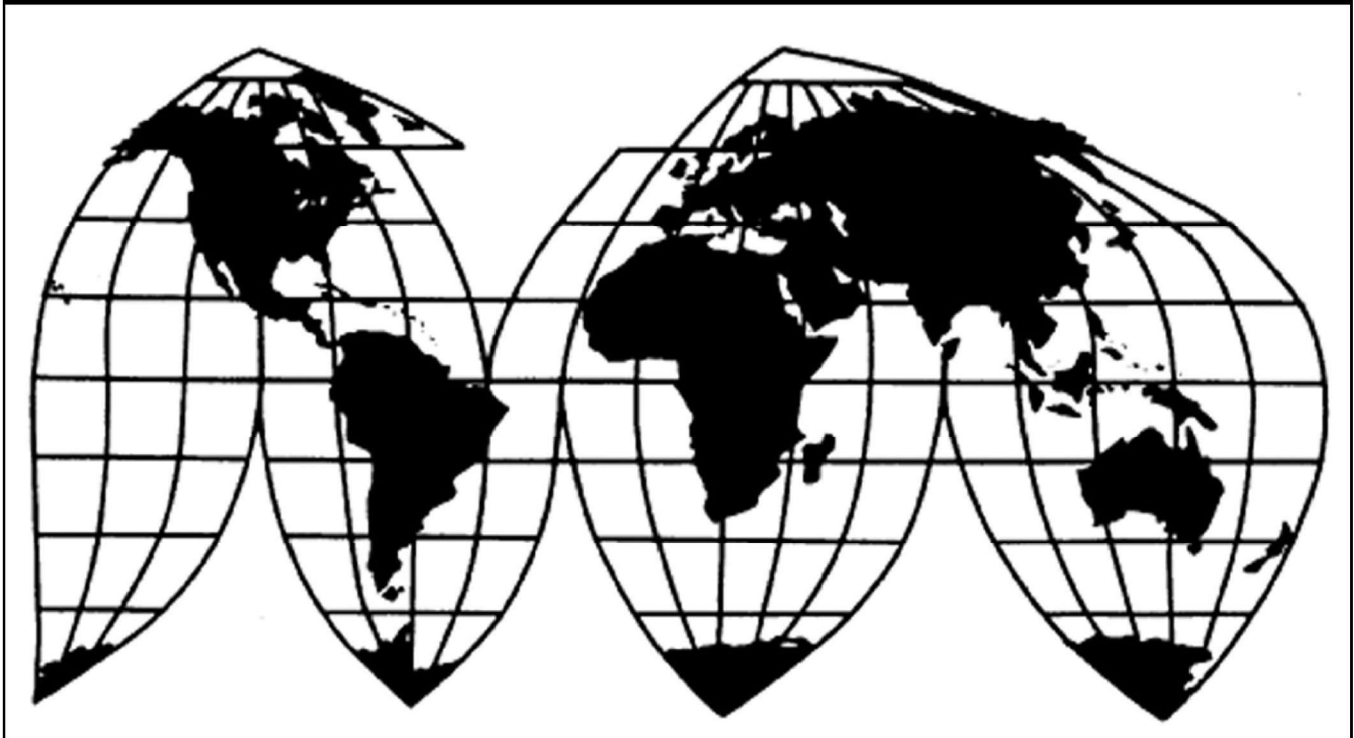
# **Stainless Steel Sheet and Strip from Japan, South Korea, and Taiwan**

Investigation Nos. 701-TA-382 and 731-TA-800, 801, and 803 (Fourth Review)

**Publication 5466**

**October 2023**

**U.S. International Trade Commission**



Washington, DC 20436

# U.S. International Trade Commission

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# U.S. International Trade Commission

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Note.—Information that would reveal confidential operations of individual concerns may not be published.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

## UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 701-TA-382 and 731-TA-800, 801, and 803 (Fourth Review)

Stainless Steel Sheet and Strip from Japan, South Korea, and Taiwan

### DETERMINATIONS

On the basis of the record<sup>1</sup> developed in the subject five-year reviews, the United States International Trade Commission (“Commission”) determines, pursuant to the Tariff Act of 1930 (“the Act”), that revocation of the countervailing duty order on stainless steel sheet and strip from South Korea and the antidumping duty orders on stainless steel sheet and strip from Japan, South Korea, and Taiwan would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.<sup>2</sup>

### BACKGROUND

The Commission instituted these reviews on September 1, 2022 (87 FR 53780) and determined on December 5, 2022, that it would conduct full reviews (87 FR 78994, December 5, 2022). Notice of the scheduling of the Commission’s reviews and of a public hearing to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing the notice in the *Federal Register* on March 7, 2023 (88 FR 15456). The Commission conducted its hearing on August 17, 2023. All persons who requested the opportunity were permitted to participate.

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

<sup>2</sup> Commissioners Jason E. Kearns and Randolph J. Stayin not participating.



## Views of the Commission

Based on the record in these five-year reviews, we determine under section 751(c) of the Tariff Act of 1930, as amended (“the Tariff Act”), that revocation of the countervailing duty order on stainless steel sheet and strip (“SSSS”) from South Korea and the antidumping duty orders on SSSS from Japan, South Korea, and Taiwan would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

### I. Background

*Original Investigations.* In July 1999, the Commission determined that an industry in the United States was materially injured by reason of imports of certain SSSS from France, Italy, and South Korea that the Department of Commerce (“Commerce”) found to be subsidized and by reason of certain SSSS from France, Germany, Italy, Japan, South Korea, Mexico, Taiwan, and the United Kingdom that Commerce found to be sold at less than fair value (“LTFV”).<sup>1</sup> Commerce issued antidumping duty orders on July 27, 1999, and countervailing duty orders on August 6, 1999.<sup>2</sup>

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<sup>1</sup> Certain Stainless Steel Sheet and Strip from France, Germany, Italy, Japan, The Republic of Korea, Mexico, Taiwan, and the United Kingdom, Inv. Nos. 701-TA-380-382 and 731-TA-797-804 (Final), USITC Pub. 3208 (July 1999) (“Original Determinations”) at 1. South Korean producer Incheon was excluded from the antidumping duty order after receiving a de minimis dumping margin. South Korean producer POSCO was excluded from the countervailing duty order after receiving a de minimis subsidy margin. Confidential Report, Memorandum INV-VV-074, September 14, 2023 (“CR”) at I-13 n.25, Stainless Steel Sheet and Strip from Japan, South Korea, and Taiwan, Inv. Nos. 701-TA-382 and 731-TA-800, 801, and 803 (Fourth Review) USITC Pub. 5466 (October 2023) (“PR”) at I-13 n.25. Producers Chang Mien and Tung Mung in Taiwan were excluded from the antidumping duty order because they received de minimis dumping margins. CR/PR at I-13 n.25.

<sup>2</sup> Notice of Antidumping Duty Order; Stainless Steel Sheet and Strip in Coils from United Kingdom, Taiwan, and South Korea, 64 Fed. Reg. 40555 (July 27, 1999); Notice of Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order; Stainless Steel Sheet and Strip in Coils from Germany, 64 Fed. Reg. 40557 (July 27, 1999); Notice of Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order; Stainless Steel Sheet and Strip in Coils from Mexico, 64 Fed. Reg. 40560 (July 27, 1999); Notice of Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order; SSSS in Coils from France, 64 Fed. Reg. 40562 (July 27, 1999); Notice of Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order; Stainless Steel Sheet and Strip in Coils from Japan, 64 Fed. Reg. 40565 (July 27, 1999); Notice of Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order; Stainless Steel Sheet and Strip in Coils from Italy, 64 Fed. Reg. 40567 (July 27, 1999); Amended Final (Continued...)

*First Reviews.* On June 1, 2004, the Commission instituted its first five-year reviews of the countervailing duty orders on certain SSSS from France, Italy, and South Korea and the antidumping duty orders on certain SSSS from France, Germany, Italy, Japan, South Korea, Mexico, Taiwan, and the United Kingdom.<sup>3 4</sup> After full reviews of the orders, in July 2005, the Commission determined that revocation of the countervailing duty orders on SSSS from Italy and South Korea and revocation of the antidumping duty orders on SSSS from Germany, Italy, Japan, South Korea, Mexico, and Taiwan would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.<sup>5</sup> Commerce continued the orders in August 2005.<sup>6</sup> The Commission also determined that revocation of the antidumping duty orders on SSSS from France and the United Kingdom would not be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.<sup>7</sup> Accordingly, Commerce revoked the antidumping duty orders on imports of SSSS from France and the United Kingdom, effective

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(...Continued)

Determination: Stainless Steel Sheet and Strip in Coils from the Republic of Korea; and Notice of Countervailing Duty Orders: Stainless Steel Sheet and Strip in Coils from France, Italy, and the Republic of Korea, 64 Fed. Reg. 42923 (Aug. 6, 1999).

<sup>3</sup> *Stainless Steel Sheet and Strip from France, Germany, Italy, Japan, Korea, Mexico, Taiwan, and the United Kingdom*, Inv. Nos. 701-TA-381-382 and 731-TA-797-804 (Review), USITC Pub. 3788 (July 2005) (“First Five-Year Reviews”) at 1.

<sup>4</sup> Commerce revoked the countervailing duty order on SSSS from France on November 7, 2003. Notice of Implementation Under Section 129 of the Uruguay Round Agreements Act; Countervailing Measures Concerning Certain Steel Products From the European Communities, 68 Fed. Reg. 64858 (Nov. 17, 2003). Notwithstanding the order’s revocation, Commerce initiated and concurrently rescinded its five-year review of the order on June 1, 2004. Initiation of Five-Year (“Sunset”) Reviews, 69 Fed. Reg. 30874 (June 1, 2004); Countervailing Duty Order on Stainless Steel Sheet and Strip in Coils from France: Rescission of Five-Year (“Sunset”) Review, 69 Fed. Reg. 35585 (June 25, 2004). Accordingly, the Commission rescinded its five-year review of the countervailing duty order on SSSS from France on June 25, 2004. Rescission of Five-year Review Concerning the Countervailing Duty Order on Stainless Steel Sheet and Strip from France, 69 Fed. Reg. 35678 (June 25, 2004).

<sup>5</sup> First Five-Year Reviews, USITC Pub. 3788 at 3.

<sup>6</sup> Continuation of Antidumping Duty Orders on Stainless Steel Sheet and Strip in Coils from Germany, Italy, Japan, the Republic of Korea, Mexico, and Taiwan, and Countervailing Duty Orders on Stainless Steel Sheet and Strip in Coils from Italy and the Republic of Korea, 70 Fed. Reg. 44886 (Aug. 4, 2005).

<sup>7</sup> First Five-Year Reviews, USITC Pub. 3788 at 3.

August 4, 2005.<sup>8</sup> Following a changed circumstances review of the countervailing duty order on SSSS imports from Italy, Commerce revoked the order on March 28, 2006.<sup>9</sup>

*Second Reviews.* On June 1, 2010, the Commission instituted its second five-year reviews of the countervailing duty order on SSSS from South Korea and the antidumping duty orders on SSSS from Germany, Italy, Japan, South Korea, Mexico, and Taiwan.<sup>10</sup> After full reviews of the orders, in July 2011, the Commission determined that revocation of the countervailing duty order on SSSS from South Korea and the antidumping duty orders on SSSS from Japan, South Korea, and Taiwan would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.<sup>11</sup> Commerce continued the orders on subject imports from Japan, South Korea, and Taiwan in August 2011.<sup>12</sup> The Commission also determined that revocation of the antidumping duty orders on SSSS from Germany, Italy, and Mexico would not be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.<sup>13</sup> Commerce revoked the antidumping duty orders on imports of SSSS from Germany, Italy, and Mexico, effective July 25, 2010.<sup>14</sup>

*Third Reviews.* On July 1, 2016, the Commission instituted the third reviews on the countervailing duty order on subject imports of SSSS from South Korea and the antidumping duty orders on subject imports of SSSS from Japan, South Korea, and Taiwan.<sup>15</sup> After full reviews of the orders, in September 2017, the Commission determined that revocation of the antidumping duty orders on SSSS from Japan, South Korea, and Taiwan, and the countervailing

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<sup>8</sup> Certain Stainless Steel Sheet and Strip in Coils from France and the United Kingdom; Final Results of Sunset Reviews and Revocation of Antidumping Duty Order, 70 Fed. Reg. 44894 (Aug. 4, 2005).

<sup>9</sup> Stainless Steel Sheet and Strip in Coils from Italy: Final Results of Countervailing Duty Changed Circumstances Review and Revocation of Countervailing Duty Order, in Whole, 71 Fed. Reg. 15382 (Mar. 28, 2006).

<sup>10</sup> *Stainless Steel Sheet and Strip from Germany, Italy, Japan, Korea, Mexico, and Taiwan, Inv. Nos. 701-TA-382 and 731-TA-798-803 (Second Review)*, USITC Pub. 3842 at 3 (Mar. 2006) (“Second Five-Year Reviews”).

<sup>11</sup> Second Five-Year Reviews, USITC Pub. 4244 at 3.

<sup>12</sup> Continuation of Antidumping and Countervailing Duty Orders: Stainless Steel Sheet and Strip in Coils from Japan, Korea, and Taiwan, 76 Fed. Reg. 49726 (Aug. 11, 2011).

<sup>13</sup> Second Five-Year Reviews, USITC Pub. 4244 at 3.

<sup>14</sup> Stainless Steel Sheet and Strip in Coils From Germany, Italy, and Mexico: Revocation of Antidumping Duty Orders, 76 Fed. Reg. 49450 (Aug. 10, 2011).

<sup>15</sup> Stainless Steel Sheet and Strip from Japan, Korea, and Taiwan; Institution of Five-Year Reviews, 81 Fed. Reg. 43238 (July 1, 2016).

duty order on SSSS from South Korea would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.<sup>16</sup> Commerce issued a continuation of the antidumping duty orders on imports of SSSS from Japan, South Korea, and Taiwan, and the countervailing duty order on imports of SSSS from South Korea, effective October 3, 2017.<sup>17</sup>

**Current Reviews.** On September 1, 2022, the Commission instituted the current reviews of the countervailing duty order on subject imports of SSSS from South Korea and the antidumping duty orders on subject imports of SSSS from Japan, South Korea, and Taiwan.<sup>18</sup> The Commission received a joint response to its notice of institution from domestic producers North American Stainless (“NAS”) and Outokumpu Stainless USA LLC (“Outokumpu”) as well as a response from Cleveland-Cliffs Inc. (“Cleveland Cliffs”) (collectively “Domestic Producers”). The Commission also received a response to its notice of institution from Nippon Steel Stainless Steel Corporation (“NSSC”), a producer and exporter of subject merchandise in Japan. The Commission did not receive a response from any importer or foreign producer/exporter of SSSS from South Korea or Taiwan. On December 5, 2022, the Commission found that the domestic interested party group response was adequate and that the respondent interested party group response with respect to Japan was adequate. The Commission therefore determined to conduct a full review of the order on SSSS from Japan. Although the Commission found that the respondent interested party group responses with respect to South Korea and Taiwan were inadequate, the Commission nevertheless determined to conduct full reviews of the orders on SSSS from South Korea and Taiwan to promote administrative efficiency in light of its decision to conduct a full review with respect to the order on SSSS from Japan.<sup>19</sup>

**Parties to the Investigation.** The Commission received prehearing and posthearing submissions and final comments from three domestic interested parties that are producers of SSSS, including Cleveland-Cliffs and jointly filed submissions on behalf NAS and Outokumpu.

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<sup>16</sup> *Stainless Steel Sheet and Strip from Japan, Korea, and Taiwan*, Inv. Nos. 701-TA-382 and 731-TA-800, 801, 803 (Third Review), USITC Pub. 4725 (Sept. 2017) (“Third Five-Year Reviews”).

<sup>17</sup> *Certain Stainless Steel Sheet and Strip in Coils From Japan, the Republic of Korea, and Taiwan; Continuation of Antidumping Duty Orders and Countervailing Duty Order*, 82 Fed. Reg. 46036 (Oct. 3, 2017).

<sup>18</sup> *Stainless Steel Sheet and Strip From Japan, Korea, and Taiwan; Institution of Five-Year Reviews*, 87 Fed. Reg. 53780 (Sept. 1, 2022).

<sup>19</sup> *Stainless Steel Sheet and Strip from Japan, South Korea, and Taiwan: Notice of Commission Determination to Conduct Full Five-Year Reviews*, 87 Fed. Reg. 78994 (Dec. 23, 2022).



Representatives of Cleveland Cliffs, NAS, and Outokumpu appeared at the Commission’s hearing accompanied by counsel.

Several respondent interested parties also participated in these reviews. The Commission received prehearing and posthearing submissions and final comments from Japanese producers and exporters of SSSS, NSSC, Nippon Yakin Kogyo Co., Ltd (“NYK”), and Nas Stainless Steel Strip Manufacturing Co., Ltd. (“Nas Stainless”), (collectively, “Japanese Respondents”). Representatives of Japanese Respondents appeared at the Commission’s hearing accompanied by counsel.

**Data/Response Coverage.** U.S. industry data are based on the questionnaire responses of three U.S. producers of SSSS that are believed to have accounted for all domestic production of SSSS in 2022.<sup>20</sup> U.S. import data and related information are based on Commerce’s official import statistics and the questionnaire responses of sixteen U.S. importers, representing (as a share of the value of official import statistics) \*\*\* percent of subject imports from Japan, \*\*\* percent of U.S. imports from subject sources in South Korea, and \*\*\* percent of U.S. imports from subject sources Taiwan in 2022.<sup>21</sup> Foreign industry data and related information are based on the questionnaire responses of six producers and exporters in Japan, whose reported exports to the United States accounted for \*\*\* percent of subject imports from Japan; information from the original investigations and prior five-year reviews; information supplied by Domestic Producers and Japanese Respondents; and publicly available information gathered by the Commission.<sup>22</sup> No subject producers in South Korea or Taiwan responded to the Commission’s questionnaires.<sup>23</sup>

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<sup>20</sup> CR/PR at I-36.

<sup>21</sup> CR/PR at I-39, IV-1. As noted in section III below, one South Korean producer and two Taiwanese producers received *de minimis* dumping margins and were therefore excluded from the antidumping duty orders on SSSS from South Korea and Taiwan. *See id.* at I-13 n.25. A second South Korean producer received a *de minimis* subsidy margin and was therefore excluded from the countervailing duty order on SSSS from South Korea. *Id.*

<sup>22</sup> CR/PR at IV-29.

<sup>23</sup> CR/PR at IV-46, IV-50.

## II. Domestic Like Product and Industry

### A. Domestic Like Product

In making its determination under section 751(c) of the Tariff Act, the Commission defines the “domestic like product” and the “industry.”<sup>24</sup> The Tariff Act defines “domestic like product” as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this subtitle.”<sup>25</sup> The Commission’s practice in five-year reviews is to examine the domestic like product definition from the original investigation and consider whether the record indicates any reason to revisit the prior findings.<sup>26</sup>

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

The merchandise under review is certain SSSS in coils. Stainless steel is an alloy steel containing, by weight, 1.2 percent or less of carbon and 10.5 percent or more of chromium, with or without other elements. The subject sheet and strip is a flat-rolled product in coils that is greater than 9.5 mm in width and less than 4.75 mm in thickness, and that is annealed or otherwise heat treated and pickled or otherwise descaled. The subject sheet and strip may also be further processed (e.g., cold-rolled, polished, aluminized, coated, etc.) provided that it maintains the specific dimensions of sheet and strip following such processing.

Excluded from the scope of this review are the following: (1) sheet and strip that is not annealed or otherwise heat treated and

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<sup>24</sup> 19 U.S.C. § 1677(4)(A).

<sup>25</sup> 19 U.S.C. § 1677(10); see, e.g., *Cleo Inc. v. United States*, 501 F.3d 1291, 1299 (Fed. Cir. 2007); *NEC Corp. v. 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); *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int’l Trade 1996); *Torrington Co. v. United States*, 747 F. Supp. 744, 748-49 (Ct. Int’l Trade 1990), *aff’d*, 938 F.2d 1278 (Fed. Cir. 1991); see also S. Rep. No. 249, 96<sup>th</sup> Cong., 1<sup>st</sup> Sess. 90-91 (1979).

<sup>26</sup> See, e.g., *Internal Combustion Industrial Forklift Trucks from Japan*, Inv. No. 731-TA-377 (Second Review), USITC Pub. 3831 at 8-9 (Dec. 2005); *Crawfish Tail Meat from China*, Inv. No. 731-TA-752 (Review), USITC Pub. 3614 at 4 (July 2003); *Steel Concrete Reinforcing Bar from Turkey*, Inv. No. 731-TA-745 (Review), USITC Pub. 3577 at 4 (Feb. 2003).

pickled or otherwise descaled, (2) sheet and strip that is cut to length, (3) plate (i.e., flat-rolled stainless steel products of a thickness of 4.75 mm or more), (4) flat wire (i.e., cold-rolled sections, with a prepared edge, rectangular in shape, of a width of not more than 9.5 mm), and (5) razor blade steel. Razor blade steel is a flat-rolled product of stainless steel, not further worked than cold-rolled (cold-reduced), in coils, of a width of not more than 23 mm and a thickness of 0.266 mm or less, containing, by weight, 12.5 to 14.5 percent chromium, and certified at the time of entry to be used in the manufacture of razor blades. See Chapter 72 of the HTS, "Additional U.S. Note" 1(d).

Flapper valve steel is also excluded from the scope of the review. This product is defined as stainless steel strip in coils containing, by weight, between 0.37 and 0.43 percent carbon, between 1.15 and 1.35 percent molybdenum, and between 0.20 and 0.80 percent manganese. This steel also contains, by weight, phosphorus of 0.025 percent or less, silicon of between 0.20 and 0.50 percent, and sulfur of 0.020 percent or less. The product is manufactured by means of vacuum arc remelting, with inclusion controls for sulphide of no more than 0.04 percent and for oxide of no more than 0.05 percent. Flapper valve steel has a tensile strength of between 210 and 300 ksi, yield strength of between 170 and 270 ksi, plus or minus 8 ksi, and a hardness (Hv) of between 460 and 590. Flapper valve steel is most commonly used to produce specialty flapper valves in compressors.

Also excluded is a product referred to as suspension foil, a specialty steel product used in the manufacture of suspension assemblies for computer disk drives. Suspension foil is described as 302/304 grade or 202 grade stainless steel of a thickness between 14 and 127 microns, with a thickness tolerance of plus-or-minus 2.01 microns, and surface glossiness of 200 to 700 percent Gs. Suspension foil must be supplied in coil widths of not more than 407 mm, and with a mass of 225 kg or less. Roll marks

may only be visible on one side, with no scratches of measurable depth. The material must exhibit residual stresses of 2 mm maximum deflection, and flatness of 1.6 mm over 685 mm length.

Certain stainless steel foil for automotive catalytic converters is also excluded from the scope of this order. This stainless steel strip in coils is a specialty foil with a thickness of between 20 and 110 microns used to produce a metallic substrate with a honeycomb structure for use in automotive catalytic converters. The steel contains, by weight, carbon of no more than 0.030 percent, silicon of no more than 1.0 percent, manganese of no more than 1.0 percent, chromium of between 19 and 22 percent, aluminum of no less than 5.0 percent, phosphorus of no more than 0.045 percent, sulfur of no more than 0.03 percent, lanthanum of less than 0.002 or greater than 0.05 percent, and total rare earth elements of more than 0.06 percent, with the balance iron.

Permanent magnet iron-chromium-cobalt alloy stainless strip is also excluded from the scope of this order. This ductile stainless steel strip contains, by weight, 26 to 30 percent chromium, and 7 to 10 percent cobalt, with the remainder of iron, in widths 228.6 mm or less, and a thickness between 0.127 and 1.270 mm. It exhibits magnetic remanence between 9,000 and 12,000 gauss, and a coercivity of between 50 and 300 oersteds. This product is most commonly used in Barcode:4314186-02 A-588-845 SUNR - Sunset Review - Sunset 2022 Filed By: Andrew Hart, Filed Date: 11/25/22 12:28 PM, Submission Status: Approved 4 electronic sensors and is currently available under proprietary trade names such as "Arnokrome III."<sup>27</sup>

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<sup>27</sup> "Arnokrome III" is a trademark of the Arnold Engineering Company.

Certain electrical resistance alloy steel is also excluded from the scope of this order. This product is defined as a non-magnetic stainless steel manufactured to American Society of Testing and Materials (ASTM) specification B344 and containing, by weight, 36 percent nickel, 18 percent chromium, and 46 percent iron, and is most notable for its resistance to high temperature corrosion. It has a melting point of 1390 degrees Celsius and displays a creep rupture limit of 4 kilograms per square millimeter at 1000 degrees Celsius. This steel is most commonly used in the production of heating ribbons for circuit breakers and industrial furnaces, and in rheostats for railway locomotives. The product is currently available under proprietary trade names such as "Gilphy 36."<sup>28</sup>

Certain martensitic precipitation-hardenable stainless steel is also excluded from the scope of this order. This high-strength, ductile stainless steel product is designated under the Unified Numbering System (UNS) as S45500-grade steel, and contains, by weight, 11 to 13 percent chromium, and 7 to 10 percent nickel. Carbon, manganese, silicon and molybdenum each comprise, by weight, 0.05 percent or less, with phosphorus and sulfur each comprising, by weight, 0.03 percent or less. This steel has copper, niobium, and titanium added to achieve aging, and will exhibit yield strengths as high as 1700 Mpa and ultimate tensile strengths as high as 1750 Mpa after aging, with elongation percentages of 3 percent or less in 50 mm. It is generally provided in thicknesses between 0.635 and 0.787 mm, and in widths of 25.4 mm. This product is most commonly used in the manufacture of television tubes and is currently available under proprietary trade names such as "Durphynox 17."<sup>29</sup>

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<sup>28</sup> "Gilphy 36" is a trademark of Imphy, S.A.

<sup>29</sup> "Durphynox 17" is a trademark of Imphy, S.A.

Finally, three specialty stainless steels typically used in certain industrial blades and surgical and medical instruments are also excluded from the scope of this order. These include stainless steel strip in coils used in the production of textile cutting tools (e.g., carpet knives).<sup>30</sup> This steel is similar to AISI grade 420 but containing, by weight, 0.5 to 0.7 percent of molybdenum. The steel also contains, by weight, carbon of between 1.0 and 1.1 percent, sulfur of 0.020 percent or less, and includes between 0.20 and 0.30 percent copper and between 0.20 and 0.50 percent cobalt. This steel is sold under proprietary names such as “GIN4 Mo.” The second excluded stainless steel strip in coils is similar to AISI 420-J2 and contains, by weight, carbon of between 0.62 and 0.70 percent, silicon of between 0.20 and 0.50 percent, manganese of between 0.45 and 0.80 percent, phosphorus of no more than 0.025 percent and sulfur of no more than 0.020 percent. This steel has a carbide density on average of 100 carbide particles per 100 square microns. An example of this product is “GIN5” steel. The third specialty steel has a chemical composition similar to AISI 420 F, with carbon of between 0.37 and 0.43 percent, molybdenum of between 1.15 and 1.35 percent, but lower manganese of between 0.20 and 0.80 percent, phosphorus of no more than 0.025 percent, silicon of between 0.20 and 0.50 percent, and sulfur of no more than 0.020 percent. This product is supplied with a hardness of more than Hv 500 guaranteed after customer processing, and is supplied as, for example, “GIN6.”<sup>31 32</sup>

SSSS subject to these orders are flat-rolled stainless steel products in coils, less than 4.75 mm in thickness, at least 9.5 mm in width, that are annealed (heat-treated) and pickled

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<sup>30</sup> This list of uses is illustrative and provided for descriptive purposes only.

<sup>31</sup> “GIN4 Mo,” “GIN5” and “GIN6” are the proprietary grades of Hitachi Metals America, Ltd.

<sup>32</sup> 87 Fed. Reg. 74133 (Dec. 2, 2022) and accompanying Issues and Decision Memorandum for the Final Results of the Expedited Fourth Sunset Reviews of the Antidumping Duty Orders on Stainless Steel Sheet and Strip from Japan, the Republic of Korea, and Taiwan, November 23, 2022. The scope is substantively the same as the scope in the prior reviews.

(subjected to an acid rinse to remove surface scale).<sup>33</sup> Sheet and strip are distinguished from one another by width.<sup>34</sup> Stainless steel is a low carbon steel which contains 10.5 percent or more chromium by weight.<sup>35</sup> There are many different stainless steel alloys, each with different characteristics.<sup>36</sup> The most commonly used steels are grades 304 and 316.<sup>37</sup>

Many consumer and industrial applications utilize SSSS products, especially where corrosion resistance, heat resistance, or stainless steel's aesthetic characteristics are desired. For example, the automotive industry uses sheet and strip to manufacture trim, exhaust and emission-control systems, and wheel covers. The pipe and tube industry uses slit coil as its raw material and produces pipe and tube by welding the lengthwise edges together. Sheet and strip are also used by the chemical and construction industries, as well as by appliance and industrial equipment manufacturers, among other applications.<sup>38</sup>

## 1. Prior Proceedings

In the original investigations, the Commission considered whether the domestic like product should include stainless steel plate and whether Grade 409 stainless steel sheet constituted a separate domestic like product.<sup>39</sup> The Commission determined not to define the domestic like product more broadly in accordance with a prior determination regarding stainless steel plate.<sup>40</sup> It also found that there was not a clear dividing line between Grade 409 stainless steel sheet and other SSSS.<sup>41</sup> Accordingly, the Commission found a single domestic like product consisting of SSSS in coils, corresponding to Commerce's scope.<sup>42</sup>

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<sup>33</sup> CR/PR at I-28.

<sup>34</sup> CR/PR at I-28. Sheet is 24 inches or greater in width; strip is less than 24 inches in width. *Id.*

<sup>35</sup> CR/PR at I-28. The addition of chromium gives the steel its corrosion resisting properties. Other alloying elements can be added to impart various characteristics, but all stainless steels contain chromium at a minimum. *Id.*

<sup>36</sup> CR/PR at I-29. The broad metallurgical groupings are austenitic, ferritic, martensitic, precipitation-hardening, and duplex. The precipitation-hardening and duplex types are less widely used than the others. Each alloying element imparts certain characteristics to the steel. *Id.*

<sup>37</sup> CR/PR at I-29.

<sup>38</sup> CR/PR at I-31.

<sup>39</sup> Original Determinations, USITC Pub. 3208 at 5-6.

<sup>40</sup> Original Determinations, USITC Pub. 3208 at 5 (referencing *Certain Stainless Steel Plate from Belgium, Canada, Italy, Korea, South Africa, and Taiwan*, Inv. Nos. 701-TA-376, 377, and 379 and 731-TA-788-793 (Final), USITC Pub. 3188 (May 1999)).

<sup>41</sup> Original Determinations, USITC Pub. 3208 at 8. The Commission found that Grade 409 stainless steel sheet shared the essential physical characteristics of other SSSS; that it was interchangeable with other low chromium grades of SSSS; that most Grade 409 stainless steel was sold (Continued...)

In the prior reviews, the Commission continued to define the domestic like product as SSSS, coextensive with Commerce’s scope.<sup>43</sup> No information developed in those reviews warranted revisiting the definition of domestic like product and no party advocated that the Commission define the domestic like product differently.<sup>44</sup>

## 2. The Current Reviews

In the current reviews, Domestic Producers argue that the Commission should define a single domestic like product, coextensive with the scope of the reviews, as it did in prior proceedings.<sup>45</sup> Japanese Respondents have not argued for a different definition of the domestic like product and did not request that the Commission collect data concerning other possible domestic like products.<sup>46</sup> There is no new information on the record indicating that the pertinent characteristics and uses of SSSS have changed since the prior proceedings so as to warrant reconsideration of the domestic like product definition.<sup>47</sup> We therefore again define the domestic like product as consisting of SSSS, coextensive with Commerce’s scope.

### B. Domestic Industry

Section 771(4)(A) of the Tariff Act defines the relevant industry as the domestic “producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product.”<sup>48</sup> In defining the domestic industry, the Commission’s general practice has been

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(...Continued)

directly to end users, similar to half of all SSSS produced domestically; that it was produced using the same facilities, equipment, and employees as other grades of SSSS; that producers and customers did not distinguish Grade 409 from other specialty steel products; and that Grade 409 SSSS was sold in the same range of prices as other grades of SSSS. *Id.* at 6-7.

<sup>42</sup> Original Determinations, USITC Pub. 3208 at 5.

<sup>43</sup> First Five-Year Reviews, USITC Pub. 3788 at 6; Second Five-Year Reviews, USTIC Pub. 4244 at 8; Third Five-Year Reviews, USTIC Pub. 4725 at 12.

<sup>44</sup> First Five-Year Reviews, USITC Pub. 3788 at 6; Second Five-Year Reviews, USTIC Pub. 4244 at 8; Third Five-Year Reviews, USTIC Pub. 4725 at 12.

<sup>45</sup> Outokumpu/NAS Prehearing Br. at 11-13; Cleveland-Cliffs Prehearing Br. at 12-14.

<sup>46</sup> CR/PR at I-36.

<sup>47</sup> See generally CR/PR at I-27 – I-36.

<sup>48</sup> 19 U.S.C. § 1677(4)(A). The definitions in 19 U.S.C. § 1677 are applicable to the entire subtitle containing the antidumping and countervailing duty laws, including 19 U.S.C. §§ 1675 and 1675a. See 19 U.S.C. § 1677.



to include in the industry producers of all domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market.

In the original investigations, the Commission found a single domestic industry consisting of all domestic producers of SSSS.<sup>49</sup> It found that one producer, J&L Specialty Steel Corp. (“J&L”), was a related party because it was wholly owned by a respondent producer but found that appropriate circumstances did not exist to exclude it from the domestic industry, as its primary interest lay in domestic production rather than importation.<sup>50</sup>

In the first reviews, the Commission found the domestic industry to consist of all domestic producers of SSSS.<sup>51</sup> It again found that appropriate circumstances did not exist to exclude J&L as a related party, given its commitment to domestic production and lack of apparent benefit from its relationship with subject producer Usinor during the period of review.<sup>52</sup>

In the second reviews, the Commission continued to define the domestic industry to include all domestic producers of SSSS.<sup>53</sup> The Commission considered whether to exclude SL-USA, a wholly-owned subsidiary of German producer ThyssenKrupp A.G.<sup>54</sup> The Commission found that appropriate circumstances did not exist to exclude SL-USA from the domestic industry, as its inclusion or exclusion would not have affected the domestic industry’s performance trends over the period of review.<sup>55</sup>

In the third reviews, the Commission continued to define the domestic industry to include all domestic producers of SSSS.<sup>56</sup> There were no related parties issues in those reviews.<sup>57</sup>

In the current reviews, Domestic Producers argue that the Commission should define the domestic industry to consist of all U.S. producers of SSSS.<sup>58</sup> Japanese Respondents have not raised any domestic industry arguments. There are no related parties issues in these reviews.<sup>59</sup>

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<sup>49</sup> Original Determinations, USITC Pub. 3208 at 9.

<sup>50</sup> Original Determinations, USITC Pub. 3208 at 9.

<sup>51</sup> First Five-Year Reviews, USITC Pub. 3788 at 8.

<sup>52</sup> First Five-Year Reviews, USITC Pub. 3788 at 7.

<sup>53</sup> Second Five-Year Reviews, USITC Pub. 4244 at 9.

<sup>54</sup> Second Five-Year Reviews, USITC Pub. 4244 at 9.

<sup>55</sup> Second Five-Year Reviews, USITC Pub. 4244 at 9.

<sup>56</sup> Third Five-Year Reviews, USITC Pub. 4725 at 11-12.

<sup>57</sup> Third Five-Year Reviews, USITC Pub. 4725 at 11-12.

<sup>58</sup> Outokumpu/NAS Prehearing Br. 13; Cleveland-Cliffs Prehearing Br. at 14-15.

<sup>59</sup> No domestic producer imported or purchased subject merchandise, and none was related to an exporter of subject merchandise. See CR/PR at I-37.

Therefore, consistent with our definition of the domestic like product, we again define the domestic industry as all domestic producers of SSSS.

### III. Cumulation

#### A. Legal Standard

With respect to five-year reviews, section 752(a) of the Tariff Act provides as follows: the Commission may cumulatively assess the volume and effect of imports of the subject merchandise from all countries with respect to which reviews under section 1675(b) or (c) of this title were initiated on the same day, if such imports would be likely to compete with each other and with domestic like products in the United States market. The Commission shall not cumulatively assess the volume and effects of imports of the subject merchandise in a case in which it determines that such imports are likely to have no discernible adverse impact on the domestic industry.<sup>60</sup>

Cumulation therefore is discretionary in five-year reviews, unlike original investigations, which are governed by section 771(7)(G)(i) of the Tariff Act.<sup>61</sup> The Commission may exercise its discretion to cumulate, however, only if the reviews are initiated on the same day, the Commission determines that the subject imports are likely to compete with each other and the domestic like product in the U.S. market, and imports from each such subject country are not likely to have no discernible adverse impact on the domestic industry in the event of revocation. Our focus in five-year reviews is not only on present conditions of competition, but also on likely conditions of competition in the reasonably foreseeable future.

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<sup>60</sup> 19 U.S.C. § 1675a(a)(7).

<sup>61</sup> 19 U.S.C. § 1677(7)(G)(i); *see also, e.g., Nucor Corp. v. United States*, 601 F.3d 1291, 1293 (Fed. Cir. 2010) (Commission may reasonably consider likely differing conditions of competition in deciding whether to cumulate subject imports in five-year reviews); *Allegheny Ludlum Corp. v. United States*, 475 F. Supp. 2d 1370, 1378 (Ct. Int'l Trade 2006) (recognizing the wide latitude the Commission has in selecting the types of factors it considers relevant in deciding whether to exercise discretion to cumulate subject imports in five-year reviews); *Nucor Corp. v. United States*, 569 F. Supp. 2d 1328, 1337-38 (Ct. Int'l Trade 2008).

## B. The Original Investigations and Prior Reviews

*Original Investigations.* In the original investigations, the Commission cumulated imports from all eight subject countries: France, Germany, Italy, Japan, Korea, Mexico, Taiwan, and the United Kingdom.<sup>62</sup> The parties did not dispute that subject imports from all eight countries were present in the U.S. market throughout the period of investigation and that they competed in the same geographic markets.<sup>63</sup> The record showed that there was an overlap in the channels of distribution of the subject imports and the domestic like product and a sufficient degree of fungibility among subject imports from all eight countries and with the domestic like product to warrant cumulating subject imports from each subject country.<sup>64</sup>

In the first reviews, the Commission exercised its discretion to cumulate subject imports from Germany, Italy, Japan, South Korea, Mexico, and Taiwan, and not to cumulate subject imports from France or the United Kingdom.<sup>65</sup> It did not find that subject imports from any of the eight countries would be likely to have no discernible adverse impact on the domestic industry if the orders were revoked. It further found that there was a likely reasonable overlap of competition among imports from the subject countries and between subject imports and the domestic like product.<sup>66</sup> However, the Commission found that significant differences in likely conditions of competition existed with respect to subject imports from France and the United Kingdom.<sup>67</sup>

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<sup>62</sup> Original Determinations, USITC Pub. 3208 at 12.

<sup>63</sup> Original Determinations, USITC Pub. 3208 at 11.

<sup>64</sup> Original Determinations, USITC Pub. 3208 at 11.

<sup>65</sup> First Five-Year Reviews, USITC Pub. 3788 at 9.

<sup>66</sup> First Five-Year Reviews, USITC Pub. 3788 at 9.

<sup>67</sup> First Five-Year Reviews, USITC Pub. 3788 at 9. The record indicated that subject imports from France displayed different pricing behavior than other subject imports both before and after the orders took effect. The Commission considered that the volume of subject imports from France declined annually during the original period of investigation. *Id.* at 19. It also considered that subject imports from France oversold the domestic like product during the original period of investigation and that their average unit values (“AUVs”) increased during the period in which the domestic industry’s unit sales values and operating profits declined the most. *Id.* at 18-19. Moreover, it found that the record during the period of review indicated that subject imports from France continued to oversell the domestic like product. *Id.* at 19.

The Commission found that the volume of subject imports from the United Kingdom declined each year of the original period of investigation, sales of these imports were concentrated in a specialty product with high AUVs, and the sole producer in the United Kingdom did not add production capacity during the period of review. *Id.* at 19.

In the second reviews, the Commission exercised its discretion to cumulate subject imports from Germany, Italy, and Mexico in one group, and to cumulate subject imports from Japan, South Korea, and Taiwan in another.<sup>68</sup> It found that subject imports from each of the six subject countries were not likely to have no discernible adverse impact on the domestic industry and that there was a likely reasonable overlap of competition among imports from each country and between the subject imports and the domestic like product.<sup>69</sup> However, it found that subject imports from Germany, Italy, and Mexico were likely to compete under conditions of competition that were similar to each other but different from the conditions that applied to subject imports from Japan, South Korea, and Taiwan.<sup>70</sup>

In the third reviews, the Commission exercised its discretion to cumulate subject imports from Japan, South Korea, and Taiwan.<sup>71</sup> It found that subject imports from each of the three subject countries were not likely to have no discernible adverse impact on the domestic industry.<sup>72</sup> It also found that there would likely be a reasonable overlap of competition among

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<sup>68</sup> Second Five-Year Reviews, USITC Pub. 4244 at 11.

<sup>69</sup> Second Five-Year Reviews, USITC Pub. 4244 at 11.

<sup>70</sup> Second Five-Year Reviews, USITC Pub. 4244 at 18. The Commission found that almost all subject imports from Germany, Italy, and Mexico were controlled by ThyssenKrupp, and would likely be coordinated pursuant to a local supply strategy calculated to ensure the success of ThyssenKrupp's investment in domestic producer SL-USA. *Id.* at 20. By contrast, no subject imports from Japan, South Korea, or Taiwan were related to each other or to a major domestic producer. *Id.*

The Commission found that the cold-rolled SSSS industries in Japan, South Korea, and Taiwan each possessed excess capacity, were export oriented to a significant degree, and were focused on serving markets in Asia. *Id.* at 21. The Commission rejected respondent POSCO's argument that subject imports from South Korea would likely compete in the U.S. market under different conditions of competition. *Id.* The Commission observed that POSCO's argument was predicated almost entirely on the conditions of competition that its own exports would likely compete under rather than those of the overall industry producing SSSS in Korea. *Id.* at 21-22.

<sup>71</sup> Third Five-Year Reviews, USITC Pub. 4725 at 17-26.

<sup>72</sup> Third Five-Year Reviews, USITC Pub. 4725 at 17-26. The Commission was not persuaded by Hitachi's argument that subject imports from Japan were likely to have no discernible adverse impact because they had historically been low and that producers of subject merchandise in Japan generally focused on niche markets. The Commission found that, even assuming arguendo that Hitachi's exports of SSSS to the United States are limited to niche products, Hitachi alone did not constitute the subject industry in Japan. To the contrary, Hitachi was one of many producers of subject merchandise in Japan. Moreover, the Commission found that subject producers in Japan exported substantial volumes of SSSS over the period of review and that the AUVs of exports from Japan overall were substantially below the AUVs for exports to the United States, suggesting that exports of SSSS from Japan are not strictly limited to specialty products. Thus, the Commission concluded that, given evidence that the Japanese industry was export oriented, had excess capacity, and was not limited to producing specialty products, it was not persuaded that imports from Japan would remain low upon revocation of the order. *Id.* at 17-18. (Continued...)

imports from each country and between the subject imports and the domestic like product,<sup>73</sup> and that imports from each subject source were likely to compete under similar conditions of competition after revocation.<sup>74</sup>

### C. The Current Reviews

The statutory threshold for cumulation is satisfied in these reviews, because all reviews were initiated on the same day: September 1, 2022.<sup>75</sup>

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The Commission was likewise not persuaded by Hyundai BNG's argument that subject producers in Korea were uninterested in the U.S. market. It observed that subject imports from South Korea were not only present in the U.S. market, but increased in volume during the period of review, despite the orders and that merchandise from nonsubject South Korean producers were also present in non-trivial quantities. It also found that the information on the record indicated that producers in Korea had sufficient interest in the U.S. market that likely imports upon revocation would increase beyond current levels. *Id.* at 21.

<sup>73</sup> Third Five-Year Reviews, USITC Pub. 4725 at 22-24. The Commission found that the domestic like product and imports from each subject country remained fungible and were simultaneously present in the market. It further found that, upon revocation, subject imports from each source would likely have geographic overlap as they did prior to imposition of the orders and during the prior reviews. The Commission concluded that, to the extent that subject imports from Japan and Taiwan were sold in different channels of distribution during the period of review, there was considerable overlap in channels of distribution between subject imports from those countries and the domestic like product, as well as with subject imports from South Korea. It determined that, absent the discipline of the orders, subject imports would likely have common channels of distribution as they did either before imposition of the orders or during prior reviews, when they were present in the market in greater quantities than during the current period of review. *Id.*

<sup>74</sup> Third Five-Year Reviews, USITC Pub. 4725 at 24-26. The Commission rejected Hyundai BNG's contention that subject imports from South Korea would compete under different conditions of competition from the other subject imports because a substantial portion of its sales were made to South Korean companies that supplied components to its affiliate Hyundai Motors. It observed that these sales accounted for a minority of Hyundai BNG's shipments. Moreover, it found that there was no information in the record that suggested the South Korean industry as a whole maintained similar relationships. *Id.*

The Commission further found that the record also did not support Hyundai BNG's argument that subject imports from South Korea were likely to compete under different conditions of competition from other subject imports because the South Korean producers subject to the orders were re-rollers rather than integrated producers. It concluded that, even assuming *arguendo* that Hyundai BNG was correct in its claim that achieving high capacity utilization was less significant for re-rollers than for integrated producers, there was nothing in the record indicating that subject re-rollers lacked incentives to use their available capacity for export. Moreover, it found that the record indicated that there were re-rollers in Japan and Taiwan; therefore, the presence of re-rollers did not entirely distinguish the industry in Korea from those in Japan and Taiwan. *Id.*

## 1. Party Arguments

Domestic Producers argue that the Commission should cumulate imports from all subject sources for purposes of its analysis of likely injury.<sup>76</sup>

Japanese Respondents argue that the Commission should not cumulate subject imports from Japan with imports of SSSS from the other subject countries. In particular, they argue that subject imports from Japan are likely to have no discernible adverse impact after revocation due to 1) the minimal presence of subject imports from Japan in the U.S. market since imposition of the order for reasons unrelated to the order; 2) the concentration of subject imports from Japan in high-value, specialty products; 3) the Japanese producers' lack of export orientation and high capacity utilization; and 4) the effect of the Section 232 tariff rate quota ("TRQ").<sup>77</sup> Alternatively, Japanese Respondents argue that the Commission should exercise its discretion and decline to cumulate imports of SSSS from Japan with imports from other subject sources because SSSS from Japan would likely compete under different conditions of competition upon revocation.<sup>78</sup>

## 2. Analysis

### a) Likelihood of No Discernible Adverse Impact

The statute precludes cumulation if the Commission finds that subject imports from a country are likely to have no discernible adverse impact on the domestic industry.<sup>79</sup> Neither the statute nor the Uruguay Round Agreements Act ("URAA") Statement of Administrative Action ("SAA") provides specific guidance on what factors the Commission is to consider in determining that imports "are likely to have no discernible adverse impact" on the domestic industry.<sup>80</sup> With respect to this provision, the Commission generally considers the likely volume of subject imports and the likely impact of those imports on the domestic industry within a

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<sup>75</sup> Stainless Steel Sheet and Strip From Japan, Korea, and Taiwan; Institution of Five-Year Reviews, 87 Fed. Reg. 53780 (Sept. 1, 2022).

<sup>76</sup> Outokumpu/NAS Prehearing Br. at 14-45; Outokumpu/NAS Posthearing Br. at 5-13; Cleveland-Cliffs Prehearing Br. at 15-48; Cleveland-Cliffs Posthearing Br. at 4-12.

<sup>77</sup> Japanese Respondents Prehearing Br. at 2-16; Japanese Respondents Posthearing Br. at 1-2, Exh. 1; Japanese Respondents Final Comments at 1-9.

<sup>78</sup> Japanese Respondents Prehearing Br. at 16-22; Japanese Respondents Posthearing Br. at 2-11, Exh. 1; Japanese Respondents Final Comments at 1-9.

<sup>79</sup> 19 U.S.C. § 1675a(a)(7).

<sup>80</sup> SAA, H.R. Rep. No. 103-316, vol. I at 887 (1994).

reasonably foreseeable time if the orders are revoked. Our analysis for each of the subject countries takes into account, among other things, the nature of the product and the behavior of subject imports in the original investigations.

*Japan.* In the original investigations, the volume of subject imports from Japan increased irregularly from \*\*\* short tons in 1996 to \*\*\* short tons in 1998.<sup>81</sup> As a share of apparent U.S. consumption, subject imports from Japan likewise increased irregularly, from \*\*\* percent in 1996 to \*\*\* percent in 1998.<sup>82</sup> During the original investigations, the Commission received questionnaire responses from 11 firms.<sup>83</sup> Japanese producers' reported capacity ranged from \*\*\* short tons in 1996 to \*\*\* short tons in 1998, their production ranged from \*\*\* short tons in 1996 to \*\*\* short tons in 1998, and their exports to the United States accounted for between \*\*\* percent and \*\*\* percent of their total shipments from 1996 to 1998.<sup>84</sup>

In the first reviews, the volume of subject imports from Japan decreased irregularly from \*\*\* short tons in 1999 to \*\*\* short tons in 2004.<sup>85</sup> As a share of apparent U.S. consumption, subject imports from Japan likewise decreased from \*\*\* percent in 1999 to \*\*\* percent in 2004.<sup>86</sup> The Commission received foreign producer/exporter questionnaires from two firms, but only one reported exports to the United States; nine firms declined to participate.<sup>87</sup> Japanese producers' reported capacity ranged from \*\*\* short tons in 1999 to \*\*\* short tons in 2004, their production ranged from \*\*\* short tons in 1999 to \*\*\* short tons in 2004, and their exports to the United States accounted for between \*\*\* percent and \*\*\* percent of their total shipments from 1999 to 2004.<sup>88</sup>

In the second reviews, the volume of subject imports from Japan increased from \*\*\* short tons in 2005 to \*\*\* short tons in 2007 before decreasing to \*\*\* short tons in 2010.<sup>89</sup> As a share of apparent U.S. consumption, subject imports from Japan initially increased from \*\*\* percent in 2005 to \*\*\* percent in 2007 and then decreased to \*\*\* percent in 2010.<sup>90</sup> During the second reviews, the Commission received foreign producer/exporter questionnaire

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<sup>81</sup> Original Determinations, CR/PR at Table IV-1.

<sup>82</sup> Original Determinations, CR/PR at Table C-1.

<sup>83</sup> CR/PR at IV-29; Original Determinations, CR/PR at VII-3.

<sup>84</sup> Original Determinations, CR/PR at Table VII-4.

<sup>85</sup> First Review Determinations, CR/PR at Table IV-1.

<sup>86</sup> First Review Determinations, CR/PR at Table C-1.

<sup>87</sup> CR/PR at IV-29; First Review Determinations, CR/PR at IV-14.

<sup>88</sup> First Review Determinations, CR/PR at Table IV-10.

<sup>89</sup> Second Review Determinations, CR/PR at Table IV-1.

<sup>90</sup> Second Review Determinations, CR/PR at Table C-1.

responses from two firms.<sup>91</sup> Noting that there had been 11 firms in the original investigations, the Commission concluded that the record in the second reviews contained limited information regarding the SSSS industry in Japan. The Commission found that \*\*\* data indicated that in 2010 Japanese SSSS producers' capacity was \*\*\* short tons and production was \*\*\* short tons, suggesting a capacity utilization rate of \*\*\* percent and excess capacity of \*\*\* short tons. The Commission also found that Japanese SSSS exports were 900,265 short tons, equivalent to \*\*\* percent of production, suggesting that Japanese cold-rolled SSSS producers were export oriented.<sup>92</sup>

In the third reviews, the volume of subject imports from Japan decreased irregularly from \*\*\* short tons in 2014 to \*\*\* short tons in 2016; it was lower at \*\*\* short tons in the January-March 2017 period compared to \*\*\* short tons in January-March 2016.<sup>93</sup> As a share of apparent U.S. consumption, subject imports from Japan remained below \*\*\* percent throughout the period of review.<sup>94</sup> The Commission received usable data from one firm, but in light of the limited coverage provided by the questionnaire data, it relied on \*\*\* data and official statistics for information regarding the industry in Japan.<sup>95</sup> \*\*\* data indicated that the capacity to produce cold-rolled SSSS in Japan was stable at \*\*\* short tons from 2014 to 2016.<sup>96</sup>

In the current reviews, the volume of subject imports from Japan increased from 2,251 short tons in 2020 to 2,934 short tons in 2021, and 3,107 short tons in 2022; it was 695 short tons in January-March 2023 ("interim 2023") compared to 632 short tons in January-March 2022 ("interim 2022").<sup>97</sup> Subject imports from Japan as a share of apparent U.S. consumption ranged from 0.1 percent to 0.2 percent during the POR.<sup>98</sup> Effective April 1, 2022, imports of SSSS originating in Japan have been subject to an annual TRQ under Section 232, which permits 5,302 short tons of SSSS from Japan to enter in-quota without additional duties but imposes additional 25 percent duties on out-of-quota imports above that level.<sup>99</sup>

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<sup>91</sup> Second Review Determinations, CR/PR at IV-12.

<sup>92</sup> Second Five-Year Reviews, Confidential Determinations at 17-18.

<sup>93</sup> Second Five-Year Reviews, CR/PR at Table IV-1.

<sup>94</sup> Second Five-Year Reviews, CR/PR at Table C-1.

<sup>95</sup> Third Five-Year Reviews, Confidential Determinations at 23-24.

<sup>96</sup> Third Five-Year Reviews, Confidential Determinations at 23-24.

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

<sup>98</sup> CR/PR at Tables I-20 & C-1.

<sup>99</sup> CR/PR at I-26 - I-27. The annual TRQ for imports of steel products from Japan within the scope of these reviews is as follows: Quota ID 9903.81.48 (Hot-rolled sheet of stainless steel): 1,580,845 kg annual quota; quota ID 9903.81.49 (Hot-rolled strip of stainless steel): 10,788 kg annual quota; quota ID (Continued...)



In these reviews, the Commission issued questionnaires to eight firms believed to produce and/or export SSSS in Japan. Usable responses to the Commission’s questionnaire were received from six firms: JFE Steel, Proterial, Nas Stainless, NSSC, and NYK, and Sasano Max, Ltd (“Sasano”).<sup>100</sup> These firms estimated that they accounted for \*\*\* SSSS production in Japan in 2022, although their exports to the United States accounted for \*\*\* percent of subject imports, by quantity, in 2022.<sup>101</sup>

According to responding Japanese producers, capacity in Japan was \*\*\* short tons in 2020, \*\*\* short tons in 2021, and \*\*\* short tons in 2022; it was \*\*\* short tons in interim 2023 compared to \*\*\* short tons in interim 2022.<sup>102</sup> Reported SSSS production in Japan was \*\*\* short tons in 2020, \*\*\* short tons in 2021, and \*\*\* short tons in 2022; it was \*\*\* short tons in interim 2023 compared to \*\*\* short tons in interim 2022.<sup>103</sup> Capacity utilization of the responding Japanese producers was \*\*\* percent in 2020, \*\*\* percent in 2021, and \*\*\* percent in 2022; it was \*\*\* percent in interim 2023 compared to \*\*\* percent in interim 2022.<sup>104</sup> In 2022, responding Japanese producers possessed excess capacity of \*\*\* short tons, equivalent to \*\*\* percent of apparent U.S. consumption that year.<sup>105</sup> Four out of five responding Japanese producers reported producing other products on the same equipment and machinery used to produce SSSS.<sup>106</sup> Responding Japanese producers’ exports to markets other than the United States as a share of total shipments of SSSS ranged from \*\*\* percent to \*\*\* percent during the POR, while exports to the United States accounted for less than \*\*\* percent to \*\*\* percent of total shipments.<sup>107</sup>

According to Global Trade Atlas (“GTA”) data concerning exports of SSSS, which may include out-of-scope products, exports of SSSS from Japan decreased irregularly during the POR, increasing from 426,450 short tons in 2020 to 514,839 short tons in 2021, before declining

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(...Continued)

9903.81.51 (Cold-rolled sheet of stainless steel): 508,726 kg annual quota; and quota ID 9903.81.52 (Cold-rolled strip of stainless steel): 2,709,633 kg annual quota. CR/PR at I-27 n.49.

<sup>100</sup> Hitachi Metals, Ltd., which participated in prior reviews of these orders, was sold to a consortium led by Bain Capital Private Equity, LP and subsequently changed its name to Proterial, Ltd., effective January 4, 2023. CR/PR at IV-29 n.25.

<sup>101</sup> CR/PR at IV-30 n.26.

<sup>102</sup> CR/PR at Table IV-16.

<sup>103</sup> CR/PR at Table IV-16.

<sup>104</sup> CR/PR at Table IV-16.

<sup>105</sup> *Calculated* from Tables IV-16, C-1.

<sup>106</sup> CR/PR at IV-43.

<sup>107</sup> CR/PR at Table IV-16.

to 412,803 short tons in 2022.<sup>108</sup> The leading destination markets for exports of such products from Japan in 2022 were China and Thailand, although Mexico was the sixth leading export market that year.<sup>109</sup>

In the original investigations, subject imports from Japan undersold the domestic like product in \*\*\* of \*\*\* comparisons with underselling margins ranging from \*\*\* to \*\*\* percent.<sup>110</sup> In the first reviews, subject imports from Japan oversold the domestic like product in the \*\*\* with an overselling margin of \*\*\* percent.<sup>111</sup> In the second and third reviews, no product-specific pricing data were collected for subject imports from Japan.<sup>112</sup> In the current reviews, subject imports from Japan undersold the domestic like product in \*\*\* of the available \*\*\* comparisons, involving \*\*\* short tons at a margin of \*\*\* percent.<sup>113</sup>

In light of the foregoing, including the volume of subject imports from Japan and underselling by such imports in the original investigations, the continued presence of subject imports from Japan in the U.S. market during the POR, the large production capacity, including excess capacity, and volume of global exports of the SSSS industry in Japan, we find that revocation of the antidumping duty order on subject imports from Japan would not likely have no discernible adverse impact on the domestic industry.

We are unpersuaded by the Japanese Respondents' argument that the Commission should not cumulate subject imports from Japan with imports from other subject sources because imports of SSSS would likely have no discernible adverse impact on the domestic industry upon revocation of the order.<sup>114</sup> In particular, Japanese Respondents argue that the volume of subject imports from Japan was "low and stable" during the POR, and not likely to increase if the order were revoked.<sup>115</sup> However, the volume of subject imports from Japan during the POR reflects the disciplining effects of the order. As discussed above, their continued presence, along with the volume and pricing of subject imports from Japan in the

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<sup>108</sup> CR/PR at Table IV-19, providing GTA export data for exports from Japan under HS subheadings 7219.13, 7219.14, 7219.32, 7219.33, 7219.34, 7219.35, 7219.90, 7220.12, 7220.20, and 7220.90. These data may be overstated as the HS subheadings may contain products outside the scope of these reviews. *Id.*

<sup>109</sup> CR/PR at Table IV-19.

<sup>110</sup> Original Determinations, CR/PR at Table V-15.

<sup>111</sup> First Five-Year Reviews, CR/PR at Table V-11.

<sup>112</sup> Second Five-Year Reviews, CR/PR at V-11; Third Five-Year Reviews, CR/PR at V-14.

<sup>113</sup> CR/PR at Table V-22.

<sup>114</sup> Japanese Respondents Prehearing Br. at 2-16; Japanese Respondents Posthearing Br. at 1-2, Exh. 1.

<sup>115</sup> Japanese Respondents Prehearing Br. at 2-6; Japanese Respondents Posthearing Br. at 1-2.

original investigations without the discipline of the order and the large capacity, including excess capacity, and export activities of the SSSS industry in Japan, indicate that, upon revocation, subject imports from Japan would not likely enter the U.S. market at levels that would have no discernible adverse impact on the domestic industry.

We likewise find unpersuasive Japanese Respondents' argument that subject imports from Japan are likely to have no discernible adverse impact on the domestic industry because such imports are concentrated in high-value, specialty products.<sup>116</sup> This argument is predicated on the current product mix of subject imports from Japan, with the orders in place, but as discussed in more detail below in section III.C.2.b, we find that subject imports from Japan are sufficiently fungible with SSSS from other sources to support a finding that there would likely be a reasonable overlap of competition between such imports and the domestic like product and imports from other subject sources if the orders were revoked. Additionally, as discussed in more detail below in section III.C.2.c, we find that if the orders were revoked subject imports from Japan are likely to compete with the domestic like product and imports from other subject sources under similar conditions of competition, including with respect to the ability to supply a range of SSSS products (*e.g.*, so-called specialty products as well as grades recognized by the industry as more commonly used types of SSSS).

Japanese Respondents further claim that the SSSS industry in Japan is not export oriented and that any exports are primarily destined for other Asian markets.<sup>117</sup> However, as indicated above, responding Japanese producers reported exporting \*\*\* to \*\*\* percent of their total shipments during the POR, which equated to volumes ranging between \*\*\* short tons during the full years of the POR.<sup>118</sup> GTA data concerning exports of SSSS also indicate that Japanese producers exported substantial quantities of SSSS and that Mexico was among the largest destination markets for such exports.<sup>119</sup> Accordingly, the Japanese producers' targeting of the Mexican market and their continued presence in the U.S. market indicates that they are not limited to their home and Asian markets as Japanese Respondents claim. Moreover, the record in these reviews shows that the Japanese industry's home market shipments and exports to markets other than the United States decreased from 2021 to 2022 and were lower

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<sup>116</sup> Japanese Respondents Prehearing Br. at 6-9; Japanese Respondents Posthearing Br. at 1-2, Exhs. 1, 3, 4; Japanese Respondents Final Comments at 1-9.

<sup>117</sup> Japanese Respondents Prehearing Br. at 10-11; Japanese Respondents Final Comments at 12-15.

<sup>118</sup> CR/PR at Table IV-16.

<sup>119</sup> CR/PR at Table IV-19. According to GTA data, which may contain out-of-scope merchandise, exports from Japan to Mexico totaled 7.8 percent of total Japanese exports in 2022. *Id.*

in interim 2023 compared to interim 2022,<sup>120</sup> providing Japanese producers with an incentive to seek out new customers and markets within a reasonably foreseeable time.

We likewise find unavailing Japanese Respondents' claims that Japanese producers do not have available capacity to increase shipments of SSSS to the U.S. market if the order were revoked.<sup>121</sup> Notwithstanding that Japanese producers may have reported turning down orders during the POR,<sup>122</sup> the record in these reviews, as discussed above, indicates that the capacity utilization rate of the responding Japanese producers initially increased from \*\*\* percent in 2020 to \*\*\* percent in 2021 before declining to \*\*\* percent in 2022, and was lower in interim 2023, at \*\*\* percent, than in interim 2022, at \*\*\* percent.<sup>123</sup> Thus, Japanese producers had available capacity throughout the POR, and excess capacity of \*\*\* short tons in 2022, equivalent to \*\*\* percent of apparent U.S. consumption that year.<sup>124</sup> Moreover, as also discussed above, four out of five responding Japanese producers reported producing other products on the same equipment and machinery used to produce SSSS, indicating that they also would have some ability to shift production from out-of-scope merchandise to SSSS.<sup>125</sup> Consequently, we do not find that Japanese producers face capacity constraints that would prevent their exports to the United States from having a discernible adverse impact on the domestic industry if the order were revoked.

We also find unpersuasive Japanese Respondents' arguments that the Section 232 TRQ applicable to subject imports from Japan would prevent such imports from having a discernible adverse impact on the domestic industry if the order were revoked.<sup>126</sup> As previously noted, this

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<sup>120</sup> CR/PR at Table IV-16. Japanese producers' home market shipments decreased from \*\*\* short tons in 2021 to \*\*\* short tons in 2022; they were \*\*\* short tons in interim 2023 and \*\*\* short tons in interim 2022. *Id.* Japanese producers' exports to markets other than the United States decreased from \*\*\* short tons in 2021 to \*\*\* short tons in 2022; they were \*\*\* short tons in interim 2023 and \*\*\* short tons in interim 2022. *Id.*

<sup>121</sup> Japanese Respondents Prehearing Br. at 11-12; Japanese Respondents Final Comments at 10-11.

<sup>122</sup> Japanese Respondents Prehearing Br. at 12.

<sup>123</sup> CR/PR at Table IV-16. Contrary to the Japanese Respondents' contention that the responding Japanese producers' reported capacity and capacity utilization rates are not accurate or reliable representations of the available capacity in Japan, the instructions included in the Commission's questionnaires regarding the calculation and reporting of producers' capacity, including practical capacity, were detailed and clear and each producer certified the accuracy of its response. *See, e.g.,* Cleveland-Cliffs Posthearing Br., Exh. 1 at 33-36.

<sup>124</sup> *Calculated* from Tables IV-16, C-1.

<sup>125</sup> CR/PR at IV-43.

<sup>126</sup> Japanese Respondents Prehearing Br. at 13-16.

TRQ is not an absolute cap on the volume of subject imports from Japan and additional volumes of product may be imported with payment of the 25 percent tariff. Accordingly, the TRQ would not prevent the volume of subject imports from Japan from increasing if the orders were revoked. Furthermore, the record indicates that the antidumping duty order has had a disciplining effect on the volume of subject imports from Japan, which increased irregularly during the original period of investigation before declining from \*\*\* short tons in 1998, which was the last year of the original period of investigation, to \*\*\* short tons in 1999 and \*\*\* short tons in 2004, which were the first and last years examined in the first reviews.<sup>127</sup>

Notwithstanding the disciplining effect of the order, Japanese producers have remained interested in serving the U.S. market, as reflected by the continued presence of subject imports from Japan during the POR. We therefore do not find that the Section 232 TRQ applicable to subject imports from Japan would prevent such imports from having a discernible adverse impact on the domestic industry if the order were revoked.

*South Korea.* In the original investigations, the volume of subject imports from South Korea increased irregularly from \*\*\* short tons in 1996 to \*\*\* short tons in 1998.<sup>128</sup> As a share of apparent U.S. consumption, subject imports from South Korea likewise increased irregularly, from \*\*\* percent in 1996 to \*\*\* percent in 1998.<sup>129</sup> During the original investigations, the Commission received questionnaire responses from four firms.<sup>130</sup> South Korean producers' reported capacity increased irregularly from \*\*\* short tons in 1996 to \*\*\* short tons in 1998, their production ranged from \*\*\* short tons in 1996 to \*\*\* short tons in 1998, and their exports to the United States accounted for between \*\*\* percent and \*\*\* percent of their total shipments from 1996 to 1998.<sup>131</sup>

In the first and second reviews, the Commission separately examined whether there would be a discernible adverse impact for subject imports from South Korea subject to the antidumping duty order and subject imports from South Korea subject to the countervailing duty order, which were not coextensive as the two orders applied to a differing set of South Korean producers/exporters.<sup>132</sup> Such an analysis was not possible in the third reviews because only one producer, which was subject to both the antidumping and countervailing duty orders,

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<sup>127</sup> Original Determinations, CR/PR at Table IV-1; First Five-Year Reviews, CR/PR at Table IV-1.

<sup>128</sup> Original Determinations, CR/PR at Table IV-1.

<sup>129</sup> Original Determinations, CR/PR at Table C-1.

<sup>130</sup> CR/PR at IV-47; Original Determinations, CR/PR at VII-5.

<sup>131</sup> Original Determinations, CR/PR at Table VII-5.

<sup>132</sup> Second Five-Year Reviews, USITC Pub. 4244 at 13; First Five-Year Reviews, USITC Pub. 3788 at

responded to the Commission's questionnaires and other available data concerning the industry in South Korea was not generally furnished on a firm-specific basis.<sup>133</sup>

In the third reviews, the record indicated that imports from South Korea subject to an order under review increased from \*\*\* short tons in 2014 to \*\*\* short tons in 2015 and \*\*\* short tons in 2016; they were higher in January-March 2017, at \*\*\* short tons, than in January-March 2016, at \*\*\* short tons.<sup>134</sup> The market penetration of these imports never exceeded \*\*\* percent during the period of review.<sup>135</sup> Available information indicated that the industry producing cold-rolled SSSS in South Korea, excluding POSCO, had a capacity to produce \*\*\* short tons in each year of the period of review (the industry including POSCO had a capacity of \*\*\* short tons in each year).<sup>136</sup> Using total shipments as a proxy for production yielded a capacity utilization rate of \*\*\* percent in 2014, \*\*\* percent in 2015, and \*\*\* percent in 2016.<sup>137</sup> According to official South Korean statistics, exports of SSSS from South Korea increased over the period of review, from roughly 1.2 million short tons in 2014 to roughly 1.3 million short tons in 2015 and 2016.<sup>138</sup>

In the current reviews, the volume of subject imports from South Korea declined from \*\*\* short tons in 2020 to \*\*\* short tons in 2021 and \*\*\* short tons in 2022; it was \*\*\* short tons in interim 2023 compared to \*\*\* short tons in interim 2022.<sup>139</sup> Subject imports from South Korea as a share of apparent U.S. consumption ranged from \*\*\* percent to \*\*\* percent during the POR.<sup>140</sup> SSSS originating in South Korea is subject to an absolute annual quota of 17,963 short tons under Section 232, which would allow for a substantial volume of South Korean imports above the quantities of subject imports recorded in the 2020-2022 period.<sup>141</sup>

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<sup>133</sup> Third Five-Year Reviews, Confidential Views at 25.

<sup>134</sup> Third Five-Year Reviews, Confidential Views at 26.

<sup>135</sup> Third Five-Year Reviews, Confidential Views at 27.

<sup>136</sup> Third Five-Year Reviews, Confidential Views at 26-27.

<sup>137</sup> Third Five-Year Reviews, Confidential Views at 27-28.

<sup>138</sup> Third Five-Year Reviews, Confidential Views at 28-29.

<sup>139</sup> CR/PR at Table IV-1.

<sup>140</sup> CR/PR at Tables I-20 & C-1.

<sup>141</sup> CR/PR at I-26 - I-27. The annual absolute quota limits for HTS subcategories are as follows: quota ID 9903.80.28 (Hot-rolled sheet of stainless steel): 1,172,992 kg; quota ID 9903.80.29 (Hot-rolled strip of stainless steel and other products): 13,346 kg; quota ID 9903.80.31 (Cold-rolled sheet of stainless steel): 13,460,008 kg; and quota ID 9903.80.32 (Cold-rolled strip of stainless steel): 1,649,722 kg. The total quota limit and usage is 16,296,068 kg (75.9 percent used in 2022 and 16.9 percent used in the first two quarters of 2023). CR/PR at I-27 n.48.

In these reviews, no South Korean firm responded to the Commission’s foreign producer exporter questionnaire, although 52 firms were identified by domestic interested parties as possible producers of SSSS in South Korea.<sup>142</sup> Available information from \*\*\* indicates that the South Korean industry’s capacity for stainless steel cold-rolled products, which includes in-scope and out-of-scope products, was \*\*\* short tons during the 2020-2022 time period.<sup>143</sup> Production was \*\*\* short tons in 2020, \*\*\* short tons in 2021, and \*\*\* short tons in 2022.<sup>144</sup> Capacity utilization was \*\*\* percent in 2020, \*\*\* percent in 2021, and \*\*\* percent in 2022.<sup>145</sup> These data indicate that the South Korean industry possessed excess capacity of \*\*\* short tons in 2022, equivalent to \*\*\* percent of apparent U.S. consumption that year.<sup>146</sup> Exports as a share of production were \*\*\* percent in 2020, \*\*\* percent in 2021, and \*\*\* percent in 2022.<sup>147</sup>

According to GTA data concerning exports of SSSS, which may include out-of-scope products, exports of SSSS from South Korea decreased during the POR from 1.2 million short tons in 2020 to 1.1 million short tons in 2021 and 720,979 short tons in 2022.<sup>148</sup> The leading destination markets for exports of such merchandise from South Korea in 2022 were Thailand and Vietnam, with Mexico, Italy, and Turkey also among the top export destinations.<sup>149</sup>

In the original investigations, subject imports from South Korea undersold the domestic like product in \*\*\* of \*\*\* comparisons with underselling margins ranging from \*\*\* to \*\*\* percent.<sup>150</sup> In the first reviews, subject imports from South Korea undersold the domestic like product in \*\*\* of \*\*\* comparisons with underselling margins ranging from \*\*\* to \*\*\* percent.<sup>151</sup> In the second reviews, subject imports from South Korea undersold the domestic like product in \*\*\* of \*\*\* comparisons with underselling margins ranging from \*\*\* to \*\*\*

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<sup>142</sup> CR/PR at IV-46.

<sup>143</sup> CR/PR at Table IV-20. These data are overinclusive because they include excluded producer POSCO and certain out-of-scope products, and they are underinclusive because they do not include in-scope hot-rolled stainless steel sheet and strip products. *Id.* at Note.

<sup>144</sup> CR/PR at Table IV-20.

<sup>145</sup> CR/PR at Table IV-20.

<sup>146</sup> *Calculated from* CR/PR at Tables IV-20, C-1.

<sup>147</sup> CR/PR at Table IV-20.

<sup>148</sup> CR/PR at Table IV-21, providing GTA export data for exports from South Korea under HS subheadings 7219.13, 7219.14, 7219.32, 7219.33, 7219.34, 7219.35, 7219.90, 7220.12, 7220.20, and 7220.90. These data may be overstated as the HS subheadings may contain products outside the scope of these reviews. *Id.*

<sup>149</sup> CR/PR at Table IV-21.

<sup>150</sup> Original Determinations, CR/PR at Table V-15.

<sup>151</sup> First Five-Year Reviews, CR/PR at Tables V-3 – V-8, V-11.

percent.<sup>152</sup> In the third and current reviews, no product-specific pricing data were collected for subject imports from South Korea.<sup>153</sup>

In light of the foregoing, including the large and increasing volume of subject imports from South Korea and underselling by such imports in the original investigations, the continued presence of subject imports from South Korea in the U.S. market during the POR, and the large production capacity, including excess capacity, and volume of global exports of the SSSS industry in South Korea, we find that revocation of the antidumping and countervailing duty orders on subject imports from South Korea would not likely have no discernible adverse impact on the domestic industry.

*Taiwan.* In the original investigations, the volume of subject imports from Taiwan increased from \*\*\* short tons in 1996 to \*\*\* short tons in 1997 and \*\*\* short tons in 1998.<sup>154</sup> As a share of apparent U.S. consumption, subject imports from Taiwan ranged from \*\*\* to \*\*\* percent in the original investigations.<sup>155</sup> During the original investigations, the Commission received questionnaire responses from three firms.<sup>156</sup> SSSS producers in Taiwan reported capacity of \*\*\* short tons during the 1996-1998 period, their production ranged from \*\*\* short tons in 1996 to \*\*\* short tons in 1998, and their exports to the United States accounted for between \*\*\* percent and \*\*\* percent of their total shipments from 1996 to 1998.<sup>157</sup>

During the first reviews, subject imports from Taiwan fluctuated but declined overall from \*\*\* short tons in 1999 to \*\*\* short tons in 2004.<sup>158</sup> As a share of apparent U.S. consumption, subject imports from Taiwan ranged from \*\*\* to \*\*\* percent in the first five-year reviews.<sup>159</sup> Only one producer in Taiwan responded to the Commission's questionnaire, providing limited information; however, the available information indicated that stainless steel production in Taiwan grew between 1999 and 2003, rising from less than 1.2 million metric

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<sup>152</sup> Second Five-Year Reviews, CR/PR at Table V-8.

<sup>153</sup> Third Five-Year Reviews, CR/PR at V-14.

<sup>154</sup> Original Determinations at Table IV-1. As discussed above, Commerce excluded two producers in Taiwan, Chang Mien and Tung Mung, in the original investigations because they received *de minimis* dumping margins. CR/PR at I-11.

<sup>155</sup> Original Determinations, CR/PR at Table C-1.

<sup>156</sup> CR/PR at IV-52; Original Determinations, CR/PR at VII-5.

<sup>157</sup> Original Determinations, CR/PR at Table VII-4.

<sup>158</sup> First Five-Year Reviews, USITC Pub. 3788 at Table D-1.

<sup>159</sup> First Five-Year Reviews, CR/PR at Table C-1.



tons to more than 1.5 million metric tons, and that total stainless steel exports also increased between 1999 and 2003.<sup>160</sup>

In the second reviews, subject imports from Taiwan fluctuated but increased overall from \*\*\* short tons in 2005 to \*\*\* short tons in 2010.<sup>161</sup> As a share of apparent U.S. consumption, subject imports from Taiwan ranged from \*\*\* to \*\*\* percent in the second five-year reviews.<sup>162</sup> No Taiwan producer responded to the Commission's questionnaire in the second reviews. According to \*\*\*, in 2010, Taiwan cold-rolled SSSS producers possessed capacity of \*\*\* short tons and made global shipments of \*\*\* short tons, which indicated (using shipments as a proxy for production) a capacity utilization rate of \*\*\* percent and excess capacity of \*\*\* short tons. The Commission found that Taiwan SSSS exports were 1,056,679 short tons, equivalent to \*\*\* percent of global Taiwan shipments, suggesting that Taiwan cold-rolled SSSS producers were export oriented.<sup>163</sup>

During the third reviews, subject imports from Taiwan increased from \*\*\* short tons in 2014 to \*\*\* short tons in 2015, and then declined slightly to \*\*\* short tons in 2016.<sup>164</sup> Imports from Taiwan were higher in January-March 2017, at \*\*\* short tons, than in January-March 2016, at \*\*\* short tons.<sup>165</sup> The market share of imports from Taiwan never exceeded \*\*\* percent during the period of review.<sup>166</sup> No producers in Taiwan responded to the Commission's questionnaire in the third reviews; accordingly, data on the industry in Taiwan was limited to \*\*\* data and official statistics.<sup>167</sup> \*\*\* data indicated that Taiwan capacity to produce cold-rolled SSSS remained stable at \*\*\* short tons from 2014 to 2016.<sup>168</sup>

In the current reviews, the volume of subject imports from Taiwan increased from \*\*\* short tons in 2020 to \*\*\* short tons in 2021 and \*\*\* short tons in 2022; it was \*\*\* short tons in interim 2023 compared to \*\*\* short tons in interim 2022.<sup>169</sup> Subject imports from Taiwan as a share of apparent U.S. consumption ranged from \*\*\* percent to \*\*\* percent during the POR.<sup>170</sup>

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<sup>160</sup> First Five-Year Reviews, CR/PR at IV-36.

<sup>161</sup> Second Five-Year Reviews, Confidential Views at 22.

<sup>162</sup> Second Five-Year Reviews, CR/PR at Table C-1.

<sup>163</sup> Second Five-Year Reviews, Confidential Views at 22.

<sup>164</sup> Third Five-Year Reviews, CR/PR at Table IV-1.

<sup>165</sup> Third Five-Year Reviews, CR/PR at Table IV-1.

<sup>166</sup> Third Five-Year Reviews, CR/PR at Table I-12.

<sup>167</sup> Third Five-Year Reviews, Confidential Views at 29-30.

<sup>168</sup> Third Five-Year Reviews, Confidential Views at 29-30.

<sup>169</sup> CR/PR at Table IV-1.

<sup>170</sup> CR/PR at Tables I-20 & C-1.

Effective March 23, 2018, SSSS originating in Taiwan became subject to an additional 25 percent *ad valorem* duty under Section 232.<sup>171</sup>

In these reviews, the Commission sent foreign producer/exporter questionnaires to eleven firms in Taiwan, but no firm responded; 98 firms were identified by domestic interested parties as possible SSSS producers in Taiwan.<sup>172</sup> Available information from \*\*\* indicates that the Taiwan industry's capacity for stainless steel cold-rolled products, which includes in-scope and out-of-scope products, was \*\*\* short tons during the 2020-2022 period.<sup>173</sup> Production was \*\*\* short tons in 2020, \*\*\* short tons in 2021, and \*\*\* short tons in 2022.<sup>174</sup> Capacity utilization was \*\*\* percent in 2020, \*\*\* percent in 2021, and \*\*\* percent in 2022.<sup>175</sup> These data indicate that the Taiwan industry possessed excess capacity of \*\*\* short tons in 2022, equivalent to \*\*\* percent of apparent U.S. consumption that year.<sup>176</sup> Exports as a share of production were \*\*\* percent in 2020, \*\*\* percent in 2021, and \*\*\* percent in 2022.<sup>177</sup>

According to GTA data concerning exports of SSSS, which may include out-of-scope products, exports of SSSS from Taiwan increased irregularly during the POR, increasing from 710,724 short tons in 2020 to 1.0 million short tons in 2021 before declining to 868,072 short tons in 2022.<sup>178</sup> The leading destinations for exports of such merchandise from Taiwan in 2022 were the United States followed by Italy and Japan.<sup>179</sup>

In the original investigations, subject imports from Taiwan undersold the domestic like product in \*\*\* of \*\*\* comparisons with underselling margins ranging from \*\*\* to \*\*\*

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<sup>171</sup> CR/PR at I-26 - I-27. We note that the volume of nonsubject imports from Taiwan increased from \*\*\* short tons in 2020 to \*\*\* short tons in 2022, a relative increase of \*\*\* percent. CR/PR at Table C-1. The increases in both subject and nonsubject imports from Taiwan during the 2020-2022 period occurred while the imports were subject to additional duties of 25 percent *ad valorem*. CR/PR at Table C-1.

<sup>172</sup> CR/PR at IV-50.

<sup>173</sup> CR/PR at Table IV-22. These data are overinclusive because they include excluded producers Chang Mien and Tung Mung as well as certain out-of-scope cold-rolled products, and they are underinclusive because they do not include in-scope hot-rolled stainless steel sheet and strip products. *Id.* at Note.

<sup>174</sup> CR/PR at Table IV-22.

<sup>175</sup> CR/PR at Table IV-22.

<sup>176</sup> *Calculated from* CR/PR at Tables IV-22, C-1.

<sup>177</sup> CR/PR at Table IV-22.

<sup>178</sup> CR/PR at Table IV-23, providing GTA export data for exports from Taiwan under HS subheadings 7219.13, 7219.14, 7219.32, 7219.33, 7219.34, 7219.35, 7219.90, 7220.12, 7220.20, and 7220.90. These data may be overstated as the HS subheadings may contain products outside the scope of these reviews. *Id.*

<sup>179</sup> CR/PR at Table IV-23.

percent.<sup>180</sup> In the first reviews, subject imports from Taiwan undersold the domestic like product in \*\*\* of \*\*\* comparisons with underselling margins ranging from \*\*\* to \*\*\* percent.<sup>181</sup> In the second reviews, subject imports from Taiwan oversold the domestic like product in \*\*\* comparisons with overselling margins ranging from 30.7 to 77.8 percent.<sup>182</sup> In the third reviews, subject imports from Taiwan undersold the domestic like product in \*\*\* of \*\*\* comparisons with an underselling margin of \*\*\* percent.<sup>183</sup> No product-specific pricing data concerning SSSS from Taiwan were obtained in these reviews.

In light of the foregoing, including the large and increasing volume of subject imports from Taiwan and underselling by such imports in the original investigations, the increasing volume and market share of subject imports from Taiwan in the U.S. market during the POR, and the large production capacity, including excess capacity, the large volume of exports of the SSSS industry in Taiwan, and the fact that the United States was the leading export market for products from Taiwan, we find that revocation of the antidumping duty order on subject imports from Taiwan would not likely have no discernible adverse impact on the domestic industry.

#### **b) Likelihood of a Reasonable Overlap of Competition**

The Commission generally has considered four factors intended to provide a framework for determining whether subject imports compete with each other and with the domestic like product.<sup>184</sup> Only a “reasonable overlap” of competition is required.<sup>185</sup> In five-year reviews, the

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<sup>180</sup> Original Determinations, CR/PR at Table V-15.

<sup>181</sup> First Five-Year Reviews, CR/PR at Tables V-3 – V-8, V-11.

<sup>182</sup> Second Five-Year Reviews, CR/PR at Table V-8.

<sup>183</sup> Third Five-Year Reviews, CR/PR at Table V-5.

<sup>184</sup> The four factors generally considered by the Commission in assessing whether imports compete with each other and with the domestic like product are as follows: (1) the degree of fungibility between subject imports from different countries and between subject imports and the domestic like product, including consideration of specific customer requirements and other quality-related questions; (2) the presence of sales or offers to sell in the same geographical markets of imports from different countries and the domestic like product; (3) the existence of common or similar channels of distribution for subject imports from different countries and the domestic like product; and (4) whether subject imports are simultaneously present in the market with one another and the domestic like product. *See, e.g., Wieland Werke, AG v. United States*, 718 F. Supp. 50 (Ct. Int’l Trade 1989).

<sup>185</sup> *See Mukand Ltd. v. United States*, 937 F. Supp. 910, 916 (Ct. Int’l Trade 1996); *Wieland Werke*, 718 F. Supp. at 52 (“Completely overlapping markets are not required.”); *United States Steel Group v. United States*, 873 F. Supp. 673, 685 (Ct. Int’l Trade 1994), *aff’d*, 96 F.3d 1352 (Fed. Cir. 1996). We note, however, that there have been investigations where the Commission has found an insufficient (Continued...)

relevant inquiry is whether there likely would be competition even if none currently exists because the subject imports are absent from the U.S. market.<sup>186</sup>

*Fungibility.* In the original investigations, the Commission observed that the domestic like product and subject imports from all eight countries were produced to common grades or gauges conforming to industry standards and that domestic producers as well as importers considered products made to the same specifications to be physically interchangeable.<sup>187</sup>

In the first five-year reviews, the Commission observed that both domestic and subject products were sold to service centers which generally handled fungible goods, and again observed that both products conformed to industry specifications and were sold in common grades.<sup>188</sup> In the second five-year reviews, the Commission found that the record indicated a moderate to high degree of substitutability between subject imports from each source and the domestic like product, that SSSS from each country and the domestic like product continued to conform to the same industry specifications. Responding purchasers reported purchasing all specified grades from domestic producers, with at least one responding purchaser reporting buying the same specified grades from each subject country and that imports from each subject country and the domestic like product were always or frequently interchangeable.<sup>189</sup> In the third reviews, the Commission found that there was a moderate-to-high degree of substitutability between the domestically produced SSSS and subject imports.<sup>190</sup> All four responding U.S. producers reported that SSSS from all specified sources can always be used interchangeably; importer responses were mixed, with majorities finding products from different sources frequently or sometimes interchangeable, while a majority or plurality of purchasers reported that the domestic product and imports from each subject country were frequently interchangeable.<sup>191</sup> In comparing SSSS from domestic and subject sources, most

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(...Continued)

overlap in competition and has declined to cumulate subject imports. *See, e.g., Live Cattle from Canada and Mexico*, Inv. Nos. 701-TA-386 and 731-TA-812-13 (Preliminary), USITC Pub. 3155 at 15 (Feb. 1999), *aff'd sub nom, Ranchers-Cattlemen Action Legal Foundation v. United States*, 74 F. Supp. 2d 1353 (Ct. Int'l Trade 1999); *Static Random Access Memory Semiconductors from the Republic of Korea and Taiwan*, Inv. Nos. 731-TA-761-62 (Final), USITC Pub. 3098 at 13-15 (Apr. 1998).

<sup>186</sup> *See generally, Cheflin Corp. v. United States*, 219 F. Supp. 2d 1313, 1314 (Ct. Int'l Trade 2002).

<sup>187</sup> Original Determinations, USITC Pub. 3208 at 11.

<sup>188</sup> First Five-Year Reviews, USITC Pub. 3788 at 17.

<sup>189</sup> Second Five-Year Reviews, USITC Pub. 4244 at 16.

<sup>190</sup> Third Five-Year Reviews, USITC Pub. 4725 at 23.

<sup>191</sup> Third Five-Year Reviews, USITC Pub. 4725 at 23.

purchasers rated the domestic like product and subject imports from all sources as comparable with regard to most purchasing factors.<sup>192</sup>

In these reviews, all responding U.S. producers reported that product from each subject source was always interchangeable with domestically produced SSSS and with each other.<sup>193</sup> Most responding importers reported that SSSS from South Korea and Taiwan was always interchangeable with the domestic like product, and the remainder reported that subject imports and the domestic like product were frequently or sometimes interchangeable. With respect to SSSS from Japan, half of responding importers reported that it was always interchangeable with the domestic like product, one importer each reported that it was frequently or sometimes interchangeable, and three importers reported that it was never interchangeable.<sup>194</sup> Most responding importers reported that subject imports of SSSS from Japan, South Korea, and Taiwan were always interchangeable with each other.<sup>195</sup> Almost all responding purchasers reported that SSSS from domestic producers and all three subject sources were always or frequently interchangeable.<sup>196</sup>

In comparing SSSS from domestic and subject sources with respect to eighteen purchasing factors, most responding purchasers reported that domestically produced SSSS was comparable or superior compared to SSSS imported from each subject country, with some limited exceptions.<sup>197</sup> Additionally, almost all purchasers reported that SSSS from domestic and subject sources always or usually met minimum quality specifications.<sup>198</sup>

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<sup>192</sup> Third Five-Year Reviews, USITC Pub. 4725 at 23.

<sup>193</sup> CR/PR at Table II-14.

<sup>194</sup> CR/PR at Table II-15.

<sup>195</sup> CR/PR at Table II-15. One importer each reported that subject imports from Japan were frequently or sometimes interchangeable with imports from South Korea and Taiwan, and one importer reported that subject imports from South Korea were frequently interchangeable with subject imports from Taiwan. *Id.*

<sup>196</sup> CR/PR at Table II-16. One purchaser each reported that subject imports from South Korea and the domestic like product were only sometimes or never interchangeable and one purchaser reported that subject imports from Taiwan and the domestic like product are sometimes interchangeable. *Id.*

<sup>197</sup> CR/PR at Table II-13. One purchaser each reported that the domestic like product and subject imports from Japan were comparable or inferior with respect to discounts offered, packaging, product consistency, and quality exceeds industry standards. *Id.* All seven responding purchasers reported that the domestic like product was inferior (*i.e.*, lower priced) compared to subject imports from Taiwan. *Id.*

<sup>198</sup> CR/PR at Table II-11. One purchaser reported that the domestic like product sometimes met minimum quality specifications. *Id.*

The record of these reviews also indicates that domestically produced SSSS and subject imports from Japan, South Korea, and Taiwan overlapped in terms of class, grade, and production process. U.S. producers reported shipments of all classes of SSSS in 2022, with austenitic accounting for the majority of their total U.S. shipments that year, followed by ferritic, and all other classes.<sup>199</sup> The record further indicates that U.S. shipments of imports from each of the subject sources also consisted of ferritic SSSS, and there were also shipments of subject austenitic SSSS from South Korea.<sup>200</sup> With respect to class and grade, there were U.S. shipments of domestically produced SSSS in each class and grade category in 2022.<sup>201</sup> Again, although U.S. shipments of SSSS from the subject sources were not reported across all class and grade categories, there was overlap between U.S. shipments of domestically produced SSSS and subject imports from all subject sources with respect to ferritic 430 grade in 2022.<sup>202</sup> With respect to production processes, U.S. shipments of domestically produced SSSS and subject imports from South Korea consisted of both hot-rolled annealed and pickled (“HRAP”) SSSS and cold-rolled or further processed SSSS.<sup>203</sup> Although U.S. shipments of SSSS from Japan and Taiwan were not reported for both processes, there was still overlap in that U.S. shipments of SSSS from Japan consisted of cold-rolled or further processed SSSS while U.S. shipments of SSSS from Taiwan consisted of HRAP.<sup>204</sup>

We are unpersuaded by Japanese Respondents’ argument that there is insufficient fungibility between the domestic like product and subject imports from Japan to support cumulating subject imports from Japan.<sup>205</sup> Specifically, they argue that fungibility is limited because \*\*\* of U.S. producers’ U.S. shipments in 2022 were either austenitic or all other classes of SSSS, while \*\*\* percent of U.S. shipments of subject imports from Japan were of ferritic

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<sup>199</sup> CR/PR at Table IV-2.

<sup>200</sup> CR/PR at Table IV-2. The Commission received limited importer questionnaire responses with respect to subject imports from South Korea and Taiwan, and therefore there is limited shipment information for subject imports from these countries during the POR. See CR/PR at I-39.

<sup>201</sup> CR/PR at Table IV-3.

<sup>202</sup> CR/PR at Table IV-3.

<sup>203</sup> CR/PR at Table IV-4.

<sup>204</sup> CR/PR at Table IV-4.

<sup>205</sup> As indicated above, although Japanese Respondents do not expressly argue that there would not likely be a reasonable overlap of competition between subject imports from Japan and SSSS from other domestic and subject sources if the orders were revoked, they assert that the Japanese producers’ focus on high-value specialty products would limit fungibility in the context of their arguments regarding likely different conditions of competition. Japanese Respondents Prehearing Br. at 17.

SSSS.<sup>206</sup> Contrary to this argument, however, a substantial portion of U.S. producers' U.S. shipments in 2022 consisted of ferritic SSSS, and thus overlapped with subject imports from Japan in terms of this product characteristic. The availability of price comparisons based on the pricing data collected in these reviews likewise shows that there was at least some overlap in the products offered in the U.S. market by the domestic industry and subject imports from Japan during the POR, even with the orders in place.<sup>207</sup>

Beyond what Japanese producers shipped to the U.S. market during the POR, there is also substantial overlap in the SSSS products offered by both U.S. producers and subject producers in Japan. Foreign producer questionnaire data show that the Japanese industry reported shipments to all markets (including the Japanese home market) of austenitic as well as ferritic SSSS, and also reported shipments of HRAP SSSS.<sup>208</sup> Japanese producers also reported substantial shipments of multiple grades of SSSS, including some of the more commonly produced grades such as 304, 409, and 430, and U.S. producers reported shipments of these grades as well.<sup>209</sup> Accordingly, regardless of any Section 232 exclusions importers obtained for certain products imported from Japan during the POR,<sup>210</sup> on balance, the record shows that subject imports from Japan are likely to be sufficiently fungible with the domestic like product after revocation for purposes of cumulation.<sup>211</sup>

*Channels of Distribution.* In the original investigations, the Commission found that there was an overlap in the channels of distribution among subject imports and between subject

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<sup>206</sup> Japanese Respondents Prehearing Br. at 17.

<sup>207</sup> CR/PR at Table V-22.

<sup>208</sup> CR/PR at Tables F-1 and F-3. The data in these tables are aggregates of shipments of SSSS by subject producers in Japan to their home market, the U.S. market, and third-country export markets.

<sup>209</sup> CR/PR at Tables E-2 and F-2. Purchasers also reported that the domestic product and subject imports from Japan are comparable with respect to product range. CR/PR at Table II-13.

<sup>210</sup> Japanese Respondents Prehearing Br. at 9, 13-15.

<sup>211</sup> We note that the arguments regarding fungibility presented in these reviews by the Japanese Respondents are premised on their behavior under the discipline of the orders, and not necessarily determinative as to the types and range of SSSS products that could be sold by subject producers in Japan if the orders were terminated. As discussed above and further discussed below, in 2022, Japanese producers reported substantial shipments of austenitic class SSSS, and within that class, of grades 304, 316, and "all other" grades (aside from grade 201). Japanese producers also reported substantial shipments of ferritic class SSSS, and within that class, of grades 409, 430, and "all other" grades. CR/PR at Tables F-1 and F-2. And, although Japanese exports to the United States during the 2020-2022 period were solely of cold-rolled or further processed SSSS, Japanese producers shipped substantial quantities of HRAP to both their home market and third-country export markets. CR/PR at Table F-3.

imports and the domestic like product, with most domestic producers and importers of subject merchandise selling SSSS to a combination of service centers/distributors and end users.<sup>212</sup>

During the first reviews, the Commission found that domestically produced SSSS continued to be sold both to service centers/distributions and end users, that subject imports from Germany, Italy, South Korea, Mexico, Taiwan, and the United Kingdom were sold \*\*\* through service centers, and that while subject imports from France and Japan were \*\*\* sold to end users, more than \*\*\* percent of subject imports from each country were sold to service centers/distributors.<sup>213</sup> In the second reviews, the Commission found that subject imports from all sources and the domestic like product overlapped significantly in terms of their channels of distribution. Specifically, it found that the domestic industry's shipments roughly divided between service centers/distributors and end users, that most subject imports from Germany, Italy, South Korea, Mexico, and Taiwan were sold to service centers/distributors, and that most subject imports from Japan were sold to end users.<sup>214</sup> In the third reviews, the Commission found that domestic producers sold to both distributors and end users. Subject imports from Japan were sold almost exclusively to end users, sales of subject imports from South Korea shifted from end users to distributors over the period of review, and sales of subject imports from Taiwan were sold \*\*\* to distributors throughout the period of review.<sup>215</sup>

In the current reviews, domestic producers sold primarily to distributors but also to end users throughout the POR.<sup>216</sup> Subject imports from Japan were reportedly sold \*\*\*, while subject imports from South Korea and Taiwan were reportedly sold \*\*\*.<sup>217</sup>

*Geographic Overlap.* In the original investigations, the Commission found that subject imports from each subject country and the domestic like product competed in the same geographic markets nationwide.<sup>218</sup> During the first reviews, domestic producers and importers of subject merchandise reported selling SSSS nationwide.<sup>219</sup> During the second reviews, domestic producers and importers of subject merchandise reported selling SSSS to all regions in the contiguous United States.<sup>220</sup> In the third reviews, domestic producers reported selling SSSS

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<sup>212</sup> Original Determinations, USITC Pub. 3208 at 11.

<sup>213</sup> Confidential First Five-Year Reviews at 18.

<sup>214</sup> Second Five-Year Reviews, USITC Pub. 4244 at 17.

<sup>215</sup> Third Five-Year Reviews, USITC Pub. 4725 at 23.

<sup>216</sup> CR/PR at Table II-3.

<sup>217</sup> CR/PR at Table II-3.

<sup>218</sup> Original Determinations, USITC Pub. 3208 at 11-12.

<sup>219</sup> First Five-Year Reviews, USITC Pub. 3788 at 17-18.

<sup>220</sup> Second Five-Year Reviews, USITC Pub. 4244 at 17.



to all regions in the contiguous United States,<sup>221</sup> and importers of subject merchandise reported selling in selected regions. Subject imports from both Japan and South Korea were present in three regions, while subject imports from both South Korea and Taiwan were present in the Pacific Coast region.<sup>222</sup>

In the current reviews, U.S. producers and importers of SSSS from Japan reported selling SSSS to all regions in the contiguous United States, while importers of subject SSSS from Taiwan reported selling SSSS to all regions of the contiguous United States except the Mountain region and importers of subject SSSS from South Korea did not report the regions of the United States they served.<sup>223</sup>

*Simultaneous Presence in Market.* In the original investigations, the Commission found that the domestic like product and subject imports from each source were simultaneously present in the U.S. market throughout the period of investigation.<sup>224</sup> In the first reviews, the Commission found a likely overlap of competition based on the fact that subject imports from all eight countries were present during the original investigations.<sup>225</sup> In the second reviews, subject imports from Germany, Japan, South Korea, Mexico, and Taiwan were present in the U.S. market in every month of the period of review and subject imports from Italy were present in the U.S. market in all but two months.<sup>226</sup> In the third reviews, subject imports from each subject country were present in the U.S. market during each year of the period of review.<sup>227</sup>

In the current reviews, the domestic like product was present in the U.S. market throughout the POR, while imports of SSSS from each subject source were also present in all months of the POR.<sup>228</sup>

*Conclusion.* The record in these reviews continues to indicate that there is a reasonable overlap of competition between subject imports from Japan, South Korea, and Taiwan and between subject imports from each source and the domestic like product. In particular, the domestic like product and imports from each subject country remain fungible and were simultaneously present in the U.S. market throughout the period of review. The domestic like product and subject imports from Japan and Taiwan were sold in overlapping geographic

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<sup>221</sup> Third Five-Year Reviews, USITC Pub. 4725 at 23.

<sup>222</sup> Third Five-Year Reviews, USITC Pub. 4725 at 23.

<sup>223</sup> CR/PR at II-5, Table II-4.

<sup>224</sup> Original Determinations, USITC Pub. 3208 at 11-12.

<sup>225</sup> First Five-Year Reviews, USITC Pub. 3788 at 18.

<sup>226</sup> Second Five-Year Reviews, USITC Pub. 4244 at 17.

<sup>227</sup> Third Five-Year Reviews, USITC Pub. 4725 at 24.

<sup>228</sup> CR/PR at Tables IV-6, V-13 – V-18.

regions, and subject imports from South Korea would likely overlap geographically after revocation, as they did in the original investigations. To the extent that subject imports from Japan were sold in different channels of distribution than subject imports from South Korea and Taiwan during the POR,<sup>229</sup> there was overlap in channels of distribution between subject imports from those countries and the domestic like product during the POR and there was an overlap the channels of distribution among subject imports and between subject imports and the domestic like product during the original investigations. Furthermore, there is no information that would indicate that producers/exporters in Japan would be unable to sell through U.S. distributors if the orders were revoked. Consequently, we find that there would likely be a reasonable overlap of competition among subject imports from Japan, South Korea, and Taiwan and between the domestic like product and subject imports from each source if the orders were revoked.

### **c) Likely Conditions of Competition**

In determining whether to exercise our discretion to cumulate subject imports, we assess whether subject imports from Japan, South Korea, and Taiwan would likely compete under similar or different conditions of competition. As discussed below, we find that the record in these reviews does not indicate that there would be significant differences in the conditions of competition between subject imports from Japan, South Korea, and Taiwan if the orders were revoked. Therefore, we exercise our discretion to cumulate imports from each subject source for purposes of our analysis in these reviews.

As discussed above in section III.B, during the original investigations the volume and market share of imports from each subject source increased over the original period of investigation and subject imports from each source mostly undersold the domestic like product. In addition, subject producers in each country have the ability and incentive to compete in the U.S. market after revocation, given their continued presence in the U.S. market; their production capacity, including excess capacity; and their ability to export substantial quantities of SSSS. We have also explained that, contrary to Japanese Respondents' arguments, there is

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<sup>229</sup> As indicated above, although Japanese Respondents do not expressly argue that there would not likely be a reasonable overlap of competition between subject imports from Japan and SSSS from other domestic and subject sources if the orders were revoked, they assert that a lack of competitive overlap and prevalence of *himotsuki* contracts is reflected in the differences in distribution channels in the context of their arguments regarding likely different conditions of competition. Japanese Respondents Prehearing Br. at 18-19. We address those arguments below.

likely to be a reasonable overlap of competition between subject imports from Japan, South Korea, and Taiwan if the orders were revoked.

We are unpersuaded by Japanese Respondents' argument that subject imports from Japan will compete under different conditions of competition if the orders were revoked because Japanese producers allegedly focus on high value, specialty SSSS products.<sup>230</sup> We recognize that section 232 exclusions were granted for some Japanese SSSS products and that some responding purchasers reported being unable to source certain products from the domestic industry.<sup>231</sup> The record as a whole, however, does not support Japanese Respondents' argument that subject imports from Japan would be limited to specialty SSSS products largely unavailable from the domestic industry, South Korea, or Taiwan.

As a threshold matter, we note that there is no agreed upon industry standard for what constitutes "specialty" SSSS, and the parties differ considerably on how to define such products. Japanese Respondents argue that specialty SSSS should be defined as products that do not overlap with the characteristics and tolerances of certain grades recognized by the industry as commodity grades (including but not limited to grades 304 and 316),<sup>232</sup> as well as products that overlap with the characteristics and tolerances of commodity grades but are produced to more rigorous or exacting standards.<sup>233</sup>

Domestic Producers argue that Japanese Respondents have failed to provide a clear definition of "specialty" SSSS.<sup>234</sup> Disputing Japanese Respondents' definition, Outokumpu and NAS argue that common grades of SSSS products that are altered "in some minor way to meet customer specifications" are not "true specialty" products that cannot be made by U.S. producers.<sup>235</sup> Cleveland Cliffs contends that all SSSS products could be defined as "specialty" products because they are all high-value, technically sophisticated products produced to specific customers' needs.<sup>236</sup>

Irrespective of the appropriate definition of "specialty" SSSS, we find that the record in these reviews indicates that both U.S. and Japanese producers produce and ship the most commonly used types of SSSS as well as more specialized SSSS. As discussed above in section

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<sup>230</sup> Japanese Respondents Prehearing Br. at 17; Japanese Respondents Posthearing Br. at 2-5, Exh. 1 at 1-12.

<sup>231</sup> See, e.g., Japanese Respondents Prehearing Br. at 9.

<sup>232</sup> Japanese Respondents Posthearing Br., Exh. 1 at 3-4.

<sup>233</sup> Japanese Respondents Posthearing Br., Exh. 1 at 4-5.

<sup>234</sup> Cleveland-Cliffs Posthearing Br. at 12 Exh. 1 at 1-3.

<sup>235</sup> Outokumpu/NAS Posthearing Br. at 5; Cleveland-Cliffs Posthearing Br., Exh. 1 at 2-5.

<sup>236</sup> Cleveland-Cliffs Posthearing Br. at 12.

III.C.2.b, the record in these reviews shows that U.S. producers' and importers' U.S. shipments overlapped in terms of class, grade, and production process.<sup>237</sup> Moreover, U.S. producers and Japanese producers reported total shipments consisting of a broad range of classes and grades, including grades 304 and 316.<sup>238</sup>

Furthermore, Domestic Producers have demonstrated that the domestic industry produces or is capable of producing a wide range of SSSS products, including "specialty" SSSS under Japanese Respondents' preferred definition.<sup>239</sup> Japanese Respondents acknowledge that the domestic industry is capable of producing certain specialty SSSS products, claiming that Japanese producers transferred technology to U.S. producers that enabled those producers to produce specialty products that were previously available only from Japanese producers.<sup>240</sup> Moreover, to the extent that Japanese Respondents define specialty products as those that are produced to specific customer specifications, such an approach is not unique to Japanese producers, and Domestic Producers assert that they likewise work with customers to produce SSSS to exacting specifications.<sup>241</sup> Consistent with this assertion, the record shows that \*\*\* percent of the domestic industry's commercial shipments were produced-to-order, with only \*\*\* percent of their commercial shipments drawn from inventories.<sup>242</sup> Given that domestic and Japanese producers sell to overlapping customers, including \*\*\*,<sup>243</sup> the SSSS products that domestic and Japanese producers tailor to these customers' requirements likely would also overlap.

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<sup>237</sup> CR/PR at Appendix E. To the extent that Japanese Respondents contend that the data collected by the Commission is "overly broad," Japanese Respondents Posthearing Br., Exh. 1 at 3-5, 7-9, we find such claims to be unavailing. Rather than bringing such concerns to the Commission's attention at the appropriate time, in comments on the draft questionnaires, Japanese Respondents did not raise these claims until the submission of their posthearing brief.

<sup>238</sup> CR/PR at Appendix F. As noted above, the data in Appendix F are aggregates of shipments of SSSS by subject producers in Japan to their home market, the U.S. market, and third-country export markets.

<sup>239</sup> Outokumpu/NAS Posthearing Br. at 2, 5-6, Exh. 1 at 19-20, Exhs. 2, 3; Cleveland-Cliffs Posthearing Br. at 12, Exh. 1 at 5-6, 22-23, Exh. 2.

<sup>240</sup> Japanese Respondents Posthearing Br., Exh. 1 at 6.

<sup>241</sup> Outokumpu/NAS Posthearing Br., Exh. 1 at 26-27, Exhs. 2, 3; Cleveland-Cliffs Posthearing Br., Exh. 1 at 5-6, 22-23, Exh. 2, Hearing Tr. at 63-64 (Smith, Lyons, Weinhart).

<sup>242</sup> CR/PR at II-17. We note that importers reported a lower percentage of its commercial shipments were produced-to-order, \*\*\* percent with the remaining \*\*\* percent of their commercial shipments coming from U.S. inventories. *Id.*

<sup>243</sup> Outokumpu/NAS Posthearing Br., Exh. 1 at 26; Cleveland-Cliffs Posthearing Br., Exh. 1 at 5-6, 8.

We also find that, as discussed above, Japanese producers produce and ship a wide range of SSSS products, including those specifically identified by Japanese Respondents as more commonly used, non-specialty grades.<sup>244</sup> Japanese Respondents also acknowledged at the hearing that the Japanese SSSS industry continues to produce what they consider commodity SSSS, notwithstanding the industry's allegedly increasing focus on specialty SSSS.<sup>245</sup>

Moreover, GTA data show that the Japanese industry exported substantial quantities of SSSS products to third country markets, including Mexico, at average unit values (“AUVs”) that were lower than those for exports to the United States.<sup>246</sup> The relatively lower AUVs on the Japanese industry's exports to other markets, which Japanese Respondents attribute to different product mixes, indicate that the industry's exports are not limited to high-value specialty products.<sup>247</sup> GTA data also show that the AUVs of exports from Japan were lower than those of exports from South Korea and Taiwan in certain markets,<sup>248</sup> belying Japanese Respondents' claims that they incapable of competing with low-priced imports of commonly used grades of SSSS from South Korea and Taiwan.<sup>249</sup>

In light of the foregoing, we are not persuaded by Japanese Respondents' argument that subject imports from Japan would be limited to high value, specialty SSSS products such that subject imports from Japan are likely to compete with the domestic like product and subject imports from South Korea and Taiwan under different conditions of competition if the orders were revoked.

We are also unpersuaded by Japanese Respondents' argument that the Japanese industry's reliance on *himotsuki* contracts and focus on sales to the U.S. affiliates of Japanese customers somehow establish that subject imports from Japan are likely to compete under different conditions of competition.<sup>250</sup> They claim that *himotsuki*, or “tied,” contracts are distinctive in that under such contracts, the customer and steel producer agree on product specifications and key sales terms in advance, thereby “tying” production to the customers'

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<sup>244</sup> CR/PR at Appendix F.

<sup>245</sup> Japanese Respondents Hearing Testimony, Attachment p. 1.

<sup>246</sup> CR/PR at Table IV-19. Similarly, the responding Japanese producers reported AUVs on their exports to Asia and all other destination markets that were consistently lower than the AUVs on their exports to the United States. *See id.* at Table IV-17.

<sup>247</sup> Japanese Respondents Posthearing Br. at 6-7, Exh. 1 at 19, Exh. 4.

<sup>248</sup> CR/PR at Tables IV-19, IV-21, IV-23.

<sup>249</sup> Japanese Respondents Posthearing Br. at 2-3, Exh. 1 at 1-2.

<sup>250</sup> Japanese Respondents Prehearing Br. at 18, Exhs. 2, 19; Japanese Respondents Posthearing Br. at 4, Exh. 1 at 11, 19, 27.

specific needs, and an intermediary trading company then procures and delivers the material to the customer.<sup>251</sup> Contrary to Japanese Respondents' argument, however, the vast majority of domestically produced SSSS is also made to order, indicating that such advance discussions and arrangements are not unique to Japanese producers.<sup>252</sup>

Further, the record indicates the U.S. affiliates of Japanese companies do not exclusively source their SSSS from Japanese producers but rather also source SSSS products from domestic suppliers. Indeed, \*\*\*.<sup>253</sup> Thus, even assuming *arguendo* that sales of subject imports from Japan were largely confined to the U.S. affiliates of Japanese customers, the record establishes that this is not an insignificant portion of the U.S. market and U.S. producers compete for sales to the same customers. Nor does the record indicate that *himotsuki* contracts or other arrangements with the U.S. affiliates of Japanese customers would preclude Japanese producers from seeking additional customers in the U.S. market. On the contrary, the Japanese SSSS industry's substantial capacity, including excess capacity, its declining shipments to home market and third market customers, and the attractiveness of the U.S. market, would incentivize the industry to seek out new customers in the U.S. market if the orders were revoked.

Accordingly, based on the record of this fourth review, we do not find differences in the likely conditions of competition that would warrant exercising our discretion not to cumulate subject imports from Japan with those from South Korea and Taiwan.

#### **D. Conclusion**

We have determined that if the orders were revoked, subject imports from Japan, South Korea, and Taiwan, considered individually, would not be likely to have no discernible adverse impact on the domestic industry. We have also found that there would likely be a reasonable overlap of competition between and among the subject imports from each of these countries and the domestic like product. In addition, we do not find that imports from each subject source are likely to compete in the U.S. market under different conditions of competition should the orders be revoked. We therefore exercise our discretion to cumulate subject

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<sup>251</sup> Japanese Respondents Prehearing Br. at 19, Exh. 20.

<sup>252</sup> See CR/PR at II-17.

<sup>253</sup> Cleveland-Cliffs Posthearing Br., Exh. 1 at 5-9, Exh. 2.

imports from Japan, South Korea, and Taiwan for purposes of our likely injury analysis in these reviews.<sup>254</sup>

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<sup>254</sup> Japanese Respondents cite several prior Commission determinations as purportedly lending support for their arguments that the Commission should not cumulate SSSS from Japan with subject imports from South Korea and Taiwan, mistakenly referring to the determinations as "precedent." Japanese Respondents Posthearing Br., Exh. 1 at 38. In doing so, Japanese Respondents overlook that the Commission is not bound by its analysis in prior investigations because each case is *sui generis*. See, e.g., *Cleo Inc. v. United States*, 501 F.3d 1291, 1299 (Fed. Cir. 2007) (noting that each injury investigation by the Commission is *sui generis* and, “{f}or that reason, prior determinations by the Commission with regard to one industry typically provide little guidance for later determinations with regard to different industries”).

Furthermore, the facts of the determinations cited by Japanese Respondents are distinguishable from the facts on the record of these reviews. Only one of these prior determinations, *Stainless Steel Bar from Brazil, India, Japan, and Spain*, involved the Commission finding that subject imports would likely have no discernible adverse impact. *Stainless Steel Bar from Brazil, India, Japan, and Spain*, Inv. Nos. 731-TA-678, 679, 681, and 682, USITC Pub. 4820 (Fourth Review) (Sept. 2018) at 16-17. The Commission based this finding in large part on an absolute Section 232 quota applicable to subject imports from Brazil, and there is no such limitation on subject imports from Japan in these reviews. The remaining determinations involved the Commission declining to cumulate subject imports from certain sources based on likely differences in conditions of competition, and the facts of each determination are distinguishable from those on the record of these reviews. In the first five-year reviews of SSSS, the Commission did not cumulate subject imports from the United Kingdom finding, among other things, that the volume of subject imports from the United Kingdom declined each year of the original period of investigation. First Five-Year Reviews, USITC Pub. 3788 at 9. In contrast, as discussed above in section III.C.a, in the original investigations the volume of subject imports from Japan increased during the original period of investigation, as did the subject imports from South Korea and Taiwan. In *Carbon and Certain Alloy Steel Wire-Rod from Brazil, Canada, Indonesia, Mexico, Moldova, Trinidad and Tobago, and Ukraine*, Inv. Nos. 701-TA-417 and 731-TA-953, 954, 957-959, 961, and 962 (Review), USITC Pub. 4014 (June 2008), the Commission did not cumulate subject imports from Canada finding, among other things, that subject imports from Canada predominantly oversold the domestic like product in the original investigations, while imports from the other subject sources predominantly undersold the domestic like product. *Id.* at 18. In these reviews, by contrast, subject imports from Japan, South Korea, and Taiwan all predominantly undersold the domestic like product in the original investigations. Original Determinations, CR/PR at Table V-15. In *Hot-Rolled Flat-Rolled Carbon-Quality Steel Products from Brazil, Japan, and Russia*, Inv. Nos. 701-TA-384 and 731-TA-806-808 (Second Review), USITC Pub. 4237 (June 2011), the Commission did not cumulate subject imports from any of the subject sources, finding that imports from all three sources would compete under different conditions of competition. With respect to subject imports from Japan, the Commission noted, among other factors, that subject imports from Japan had predominantly oversold the domestic like product during the original period of investigation, whereas subject imports from the other subject counties, had predominantly undersold the domestic like product. *Id.* at 17-18. In *Polyethylene Terephthalate Film, Sheet, and Strip from Brazil, China, and the United Arab Emirates*, Inv. Nos. 731-TA-1131-1132, and 1134 (Review), USITC Pub. 4512 (June 2015), the Commission did not cumulate subject imports from Brazil finding, among other things, that there was a single producer of subject merchandise in Brazil, which was affiliated with a U.S. firm (Continued...)

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

##### A. Legal Standards

In a five-year review conducted under section 751(c) of the Tariff Act, Commerce will revoke an antidumping or countervailing duty order unless: (1) it makes a determination that dumping or subsidization is likely to continue or recur and (2) the Commission makes a determination that revocation of the antidumping or countervailing duty order “would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.”<sup>255</sup> The SAA states that “under the likelihood standard, the Commission will engage in a counterfactual analysis; it must decide the likely impact in the reasonably foreseeable future of an important change in the status quo – the revocation or termination of a proceeding and the elimination of its restraining effects on volumes and prices of imports.”<sup>256</sup> Thus, the likelihood standard is prospective in nature.<sup>257</sup> The U.S. Court of International Trade has found that

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(...Continued)

that exerted control over any subject imports from the subject producer in Brazil. *Id.* at 20-21. None of the factors that informed the Commission's determinations in these two prior reviews is present on the record of these reviews. In *Helical Spring Lock Washers from China and Taiwan*, Inv. Nos. 731-TA-624-625 (Review), USITC Pub. 3384 (Jan. 2001), the Commission did not cumulate subject imports from China and Taiwan, finding that they would likely compete under different conditions of competition, but reached affirmative determinations with respect to subject imports from both sources. *Id.* 1, 9-10. In these reviews, by contrast, the record indicates that subject imports from Japan are likely to compete with domestically produced SSSS and subject imports from South Korea and Taiwan across a full range of SSSS products and for overlapping customers, as discussed above.

<sup>255</sup> 19 U.S.C. § 1675a(a).

<sup>256</sup> SAA at 883-84. The SAA states that “{t}he likelihood of injury standard applies regardless of the nature of the Commission’s original determination (material injury, threat of material injury, or material retardation of an industry). Likewise, the standard applies to suspended investigations that were never completed.” *Id.* at 883.

<sup>257</sup> While the SAA states that “a separate determination regarding current material injury is not necessary,” it indicates that “the Commission may consider relevant factors such as current and likely continued depressed shipment levels and current and likely continued {sic} prices for the domestic like product in the U.S. market in making its determination of the likelihood of continuation or recurrence of material injury if the order is revoked.” SAA at 884.



“likely,” as used in the five-year review provisions of the Act, means “probable,” and the Commission applies that standard in five-year reviews.<sup>258</sup>

The statute states that “the Commission shall consider that the effects of revocation or termination may not be imminent, but may manifest themselves only over a longer period of time.”<sup>259</sup> According to the SAA, a “‘reasonably foreseeable time’ will vary from case-to-case, but normally will exceed the ‘imminent’ timeframe applicable in a threat of injury analysis in original investigations.”<sup>260</sup>

Although the standard in a five-year review is not the same as the standard applied in an original investigation, it contains some of the same fundamental elements. The statute provides that the Commission is to “consider the likely volume, price effect, and impact of imports of the subject merchandise on the industry if the orders are revoked or the suspended investigation is terminated.”<sup>261</sup> It directs the Commission to take into account its prior injury determination, whether any improvement in the state of the industry is related to the order or the suspension agreement under review, whether the industry is vulnerable to material injury if an order is revoked or a suspension agreement is terminated, and any findings by Commerce regarding duty absorption pursuant to 19 U.S.C. § 1675(a)(4).<sup>262</sup> The statute further provides

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<sup>258</sup> See *NMB Singapore Ltd. v. United States*, 288 F. Supp. 2d 1306, 1352 (Ct. Int’l Trade 2003) (“‘likely’ means probable within the context of 19 U.S.C. § 1675(c) and 19 U.S.C. § 1675a(a)”), *aff’d mem.*, 140 Fed. Appx. 268 (Fed. Cir. 2005); *Nippon Steel Corp. v. United States*, 26 CIT 1416, 1419 (2002) (same); *Usinor Industeel, S.A. v. United States*, 26 CIT 1402, 1404 nn.3, 6 (2002) (“more likely than not” standard is “consistent with the court’s opinion;” “the court has not interpreted ‘likely’ to imply any particular degree of ‘certainty’”); *Indorama Chemicals (Thailand) Ltd. v. United States*, 26 CIT 1059, 1070 (2002) (“standard is based on a likelihood of continuation or recurrence of injury, not a certainty”); *Usinor v. United States*, 26 CIT 767, 794 (2002) (“‘likely’ is tantamount to ‘probable,’ not merely ‘possible’”).

<sup>259</sup> 19 U.S.C. § 1675a(a)(5).

<sup>260</sup> SAA at 887. Among the factors that the Commission should consider in this regard are “the fungibility or differentiation within the product in question, the level of substitutability between the imported and domestic products, the channels of distribution used, the methods of contracting (such as spot sales or long-term contracts), and lead times for delivery of goods, as well as other factors that may only manifest themselves in the longer term, such as planned investment and the shifting of production facilities.” *Id.*

<sup>261</sup> 19 U.S.C. § 1675a(a)(1).

<sup>262</sup> 19 U.S.C. § 1675a(a)(1). Commerce has made one duty absorption finding concerning SSSS from Taiwan. In the fourth administrative review, covering the period July 1, 2002, through June 30, 2003, Commerce determined that Chia Far had absorbed antidumping duties for all U.S. sales through its affiliated importer. 70 Fed. Reg. 7715 (Feb. 15, 2005).

that the presence or absence of any factor that the Commission is required to consider shall not necessarily give decisive guidance with respect to the Commission's determination.<sup>263</sup>

In evaluating the likely volume of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether the likely volume of imports would be significant either in absolute terms or relative to production or consumption in the United States.<sup>264</sup> In doing so, the Commission must consider "all relevant economic factors," including four enumerated factors: (1) any likely increase in production capacity or existing unused production capacity in the exporting country; (2) existing inventories of the subject merchandise, or likely increases in inventories; (3) the existence of barriers to the importation of the subject merchandise into countries other than the United States; and (4) the potential for product shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products.<sup>265</sup>

In evaluating the likely price effects of subject imports if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether there is likely to be significant underselling by the subject imports as compared to the domestic like product and whether the subject imports are likely to enter the United States at prices that otherwise would have a significant depressing or suppressing effect on the price of the domestic like product.<sup>266</sup>

In evaluating the likely impact of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider all relevant economic factors that are likely to have a bearing on the state of the industry in the United States, including but not limited to the following: (1) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity; (2) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment; and (3) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or

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<sup>263</sup> 19 U.S.C. § 1675a(a)(5). Although the Commission must consider all factors, no one factor is necessarily dispositive. SAA at 886.

<sup>264</sup> 19 U.S.C. § 1675a(a)(2).

<sup>265</sup> 19 U.S.C. § 1675a(a)(2)(A-D).

<sup>266</sup> See 19 U.S.C. § 1675a(a)(3). The SAA states that "{c}onsistent with its practice in investigations, in considering the likely price effects of imports in the event of revocation and termination, the Commission may rely on circumstantial, as well as direct, evidence of the adverse effects of unfairly traded imports on domestic prices." SAA at 886.

more advanced version of the domestic like product.<sup>267</sup> All relevant economic factors are to be considered within the context of the business cycle and the conditions of competition that are distinctive to the industry. As instructed by the statute, we have considered the extent to which any improvement in the state of the domestic industry is related to the orders under review and whether the industry is vulnerable to material injury upon revocation.<sup>268</sup>

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

### **1. The Original Investigations and Prior Five-Year Reviews**

In the original investigations, the Commission identified a number of conditions of competition as relevant to its analysis. It found that apparent U.S. consumption of SSSS increased by 5 or 6 percent per year throughout the period of investigation. It also found there to be “general substitutability” among different grades of SSSS. Although SSSS was produced according to customer specifications, there was a broad overlap of certain standard grades. Further, most SSSS producers were capable of producing a wide range of products to meet specific customer demands and these products were typically produced to order. Even though substitutability was limited among certain specialty products, a sizeable portion of the volume of both domestic production and subject imports consisted of commodity grades. The Commission also found price to be among the most important factors in purchasing decisions, along with product quality, consistency, and availability.<sup>269</sup>

In the first reviews, the Commission found that the conditions of competition remained largely unchanged from those in the original investigations, with a few notable exceptions. Apparent U.S. consumption declined in 2000 and 2001 due to an economic recession and then rebounded through 2004 to a level that remained below that in 1999. There was at least a moderate degree of substitutability between subject imports and the domestic like product, with a greater percentage of domestic producers’ sales concentrated in commodity grades than during the original investigations. The domestic industry had restructured since the original

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<sup>267</sup> 19 U.S.C. § 1675a(a)(4).

<sup>268</sup> The SAA states that in assessing whether the domestic industry is vulnerable to injury if the order is revoked, the Commission “considers, in addition to imports, other factors that may be contributing to overall injury. While these factors, in some cases, may account for the injury to the domestic industry, they may also demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports.” SAA at 885.

<sup>269</sup> Original Determination, USITC Pub. 3208 at 13-14.

investigations, leaving only three major domestic producers: AK Steel, Allegheny Ludlum, and NAS. Raw materials were a significant cost in the production of SSSS, and domestic producers and some importers passed on increases in raw material costs to purchasers through surcharges. Global consumption of SSSS increased during the period of review, particularly in Asia and China, although capacity growth was projected to outstrip demand growth over the following several years.<sup>270</sup>

In the second reviews, the Commission found that apparent U.S. consumption fluctuated over the period of review but declined overall as a result of the economic downturn in 2008 and 2009.<sup>271</sup> It observed that the domestic industry supplied the bulk of U.S. demand. It found that the domestic industry's capacity fluctuated, but increased overall and that it was poised to make significant additions and enhancements to its capacity.<sup>272</sup> According to the Commission, there was a moderate-to-high degree of substitutability between subject imports from each source and the domestic like product and price was an important factor in purchasing decisions, along with availability and reliability. The Commission observed that purchaser demands for shorter lead times forced domestic producers to carry larger inventories and increased their inventory carrying costs. It also observed that most sales were made on a spot basis or pursuant to short-term contracts. Domestic producers and importers reported adding surcharges to their base prices for SSSS as a means of passing through increased raw material, energy, and other costs to purchasers.<sup>273</sup>

In the third reviews, the Commission found that apparent U.S. consumption fluctuated during the period of review, decreasing from 2.0 million short tons in 2014 to 1.8 million short tons in 2015, and then returning to 2.0 million short tons in 2016; it was higher in interim 2017, at 480,373 short tons, than in interim 2016, at 467,986 short tons.<sup>274</sup> It observed that the domestic industry supplied the bulk of U.S. demand, followed by nonsubject imports, while subject imports accounted for the smallest share of the U.S. market.<sup>275</sup> The Commission found that there was a moderate-to-high degree of substitutability between domestically produced SSSS and SSSS imported from subject sources, and that price remained an important factor in

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<sup>270</sup> First Five-Year Reviews, USITC Pub. 3788 at 23-26.

<sup>271</sup> Second Five-Year Reviews, USITC Pub. 4244 at 28.

<sup>272</sup> Second Five-Year Reviews, USITC Pub. 4244 at 29.

<sup>273</sup> Second Five-Year Reviews, USITC Pub. 4244 at 28-31.

<sup>274</sup> Third Five-Year Reviews, USITC Pub. 4527 at 30.

<sup>275</sup> Third Five-Year Reviews, USITC Pub. 4527 at 31.

purchasing decisions.<sup>276</sup> The Commission observed that prices for SSSS generally consisted of a base price and a surcharge. The surcharge was typically adjusted monthly and reflected the cost of alloying materials, among other things, while the base price consisted, in part, of all other inputs to produce SSSS.<sup>277</sup>

## 2. The Current Reviews

In evaluating the likely impact of the subject imports on the domestic industry if an order is revoked, the statute directs the Commission to consider all relevant economic factors “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”<sup>278</sup> The following conditions of competition inform our determinations.

### a) Demand Conditions

As in the original investigations and prior reviews, demand for SSSS continues to be driven by demand for U.S.-produced downstream products, which included automotive parts, pipe and tube, restaurant and food service equipment, appliances, sinks, and venting products.<sup>279</sup> Several market participants reported that end uses for SSSS have not changed since January 1, 2017 and that they do not anticipate future changes in end uses for SSSS.<sup>280</sup>

Most U.S. producers reported that demand for SSSS in the U.S. market fluctuated down since January 1, 2017, while the majority of importers and foreign producers reported that there had been no change in demand for SSSS in the U.S. market and the majority of purchasers reported that demand steadily increased or fluctuated up.<sup>281</sup> In terms of anticipated demand, one U.S. producer each reported anticipating that U.S. demand for SSSS will fluctuate up, fluctuate down, or steadily decrease. The majority of importers and foreign producers reported that they do not anticipate demand for SSSS in the U.S. market to change, while most purchasers reported that demand is expected to steadily increase or not change.<sup>282</sup> Domestic Producers claim that, although apparent U.S. consumption increased from 2020 to 2022 as pent

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<sup>276</sup> Third Five-Year Reviews, USITC Pub. 4527 at 32.

<sup>277</sup> Third Five-Year Reviews, USITC Pub. 4527 at 32.

<sup>278</sup> 19 U.S.C. § 1675a(a)(4).

<sup>279</sup> CR/PR at II-11.

<sup>280</sup> CR/PR at II-11. \*\*\* indicated that production of stainless steel automotive exhaust systems has declined as the number of electric vehicles produced has increased. *Id.*

<sup>281</sup> CR/PR at Table II-6.

<sup>282</sup> CR/PR at Table II-7.

up demand surged following the COVID-19 pandemic, demand for SSSS in the U.S. market declined in the latter half of 2022 and beginning of 2023.<sup>283</sup> Japanese Respondents argue that demand for SSSS has increased since the original period of investigation, claiming that demand for home appliances increased during the COVID-19 pandemic and that, while demand for automotive parts initially declined during the pandemic and fluctuated with supply chain challenges, it has been steadily increasing since then.<sup>284</sup>

During the POR, apparent U.S. consumption increased from 1.4 million short tons in 2020 to 1.8 million short tons in 2021 and 1.9 million short tons in 2022; it was lower in interim 2023, at 367,196 short tons, than in interim 2022, at 527,696.<sup>285</sup>

## **b) Supply Conditions**

During the POR, the domestic industry continued to be the largest supplier of SSSS to the U.S. market, although it lost market share during the full years of the POR. U.S. producers' share of apparent U.S. consumption decreased from 88.2 percent in 2020 to 82.7 percent in 2021 and to 77.1 percent in 2022; it was higher in interim 2023 at 84.2 percent compared to 76.3 percent in interim 2022.<sup>286</sup> The domestic industry's SSSS production capacity increased from 1.8 million short tons in 2020 to 1.9 million short tons in 2021 and was 1.6 million short tons 2022; it was lower in interim 2023, at 466,959 short tons, than in interim 2022, at 489,822 short tons.<sup>287</sup>

There have been several changes to the domestic industry since January 1, 2017. U.S. producer ATI exited the industry in 2021 after idling two of its plants in 2020.<sup>288</sup> Cleveland-Cliffs acquired AK Steel, \*\*\*.<sup>289</sup> In early July 2021, NAS declared force majeure, which was withdrawn the following week, and was forced to delay deliveries out of its Ghent, Kentucky mill due to unforeseen supply chain issues with its industrial gas inputs; \*\*\*.<sup>290</sup> Additionally, \*\*\*.<sup>291</sup>

During the POR, cumulated subject imports accounted for the smallest share of apparent U.S. consumption, although subject import market share increased during the 2020-

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<sup>283</sup> Outokumpu/NAS Prehearing Br. at 49-50; Cleveland-Cliffs Prehearing Br. at 47.

<sup>284</sup> Japanese Respondents Prehearing Br. at 22-24.

<sup>285</sup> CR/PR at Table C-1.

<sup>286</sup> CR/PR at Tables I-20, C-1.

<sup>287</sup> CR/PR at Table III-7.

<sup>288</sup> CR/PR at Table III-1.

<sup>289</sup> CR/PR at Tables III-1, III-2.

<sup>290</sup> CR/PR at Tables III-1, III-2.

<sup>291</sup> CR/PR at Table III-2.

2022 period. Subject imports' share of apparent U.S. consumption increased from \*\*\* percent in 2020 to \*\*\* percent in 2021 and to \*\*\* percent in 2022; it was lower at \*\*\* percent in interim 2023 compared to \*\*\* percent in interim 2022.<sup>292</sup>

Nonsubject imports, which include imports from producers/exporters in South Korea and Taiwan that have been excluded from the orders, were the second-largest source of supply to the U.S. market during the POR.<sup>293</sup> Nonsubject imports' share of apparent U.S. consumption increased from \*\*\* percent in 2020 to \*\*\* percent in 2021 and to \*\*\* percent in 2022; it was lower at \*\*\* percent in interim 2023 than in interim 2022 at \*\*\* percent.<sup>294</sup> The largest sources of nonsubject imports in 2022 were India and Indonesia.<sup>295</sup> Since 2017, nonsubject imports from China have been subject to antidumping and countervailing duty orders, which were continued after the first five-year reviews in November 2022.<sup>296</sup>

### **c) Substitutability and Other Conditions**

In these reviews, we find that there is a moderate-to-high degree of substitutability between domestically produced SSSS and subject imports.<sup>297</sup> As discussed above, all responding U.S. producers reported that SSSS from each subject source was always interchangeable with domestically produced SSSS and with each other.<sup>298</sup> Most responding importers reported that SSSS from South Korea and Taiwan was always interchangeable with the domestic like product, and the remainder reported that subject imports and the domestic like product were frequently or sometimes interchangeable. With respect to SSSS from Japan, half of responding importers reported that it was always interchangeable with the domestic like product, one importer each reported that it was frequently or sometimes interchangeable, and three importers reported that it was never interchangeable.<sup>299</sup> Most responding importers reported that subject imports of SSSS from Japan, South Korea, and Taiwan were always interchangeable with each other.<sup>300</sup> Almost all responding purchasers reported that SSSS from

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<sup>292</sup> CR/PR at Tables I-20, C-1.

<sup>293</sup> CR/PR at Tables I-20, C-1.

<sup>294</sup> CR/PR at Tables I-20, C-1.

<sup>295</sup> CR/PR at II-9.

<sup>296</sup> CR/PR at Table I-2.

<sup>297</sup> CR/PR at II-14 – II-15.

<sup>298</sup> CR/PR at Table II-14.

<sup>299</sup> CR/PR at Table II-15.

<sup>300</sup> CR/PR at Table II-15. One importer each reported that subject imports from Japan were frequently or sometimes interchangeable with imports from South Korea and Taiwan, and one importer (Continued...)

domestic and all three subject sources were always or frequently interchangeable.<sup>301</sup> Most responding purchasers reported that domestically produced SSSS was comparable or superior compared to SSSS imported from each subject country, with some limited exceptions.<sup>302</sup>

As also discussed above, U.S. producers reported shipments of all classes of SSSS in 2022, with austenitic accounting for the majority of their total U.S. shipments that year, followed by ferritic, and all other classes.<sup>303</sup> U.S. shipments of imports from each of the subject sources also consisted of ferritic SSSS, and there were also shipments of subject austenitic SSSS from South Korea.<sup>304</sup> There were U.S. shipments of domestically produced SSSS in each class and grade category in 2022.<sup>305</sup> Again, although U.S. shipments of SSSS from the subject sources were not reported across all class and grade categories, there was overlap between U.S. shipments of domestically produced SSSS and subject imports from all subject sources with respect to ferritic 430 grade in 2022.<sup>306</sup> U.S. shipments of domestically produced SSSS and subject imports from South Korea consisted of both hot-rolled annealed and pickled (“HRAP”) SSSS and cold-rolled or further processed SSSS.<sup>307</sup> Although U.S. shipments of SSSS from Japan and Taiwan were not reported for both processes, there was still overlap in that U.S. shipments of SSSS from Japan consisted of cold-rolled or further processed SSSS while U.S. shipments of SSSS from Taiwan consisted of HRAP.<sup>308</sup>

We also find that price is an important factor in purchasing decisions. Price, along with quality, were most frequently identified by responding purchasers as among their top three factors in purchasing decisions, with nine firms each ranking price and quality and three firms

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(...Continued)

reported that subject imports from South Korea were frequently interchangeable with subject imports from Taiwan. *Id.*

<sup>301</sup> CR/PR at Table II-15. One purchaser each reported that subject imports from South Korea and the domestic like product were only sometimes or never interchangeable and one purchaser reported that subject imports from Taiwan and the domestic like product are sometimes interchangeable. *Id.*

<sup>302</sup> CR/PR at Table II-13. One purchaser each reported that the domestic like product and subject imports from Japan were comparable or inferior with respect to discounts offered, packaging, product consistency, and quality exceeds industry standards. *Id.* All seven responding purchasers reported that the domestic like product was inferior (*i.e.*, lower priced) compared to subject imports from Taiwan. *Id.*

<sup>303</sup> CR/PR at Table IV-2.

<sup>304</sup> CR/PR at Table IV-2.

<sup>305</sup> CR/PR at Table IV-3.

<sup>306</sup> CR/PR at Table IV-3.

<sup>307</sup> CR/PR at Table IV-4.

<sup>308</sup> CR/PR at Table IV-4.



ranking availability as among their top three purchasing factors.<sup>309</sup> Price was also one of the factors most frequently identified by responding purchasers as very important to their purchasing decisions. Nine purchasers identified price, as well as reliability, as very important, while ten purchasers each identified availability, product consistency, and quality meets industry standards as very important.<sup>310</sup> All U.S. producers reported that differences other than price are never significant and the majority of purchasers reported that such differences are sometimes or never significant; importers' responses regarding the significance of factors other than price varied.<sup>311</sup> Five out of nine responding purchasers reported that they usually purchase the lowest-priced product, while four reported that they sometimes do so and one reported that it never does.<sup>312</sup>

The record indicates that SSSS is primarily produced-to-order. U.S. producers reported that \*\*\* percent of their commercial shipments were produced-to-order, with lead times averaging \*\*\* days, with the remaining \*\*\* percent of their commercial shipments coming from inventories, with lead times averaging \*\*\* days. Importers reported that \*\*\* percent of commercial shipments were produced-to-order, with lead times averaging \*\*\* days, with the remaining \*\*\* percent of their commercial shipments coming from U.S. inventories with lead times averaging \*\*\* days.<sup>313</sup>

The primary raw materials for SSSS include alloy materials (particularly chromium, nickel, and molybdenum), stainless steel scrap, and iron scrap.<sup>314</sup> The amount of alloying elements varies by the grade of SSSS; common grades of SSSS include AISI grades 304, 316, 409, and 430.<sup>315</sup> Grades 304 and 316 contain substantial amounts of nickel for example, while

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<sup>309</sup> CR/PR at Table II-9.

<sup>310</sup> CR/PR at Table II-10.

<sup>311</sup> CR/PR at Tables II-17, 18, 19. A slight majority of responding importers (six of ten) reported that differences other than price were always significant in comparing the domestic like product and subject imports from Japan, while three of ten reported that such differences are sometimes or never important. Furthermore, four of five responding purchasers reported that differences other than price are only sometimes or never significant when comparing the domestic like product and subject imports from Japan. CR/PR at Tables II-18 and II-19. In comparing the domestic like product with subject imports from South Korea and Taiwan as well as comparing imports from the three subject sources, most importers reported that differences other than price were always or never significant. CR/PR at Table II-18.

<sup>312</sup> CR/PR at II-17.

<sup>313</sup> CR/PR at II-17.

<sup>314</sup> CR/PR at V-1.

<sup>315</sup> CR/PR at V-1.

grades 409 and 430 do not.<sup>316</sup> The published prices of grades 304 and 316 stainless steel coil generally increased from January 1, 2017, to March 31, 2023: the published price of 304 grade stainless steel coil increased \*\*\* percent while the published price of 316 grade stainless steel coil increased by \*\*\* percent over the same time period. The published price of 430 grade stainless steel coil increased to a lesser degree (\*\*\* percent) over the same period.<sup>317</sup>

U.S. producers' raw material costs as a share of their cost of goods sold ("COGS") increased from 59.2 percent in 2020 to 68.2 percent in 2022.<sup>318</sup> U.S. producers' raw material costs as a share of COGS was lower at 62.5 percent in interim 2023 than in interim 2022, at 70.6 percent.<sup>319</sup> Energy costs are another component of SSSS production costs, and the prices of both electricity and natural gas fluctuated during the POR.<sup>320</sup>

Effective April 1, 2022, SSSS originating in Japan became subject to an annual TRQ under Section 232, which permits 5,302 short tons of SSSS from Japan to enter in-quota without Section 232 duties but imposes additional 25 percent duties on out-of-quota imports above that level.<sup>321</sup> SSSS originating in South Korea became subject to an absolute annual quota of 17,963 short tons under Section 232.<sup>322</sup> SSSS originating in Taiwan became subject to an additional 25 percent ad valorem duty under Section 232 effective March 23, 2018.<sup>323</sup>

U.S. producers, importers, and purchasers were asked to report the impact of Section 232 measures on overall demand, supply, prices, and raw material costs. The majority of U.S. producers reported that Section 232 tariffs caused the supply of U.S.-produced SSSS and price

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<sup>316</sup> CR/PR at V-1 & Table V-1.

<sup>317</sup> CR/PR at V-1, Figure V-1, Tables V-2 – V-4.

<sup>318</sup> CR/PR at V-1.

<sup>319</sup> CR/PR at V-1.

<sup>320</sup> CR/PR at V-10, Figure V-4, Tables V-9 – V-10.

<sup>321</sup> CR/PR at I-26 - I-27. The annual TRQ for imports of steel products from Japan within the scope of these reviews is as follows: Quota ID 9903.81.48 (Hot-rolled sheet of stainless steel): 1,580,845 kg annual quota; quota ID 9903.81.49 (Hot-rolled strip of stainless steel): 10,788 kg annual quota; quota ID 9903.81.51 (Cold-rolled sheet of stainless steel): 508,726 kg annual quota; and quota ID 9903.81.52 (Cold-rolled strip of stainless steel): 2,709,633 kg annual quota. CR/PR at I-27 n.49.

<sup>322</sup> CR/PR at I-26 - I-27. The annual absolute quota limits for HTS subcategories are as follows: quota ID 9903.80.28 (Hot-rolled sheet of stainless steel): 1,172,992 kg; quota ID 9903.80.29 (Hot-rolled strip of stainless steel and other products): 13,346 kg; quota ID 9903.80.31 (Cold-rolled sheet of stainless steel): 13,460,008 kg; and quota ID 9903.80.32 (Cold-rolled strip of stainless steel): 1,649,722 kg. The total quota limit and usage is 16,296,068 kg (75.9 percent used in 2022 and 16.9 percent used in the first two quarters of 2023). CR/PR at I-27 n.48.

<sup>323</sup> CR/PR at I-26 - I-27.

of SSSS to fluctuate upwards,<sup>324</sup> but the majority of U.S. producers also reported that Section 232 tariffs have had no impact on the overall demand for SSSS in the U.S. market.<sup>325</sup> U.S. producer responses were mixed regarding the impact of Section 232 tariffs on the supply of imported SSSS in the U.S. market.<sup>326</sup>

The majority of importers reported that Section 232 tariffs have had no impact on demand in the U.S. market for SSSS or on the supply of U.S.-produced SSSS while half of responding importers reported that Section 232 tariffs have had no impact on the supply of imported SSSS.<sup>327</sup> The majority of responding importers also reported that Section 232 tariffs had caused the price of SSSS to steadily increase or fluctuate upwards.<sup>328</sup>

The majority of responding purchasers reported that Section 232 tariffs have had no impact on the supply of U.S.-produced SSSS while half of responding purchasers reported that the Section 232 tariffs have caused the supply of imported SSSS to fluctuate down.<sup>329</sup> Most responding purchasers reported that Section 232 tariffs caused the price of SSSS to fluctuate upwards while the rest reported that section 232 tariffs caused the price of SSSS to steadily increase.<sup>330</sup> The majority of purchasers reported that section 232 tariffs had caused overall

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<sup>324</sup> CR/PR at II-2 – II-3, Table II-2. U.S. producer \*\*\* reported that the price for grade 304 had increased 22 percent due to the Section 232 measures, allowing it to become profitable for the first time. U.S. producer \*\*\* reported that section 232 tariffs had provided price stability in the U.S. market but that this price stability had been undermined by low-priced nonsubject imports. *Id.*

<sup>325</sup> CR/PR at II-2 – II-3, Table II-2. U.S. producer \*\*\* reported that any decrease in demand was due to the COVID-19 pandemic, that demand has rebounded since the pandemic ended, and that demand is projected to grow 2-3 percent per annum. *Id.*

<sup>326</sup> CR/PR at II-2 – II-3, Table II-2. U.S. producer \*\*\* reported that 232 tariffs caused the supply of imported SSSS to steadily increase, while U.S. producer \*\*\* reported that section 232 tariffs caused the supply of imported SSSS to fluctuate upwards. U.S. producer \*\*\* reported that 232 tariffs caused the supply of imported SSSS to fluctuate down. *Id.*

<sup>327</sup> CR/PR at II-2 – II-3, Table II-2. Importer \*\*\* reported that, despite Section 232 tariffs, AISI data show that domestic shipments have decreased 19 percent while imports have increased 50 percent during the 2018-2022 period. *Id.*

<sup>328</sup> CR/PR at II-2 – II-3, Table II-2.

<sup>329</sup> CR/PR at II-2 – II-3, Table II-2. Purchaser \*\*\* reported that Section 232 tariffs prevented imports from China from entering the U.S. market, and as a result, U.S. mills increased production. Purchaser \*\*\* reported that as a result of Section 232 tariffs, domestic mills put customers on material allocation. *Id.*

<sup>330</sup> CR/PR at II-2 – II-3, Table II-2. Purchaser \*\*\* reported that domestic mills were able to raise prices due to the imposition of Section 232 tariffs. *Id.*

demand in the U.S. market and raw material costs for SSSS to fluctuate upwards or steadily increase.<sup>331</sup>

### **C. Likely Volume of Subject Imports**

#### **1. The Original Investigations and Prior Five-Year Reviews**

In the original investigations, the Commission found that the volume of subject imports increased significantly over the period of investigation, growing by 19.0 percent from 1996 to 1998. The market share of cumulated subject imports increased from 14.9 percent in 1996 to 15.9 percent in 1998. By contrast, nonsubject imports' share of the market remained relatively steady during the period. U.S. producers increased capacity by 9.3 percent during the original period of investigation, but their share of the market did not grow. Their market share remained relatively stable in 1996 and 1997, at 80.8 percent and 81.3 percent respectively, but dropped to 79.6 percent in 1998. The Commission observed that despite a 10 percent increase in the volume of U.S. producers' shipments during the period of investigation, the value of their shipments fell by 10 percent.<sup>332</sup>

In the first reviews, the Commission determined that cumulated subject import volume from Germany, Italy, Japan, South Korea, Mexico, and Taiwan would likely be significant after revocation of the orders. It found that subject foreign producers would have the ability to increase exports to the United States given the continued presence of subject imports in the U.S. market, existing distribution networks, and a significant increase in capacity and excess capacity to produce SSSS in subject countries since the original investigations. The Commission also found that subject foreign producers would likely shift exports from third country markets to the United States, given the attractive prices prevailing in the U.S. market. Finally, the Commission found that subject foreign producers could increase their exports of SSSS to the United States by shifting the production of out-of-scope cut-to-length SSSS to subject

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<sup>331</sup> CR/PR at II-2 – II-3, Table II-2. Purchaser \*\*\* reported that demand for domestic SSSS increased after the imposition of Section 232 tariffs, but that demand has decreased with overall market demand in the last 6 months. *Id.*

<sup>332</sup> Original Determinations, USITC Pub. 3208 at 13-15.

merchandise, which was the more commercially advantageous form of SSSS from the perspective of subject foreign producers.<sup>333</sup>

In the second reviews, the Commission determined that since the imposition of the orders, subject imports from Japan, South Korea, and Taiwan had maintained a significant and continuous presence in the U.S. market. It found that subject producers in Japan, South Korea, and Taiwan demonstrated a continued interest in serving the U.S. market and maintained ongoing relationships with U.S. customers. It also found that they possessed significant excess capacity with which they could significantly increase exports to the United States. According to the Commission, producers in Japan, South Korea, and Taiwan had incentive to use their excess capacity to increase exports to the United States given their export orientation, the higher prices for SSSS available in the U.S. market, and their established channels of distribution. The Commission observed that existing third country barriers were also likely to force them to shift exports to other markets, including the United States.<sup>334</sup>

In the third reviews, the Commission found that cumulated subject imports had a very limited presence in the U.S. market during the period of review. Nevertheless, it found that subject producers in Japan, South Korea, and Taiwan had the ability and the incentive to increase shipments of subject merchandise to the U.S. market significantly within a reasonably foreseeable time if the orders were revoked. Based on \*\*\* data, the Commission found that the subject industries possessed substantial capacity, including excess capacity. The Commission also found, based on official statistics, that the subject industries were export oriented. Finally, the Commission found that the U.S. market would be attractive to the subject producers, given the relatively higher prices, rising total and excess capacity in Asia, and trade barriers in multiple third country markets. Based on these factors, the Commission found that cumulated subject import volumes would likely be significant, both in absolute terms and relative to U.S. consumption, upon revocation of the orders.<sup>335</sup>

## 2. The Current Reviews

During the POR cumulated subject imports maintained a presence in the U.S. market at lower levels than during the original investigations until 2022. Despite the disciplining effects of

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<sup>333</sup> First Five-Year Reviews, USITC Pub. 3788 at 29-32. The Commission observed that imports of cut-to-length SSSS from the subject countries increased by 80,000 short tons between 1998 and 2004, while exports of coiled products declined by 150,000 short tons. *Id.*

<sup>334</sup> Second Five-Year Reviews, USITC Pub. 4244 at 42-44.

<sup>335</sup> Third Five-Year Reviews, USITC Pub. 4725 at 33-36.

the orders, the volume of cumulated subject imports increased from \*\*\* short tons in 2020 to \*\*\* short tons in 2021 and \*\*\* short tons in 2022; it was lower at \*\*\* short tons in interim 2023 compared to \*\*\* short tons in interim 2022.<sup>336</sup> Cumulated subject imports as a share of apparent U.S. consumption increased from \*\*\* percent in 2020 to \*\*\* percent in 2021 and to \*\*\* percent in 2022; their share was lower at \*\*\* percent in interim 2023 compared to \*\*\* percent in interim 2022.<sup>337</sup> Notwithstanding the discipline of the orders, cumulated subject imports gained market share at the domestic industry's expense during the 2020-2022 period.<sup>338</sup>

The record shows that cumulated subject producers have the ability and incentive to export significant volumes of subject merchandise to the United States in the event of revocation of the orders. Based on available information,<sup>339</sup> cumulated subject producers' capacity was \*\*\* short tons in 2020, \*\*\* short tons in 2021, and \*\*\* short tons in 2022.<sup>340</sup> Capacity utilization rates were \*\*\* percent in 2020, \*\*\* percent in 2021, and \*\*\* percent in 2022.<sup>341</sup> The available information shows that cumulated subject producers possessed excess capacity of \*\*\* short tons in 2022, which exceeded apparent U.S. consumption that year.<sup>342</sup> Additionally, as discussed above in Section III.B, four out of five responding Japanese producers reported producing other products on the same equipment and machinery used to produce SSSS,<sup>343</sup> and therefore, have the ability to increase production of SSSS by shifting production from out-of-scope merchandise produced on the same equipment. Responding Japanese producers reported that their end-of-period inventories increased from \*\*\* short tons in 2020

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<sup>336</sup> CR/PR at Table IV-1. We note that the various Section 232 measures applicable to imports of SSSS from the subject sources did not prevent the volume of cumulated subject imports from increasing during the POR.

<sup>337</sup> CR/PR at Tables I-20, C-1.

<sup>338</sup> CR/PR at Tables I-20, C-1. As noted above, U.S. producers' share of apparent U.S. consumption decreased from 88.2 percent in 2020 to 82.7 percent in 2021 and to 77.1 percent in 2022; it was higher in interim 2023 at 84.2 percent compared to 76.3 percent in interim 2022.

<sup>339</sup> As discussed above in Section III.B, data on the SSSS industry in Japan is based on questionnaire data; however, because no SSSS producer in South Korea or Taiwan responded to the Commission's questionnaires, data on the SSSS industries in South Korea and Taiwan are based on \*\*\* data.

<sup>340</sup> *Calculated from* CR/PR at Tables IV-16, IV-20, IV-22.

<sup>341</sup> *Calculated from* CR/PR at Tables IV-16, IV-20, IV-22.

<sup>342</sup> *Calculated from* CR/PR at Tables IV-16, IV-20, IV-22, C-1.

<sup>343</sup> CR/PR at IV-43.

to \*\*\* short tons in 2021 and \*\*\* short tons in 2022; they were lower in interim 2023 at \*\*\* short tons than in interim 2022 at \*\*\* short tons.<sup>344</sup>

The record in these reviews also indicates that cumulated subject producers also export substantial quantities of products that include SSSS. Responding Japanese producers reported that their exports of SSSS increased from 319,451 short tons in 2020 to 399,973 short tons in 2021 before declining to 311,076 short tons in 2022; they were 73,133 short tons in interim 2023, compared to 82,273 short tons in interim 2022.<sup>345</sup> Responding Japanese producers' exports as a share of total shipments ranged from 23.2 to 27.4 percent during the POR.<sup>346</sup> According to GTA data concerning exports of SSSS, which may include out-of-scope products, exports of SSSS from cumulated subject producers remained at substantial levels throughout the POR, increasing from 2.3 million short tons in 2020 to 2.6 million short tons in 2021 before declining to 1.1 million short tons in 2022.<sup>347</sup> The leading destination markets for such exports include countries in Asia, Europe, and North America.<sup>348</sup> These GTA data also show that Japan, South Korea, and Taiwan were among the world's largest exporters of SSSS.<sup>349</sup>

The record also indicates that the U.S. market remains attractive to cumulated subject producers, providing them with the incentive to export significant volumes of subject merchandise to the United States in the event of revocation. Cumulated subject imports maintained a substantial and increasing presence in the U.S. market during the POR, accounting for \*\*\* percent of apparent U.S. consumption in 2022, thereby retaining U.S. customers and ready distribution networks.<sup>350</sup> Furthermore, the U.S. market generally offers relatively higher prices for SSSS than most other third-country markets, which in combination with the size of the U.S. market creates an economic incentive for subject producers to increase their exports of

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<sup>344</sup> CR/PR at Table IV-16. Because no SSSS producer in South Korea or Taiwan responded to the Commission's questionnaires, data concerning foreign producers' inventories is limited to that which was reported by subject producers in Japan. *Id.*

<sup>345</sup> CR/PR at Table IV-16. Only Japanese producers reported their exports during the POR, as no SSSS producer in South Korea or Taiwan responded to the Commission's questionnaires.

<sup>346</sup> CR/PR at Table IV-16.

<sup>347</sup> *Calculated from* CR/PR at Tables IV-19, IV-21, IV-23.

<sup>348</sup> CR/PR at Tables IV-19, IV-21, IV-23.

<sup>349</sup> CR/PR at IV-57 – IV-58, Table IV-25. Taiwan was the fifth largest exporter, representing 5.8 percent of total global exports in 2022, South Korea was the seventh largest exporter, representing 4.9 percent, and Japan was the eleventh largest exporter, representing 2.8 percent. *Id.*

<sup>350</sup> CR/PR at Table IV-1; *see also* CR/PR at Table II-3.

SSSS to the United States after revocation.<sup>351</sup> The existence of multiple third-country trade barriers to subject imports from each of the subject sources further enhances the relative attractiveness of the U.S. market to subject producers in the event of revocation.<sup>352</sup>

Finally, as detailed in section III.C.2.a, above, we find that the Section 232 measures on subject imports from Japan, South Korea, and Taiwan would not prevent the volume of cumulated subject imports from being significant if the orders were revoked. In all, these measures did not prevent the volume of cumulated subject imports from increasing by \*\*\* percent from 2020 to 2022 and gaining \*\*\* percentage points in terms of market share, and still allow for significant volumes of subject imports.<sup>353</sup>

Accordingly, based on the significant and increasing volume and market share of cumulated subject imports during the original investigations, the substantial and increasing presence of cumulated subject imports in the U.S. market during the POR while under the disciplining effect of the orders; the cumulated subject producers' substantial capacity, excess capacity, inventories, and exports, and the attractiveness of the U.S. market, we find that the likely volume of cumulated subject imports would be significant both in absolute terms and relative to consumption in the United States, if the orders were revoked.

## **D. Likely Price Effects**

### **1. The Original Investigations and Prior Five-Year Reviews**

In the original investigations, the Commission found that subject imports undersold the domestic like product in 196 of 321 possible quarterly price comparisons between 1996 and 1998. Prices for both the domestic like product and subject imports declined significantly over the period of investigation during a period of record high demand. Although raw material costs also fell during the period of investigation, the Commission found that the overall decline in

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<sup>351</sup> Based on GTA data, which may include out-of-scope merchandise, the AUV of SSSS exports from Japan to the United States in 2022 was higher than the AUVs of Japanese exports to any of that country's leading export markets, by quantity, for SSSS. CR/PR at Table IV-19. The AUV of SSSS exports from South Korea to the United States in 2022 was higher than the AUVs of South Korean exports to five of that country's eight leading export markets, by quantity, for SSSS. CR/PR at Table IV-21. The AUV of SSSS exports from Taiwan to the United States in 2022 was higher than the AUVs of Taiwanese exports to six of that country's eight leading export markets, by quantity, for SSSS. CR/PR at Table IV-23.

<sup>352</sup> CR/PR at Table IV-24. Among these third country trade barriers are orders by Thailand on cold-rolled stainless steel products from Japan, South Korea, and Taiwan, initially issued in 2003, and continued in 2021.

<sup>353</sup> CR/PR at Table C-1.



price for each of the six pricing products outpaced the decline in raw material costs. Based on the substitutability of the subject imports and the domestic like product, price competition, the parallel declines in domestic and subject import prices during a period of record demand, the increasing subject import volumes, and the evidence of general underselling, the Commission concluded that the subject imports had significantly depressed domestic prices for SSSS.<sup>354</sup>

In the first reviews, cumulated subject imports undersold the domestic like product in 78 of 192 quarterly comparisons during the period of review, despite the orders. According to the Commission, prices for the domestic like product declined during 2000 and 2001, when demand was weak; increased in 2003, although not enough to cover increased production costs; and then increased in 2004 in excess of increased production costs. Nevertheless, the Commission found that prices for the domestic like product were unlikely to remain strong if the orders were to be revoked, given the price sensitivity of the market for SSSS, low projected U.S. demand growth, increased subject import volume during the period of review, and continued subject import underselling even with the orders in place. The Commission concluded that revocation of the orders would likely result in significant subject import underselling as well as significant price depression and suppression.<sup>355</sup>

In the second reviews, the Commission found that cumulated subject imports from Japan, South Korea, and Taiwan generally undersold the domestic like product.<sup>356</sup> The Commission found that the moderate-to-high degree of substitutability, the importance of price in purchasing decisions, significant underselling despite the discipline of the orders, and the likelihood that the volume of cumulated subject imports from Japan, South Korea, and Taiwan would increase after revocation indicated that subject import underselling was likely to intensify if the orders were revoked. It also found that significant underselling by subject imports from Japan, South Korea, and Taiwan would likely result in the depression or suppression of the base prices for the domestic like product, as domestic producers would likely have to reduce their base prices to retain market share and maintain an acceptable rate

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<sup>354</sup> Original Determinations, USITC Pub. 3208 at 16-17.

<sup>355</sup> First Five-Year Reviews, USITC Pub. 3788 at 31-32.

<sup>356</sup> Second Five-Year Reviews at 44-45. According to the Commission, although the quantity of subject imports in those transactions was generally low, the prevalence of underselling by cumulated subject imports during that period of review, under the discipline of the orders, was consistent with the prevalence of underselling by subject imports from Japan, South Korea, and Taiwan during the periods examined in the original investigations and the first five-year reviews. *Id.*

of capacity utilization in the face of significantly increased quantities of low-priced subject imports from Japan, South Korea, and Taiwan.<sup>357</sup>

In the third reviews, the Commission reiterated its findings that price is an important factor in purchasing decisions for SSSS and that there is a moderate-to-high degree of substitutability between the domestic like product and cumulated subject imports. It found that the record contained limited pricing comparisons, showing that cumulated subject imports undersold the domestic like product in one of two possible quarterly comparisons. The Commission noted its earlier finding that, if the orders were revoked, subject producers would likely export significant volumes of cumulated subject imports to the United States. Given the importance of price in purchasing decisions and the substitutability of SSSS from domestic and subject sources, the Commission found that suppliers of subject merchandise would likely resume significant underselling as a means of gaining sales in the U.S. market, as they did in the original investigations. The Commission found that the presence of significant quantities of low-priced subject imports would force the domestic industry either to lower prices or cede market share. In light of these considerations, the Commission concluded that cumulated subject imports would likely have significant depressing or suppressing effects on prices for the domestic like product.<sup>358</sup>

## 2. The Current Review

As discussed in section IV.B.2.c., we have found that there is a moderate-to-high degree of substitutability between domestically produced SSSS and subject imports and that price is an important purchasing factor.

The Commission collected quarterly pricing data from U.S. producers and importers for the total quantity and f.o.b. values of six pricing products shipped to unrelated U.S. customers during the POR.<sup>359</sup> Three U.S. producers and one importer provided usable pricing data for

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<sup>357</sup> Second Five-Year Reviews, USITC Pub. 4244 at 44-45.

<sup>358</sup> Third Five-Year Reviews, USITC Pub. 4527 at 37-38.

<sup>359</sup> The Commission requested pricing data on the following products:

**Product 1.**-- AISI Grade 304, 0.075 inch nominal thickness (0.068-0.082 inch actual), width 48-60 inches, in coils, 2B finish.

**Product 2.**-- AISI Grade 304, 0.029 inch nominal thickness (0.0260-0.032 inch actual), width 48-60 inches, in coils, 2B finish.

**Product 3.**-- AISI Grade 304, 0.036 inch nominal thickness (0.032-0.040 inch actual), width 48-60 inches, in coils, 2B finish.

(Continued...)

sales of the requested products, although not all firms reported pricing for all products for all quarters. Pricing data reported by these firms accounted for approximately \*\*\* percent of U.S. producers' U.S. shipments of SSSS and \*\*\* percent of U.S. shipments of subject imports from Japan in 2022.<sup>360</sup> Price data concerning SSSS from Japan was reported only for products 1 and 3; since no respondent parties for South Korea or Taiwan participated in these reviews, \*\*\*<sup>361</sup>

The limited pricing data available indicate that cumulated subject imports predominantly oversold the domestic like product during the POR. Cumulated subject imports undersold the domestic like product in \*\*\* quarterly comparisons, involving \*\*\* short tons of SSSS, at \*\*\* percent.<sup>362</sup> Cumulated subject imports oversold the domestic like product in the remaining \*\*\* quarterly comparisons, involving \*\*\* short tons of SSSS, at \*\*\* percent.<sup>363</sup>

We have also considered price trends. Over the POR, sales prices for domestically produced SSSS increased, with domestic price increases ranging from \*\*\* to \*\*\* percent over the period, depending on the product.<sup>364</sup> Sales prices for pricing product 3 imported from Japan decreased by \*\*\* percent over the period, on very low volumes.<sup>365</sup>

The domestic industry's ratio of cost-of-goods sold ("COGS") to net sales decreased from 84.2 percent in 2020 to 80.2 percent in 2022. This ratio was somewhat higher at \*\*\* percent in interim 2023 compared to \*\*\* percent in interim 2022, while apparent U.S. consumption was \*\*\* percent lower in interim 2023 than in interim 2022.<sup>366</sup>

In light of the underselling observed during the original period of investigation, the moderate-to-high degree of substitutability between the domestic like product and subject imports, and the importance of price in purchasing decisions, we find that cumulated subject

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(...Continued)

**Product 4.**-- AISI Grade 316L, 0.060 inch nominal thickness (0.054-0.066 inch actual), width 48-60 inches, 2B finish.

**Product 5.**-- AISI Grade 409, 0.048 inch nominal thickness (0.0450-0.0510 inch actual), width 48-60 inches, in coils, 2D finish.

**Product 6.**-- AISI Grade 430, 0.036 inch nominal thickness (0.032-0.040 inch actual), width 36-48 inches, in coils, polished.

CR/PR at V-16.

<sup>360</sup> CR/PR at V-17.

<sup>361</sup> CR/PR at V-17.

<sup>362</sup> CR/PR at Table V-21.

<sup>363</sup> CR/PR at Table V-21.

<sup>364</sup> CR/PR at V-30, Table V-19.

<sup>365</sup> CR/PR at V-30, Table V-19. There was insufficient pricing data to determine trends for other pricing products imported from Japan. *Id.* at V-30.

<sup>366</sup> CR/PR at Tables III-13 and C-1.

imports are likely to undersell the domestic like product to a significant degree if the orders were revoked. Absent the discipline of the orders, the likely significant volume of low-priced cumulated subject imports would likely undersell the domestic like product and thereby force the domestic industry either to lower prices, forgo needed price increases, or else lose market share to cumulated subject imports, as occurred in the original investigations.<sup>367</sup> Consequently, we find that, if the orders were revoked, cumulated subject imports would likely have significant price effects within a reasonably foreseeable time.

## **E. Likely Impact<sup>368</sup>**

### **1. The Original Investigations and Prior Five-Year Reviews**

In the original investigations, the Commission found that apparent U.S. consumption of SSSS increased, growing by 11.7 percent. It observed that domestic producers increased their capacity by 9.3 percent in order to improve productivity and meet increasing demand. However, the industry's capacity utilization rate declined from 73.0 percent in 1996 to 69.6 percent in 1998. The Commission attributed the decline to increased subject import volumes and found that the domestic industry lowered its prices in order to preserve its market share. According to the Commission, despite growth in apparent consumption and a decline in the domestic industry's COGS, its operating income and ratio of operating income to net sales both declined over the period of investigation. The Commission determined that the decline in operating income resulted from the domestic industry's decision to reduce prices in order to maintain market share.<sup>369</sup>

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<sup>367</sup> We find the pattern of underselling prior to imposition of the orders, in which cumulated subject imports used significant underselling to capture market share from the domestic industry, to be relevant in considering pricing behavior of cumulated subject imports if the orders were revoked. See SAA at 884 (“{t}his period is the most recent time during which imports of subject merchandise competed in the U.S. market free of the discipline of an order or agreement.”).

<sup>368</sup> In its expedited reviews of the antidumping duty orders, Commerce calculated likely weighted-average dumping margins of up to 57.87 percent for subject imports from Japan, 58.79 percent for subject imports from South Korea, and 21.10 percent for subject imports from Taiwan. *Stainless Steel Sheet and Strip in Coils From Japan, the Republic of Korea, and Taiwan: Final Results of Expedited Fourth Sunset Reviews of Antidumping Duty Orders*, 87 Fed. Reg. 74133 (Dec. 2, 2022). In its review of the countervailing duty order on subject imports from South Korea, Commerce calculated likely subsidy rates for firms in Korea ranging from 0.54 percent to 4.64 percent. *Stainless Steel Sheet and Strip in Coils From the Republic of Korea: Final Results of Expedited Sunset Review of the Countervailing Duty Order*, 87 Fed. Reg. 74130 (Dec. 2, 2022).

<sup>369</sup> Original Determinations, USITC Pub. 3208 at 19-20.

In the first reviews, the Commission found that the domestic industry's operating and financial performance improved in 1999 after imposition of the orders, declined in 2001 due to a recession, and then recovered through 2004, although to a level below that in 1999. Based on the domestic industry's generally positive performance in 2004, the Commission did not find the domestic industry to be vulnerable. Nevertheless, the Commission found that the domestic industry would require SSSS prices that were considerably higher than historical averages to maintain profitability in the face of high raw material costs. Citing the modest demand growth projected for apparent U.S. consumption, the Commission found that the U.S. market would not be able to absorb the significant likely increase in subject imports, which would likely undersell the domestic like product and suppress or depress U.S. prices. It therefore concluded that subject imports would likely have a significant impact on the domestic industry after revocation of the orders.<sup>370</sup>

In the second reviews, while the Commission did not find that the domestic industry was vulnerable to continuation or recurrence of material injury, it found that cumulated subject imports from Japan, South Korea, and Taiwan would likely have a significant impact on the domestic industry after revocation. According to the Commission, the likely increased volume of subject imports was likely to undersell the domestic like product, thereby depressing or suppressing prices for the domestic like product to a significant degree. It found that the likely volume and price effects would likely have a significant adverse effect on the production, shipments, sales, market share, and revenues of the domestic industry, which would in turn have a direct adverse impact on the industry's profitability and employment as well as its ability to raise capital and make necessary capital investments. The Commission found that nonsubject imports' share of apparent U.S. consumption fluctuated within a narrow band during the period of review and that there was no evidence that nonsubject foreign producers had the incentive to significantly increase their penetration of the U.S. market in the reasonably foreseeable future.<sup>371</sup>

In the third reviews, the Commission found that the domestic industry's trade and employment indicators were mixed over the period of review, and that the domestic industry was not profitable during most of the period. It observed that the available data indicated that the domestic industry's performance improved after the issuance of provisional duties on SSSS from China but, because the improvement was largely limited to the interim 2017 data, which

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<sup>370</sup> First Five-Year Reviews, USITC Pub. 3788 at 27-28.

<sup>371</sup> Second Five-Year Reviews, USITC Pub. 4244 at 45-46.

covered only one quarter, it could not discern the extent to which the orders on SSSS from China would likely continue to reduce the domestic industry's vulnerability. The Commission also considered the role of nonsubject imports in the U.S. market. Given that domestic production accounted for the clear majority of apparent U.S. consumption, the Commission further explained, the likely increase in subject import volumes after revocation would likely come substantially at the expense of the domestic industry, and therefore have adverse effects distinct from those of nonsubject imports. Accordingly, the Commission found that revocation of the orders would likely have a significant impact on the domestic industry.<sup>372</sup>

## 2. The Current Review

The domestic industry's trade indicators were mixed during the POR. Its capacity increased irregularly from 2020 to 2022 but was lower in interim 2023 than in interim 2022.<sup>373</sup> Its production increased by 11.8 percent from 2020 to 2022 but was 22.7 percent lower in interim 2023 compared to interim 2022.<sup>374</sup> The domestic industry's capacity utilization rate increased 5.9 percentage points from 2020 to 2022, from 77.9 percent in 2020 to 83.8 percent in 2022, although it was 17.5 percentage points lower in interim 2023, at 74.7 percent, than in interim 2022, at 92.2 percent.<sup>375</sup>

The domestic industry's U.S. shipments, by quantity, increased by 16.1 percent from 2020 to 2022 but was 23.2 percent lower in interim 2023 than in interim 2022.<sup>376</sup> Its share of apparent U.S. consumption decreased from 88.2 percent in 2020 to 82.7 percent in 2021 and to 77.1 percent in 2022; it was higher in interim 2023 at 84.2 percent compared to 76.3 percent in

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<sup>372</sup> Third Five-Year Reviews, USITC Pub. 4725 at 39-41.

<sup>373</sup> CR/PR at Table C-1. The domestic industry's capacity was 1.8 million short tons in 2020 and 1.9 million short tons in 2021 and 2022; it was 466,959 short tons in interim 2023 compared to 489,822 short tons in interim 2022. *Id.*

<sup>374</sup> CR/PR at Table C-1. The domestic industry's production was 1.4 million short tons in 2020 and 1.6 million short tons in 2021 and 2022; it was 348,845 short tons in interim 2022 and 451,496 short tons in interim 2023. *Id.*

<sup>375</sup> CR/PR at Table C-1.

<sup>376</sup> CR/PR at Table C-1. The domestic industry's U.S. shipments were 1.3 million short tons in 2020 and 1.5 million short tons in 2021 and 2022; they were 309,253 short tons in interim 2023 and 402,712 short tons in interim 2022. *Id.*

interim 2022.<sup>377</sup> The domestic industry's ending inventories decreased 30.7 percent from 2020 to 2022 and were 19.5 percent lower in interim 2023 than in interim 2022.<sup>378</sup>

The domestic industry's employment indicators were mixed during the POR. The number of production related workers ("PRWs") increased from 2020 to 2022 but were lower in interim 2023 compared to interim 2022.<sup>379</sup> Hours worked increased irregularly from 2020 to 2022 and were higher in interim 2023 than in interim 2022.<sup>380</sup> Wages paid increased during the POR, while productivity fluctuated but increased overall during the full years of the POR but was lower in interim 2023 than in interim 2022.<sup>381</sup>

Most of the domestic industry's financial performance indicators generally improved from 2020 to 2022. Although the domestic industry's COGS increased by \*\*\* percent from 2020 to 2022,<sup>382</sup> its net sales value increased by \*\*\* percent during that time, causing the industry's ratio of COGS to net sales to decline.<sup>383</sup> As a result, the domestic industry's gross profits increased \*\*\* percent from 2020 to 2022.<sup>384</sup> The domestic industry's operating income and net income, along with operating income and net income as a ratio to net sales, also increased from 2020 to 2022.<sup>385</sup> With the exception of net income margins, these measures of

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<sup>377</sup> CR/PR at Tables I-20, C-1.

<sup>378</sup> CR/PR at Table C-1. The domestic industry's ending inventories were 188,626 short tons in 2020, 163,307 short tons in 2021, and 130,691 short tons in 2022; they were 143,788 short tons in interim 2023 and 178,601 short tons in interim 2022. *Id.*

<sup>379</sup> CR/PR at Table C-1. The industry's number of PRWs increased from 2,988 in 2020 to 3,037 in 2021 and 3,322 in 2022; it was lower at 3,093 in interim 2023 compared to in interim 2022, at 3,336. *Id.*

<sup>380</sup> CR/PR at Table C-1. Hours worked increased from 6.4 million hours in 2020 to 6.7 million hours in 2021 and then decreasing to 6.6 million hours in 2022; they were higher at 1.9 million hours in interim 2023 than in interim 2022, at 1.8 million hours. *Id.*

<sup>381</sup> CR/PR at Table C-1. Wages paid increased from \$240.1 million in 2020 to \$271.8 million in 2021 and \$291.9 million in 2022; they were higher at \$79.2 million in interim 2023 than in interim 2022, at \$75.8 million. *Id.* Productivity increased from 216.5 short tons per 1,000 hours in 2020 to 243.6 short tons per 1,000 hours in 2021 before declining to 236.0 short tons per 1,000 hours in 2022; it was lower at 187.7 short tons per 1,000 hours in interim 2023 than in interim 2022, at 252.0 short tons per 1,000 hours. *Id.*

<sup>382</sup> CR/PR at Table C-1. The domestic industry's COGS were \$\*\*\* in 2020, \$\*\*\* in 2021, and \$\*\*\* in 2022; they were \$\*\*\* in interim 2023 and \$\*\*\* in interim 2022. *Id.*

<sup>383</sup> CR/PR at Table C-1. The domestic industry's net sales value was \$\*\*\* in 2020, \$\*\*\* in 2021, and \$\*\*\* in 2022; it was \$\*\*\* in interim 2023 and \$\*\*\* in interim 2022. *Id.*

<sup>384</sup> CR/PR at Table C-1. The domestic industry's gross profits were \$\*\*\* in 2020, \$\*\*\* in 2021, and \$\*\*\* in 2022; they were \$\*\*\* in interim 2023 and \$\*\*\* in interim 2022. *Id.*

<sup>385</sup> CR/PR at Table C-1. The domestic industry's operating income was \$\*\*\* in 2020, \$\*\*\* in 2021, and \$\*\*\* in 2022; it was \$\*\*\* in interim 2023 and \$\*\*\* in interim 2022. *Id.* The domestic industry's net income was \$\*\*\* in 2020, \$\*\*\* in 2021, and \$\*\*\* in 2022; it was \$\*\*\* in interim 2023 and (Continued...)

the industry's financial performance were all lower in interim 2023 than in interim 2022.<sup>386</sup> The domestic industry's capital expenditures and research and development ("R&D") expenses increased during the POR.<sup>387</sup> The domestic industry's return on assets ("ROA") increased from 2020 to 2022.<sup>388</sup>

In assessing the vulnerability of the domestic industry, we observe that most measures of the industry's performance showed improvements from 2020 to 2022. Over this period, the industry's production increased by 11.8 percent, its U.S. shipments increased by 16.1 percent by quantity and by 108.3 percent by value, the industry's capacity utilization rate increased by 5.9 percentage points, net sales value increase by \*\*\* percent, the industry's COGS-to-net sales ratio declined by 44.0 percentage points, and the industry's operating margin increased by 4.9 percentage points. While most of the industry's indicators declined in the interim 2023 period, this occurred as apparent U.S. consumption also declined by 30.4 percent over the same period. On the basis of the record as a whole, we do not find that the domestic industry is currently vulnerable.

As discussed above, we have found that, if the orders were revoked, the volume of cumulated subject imports would likely be significant within a reasonably foreseeable time. We have also found that the increasing volume of cumulated subject imports would likely undersell the domestic like product to a significant degree, forcing the domestic industry to either cut prices, forgo needed price increases, or else lose market share to subject imports. The likely significant volume of cumulated subject imports, coupled with their significant price effects, would have a direct adverse impact on the domestic industry's production, shipments, profitability, and employment, as well as its ability to raise capital and make and maintain necessary capital investments. Accordingly, we find that if the orders were revoked, cumulated subject imports would likely have a significant impact on the domestic industry within a reasonably foreseeable time.

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(...Continued)

\$\*\*\* in interim 2022. *Id.* The domestic industry's operating margins were 13.8 percent in 2020, 20.3 percent in 2021, and 18.7 percent in 2022; they were 22.8 percent in interim 2023 and 24.4 percent in interim 2022. *Id.* Its net income margins were \*\*\* percent in 2020, \*\*\* percent in 2021, and \*\*\* percent in 2022; they were \*\*\* percent in interim 2023 and \*\*\* percent in interim 2022. *Id.*

<sup>386</sup> CR/PR at Table C-1.

<sup>387</sup> CR/PR at Table C-1. The domestic industry's capital expenditures were \$\*\*\* in 2020, \$\*\*\* in 2021, and \$\*\*\* in 2022; they were \$\*\*\* in interim 2022 and \$\*\*\* in interim 2023. *Id.* Its R&D expenses were \$\*\*\* in 2020, \$\*\*\* in 2021, and \$\*\*\* in 2022; they were \$\*\*\* in interim 2022 and \$\*\*\* in interim 2023. *Id.*

<sup>388</sup> CR/PR at Table III-22. The domestic industry's ROA increased from \*\*\* percent in 2020 to \*\*\* percent in 2021 and \*\*\* percent in 2022. *Id.*



We have also considered the role of factors other than subject imports, including the presence of nonsubject imports. The volume of nonsubject imports increased from 2020 to 2022, although it was lower in interim 2023 compared to interim 2022.<sup>389</sup> Nonsubject imports' share of apparent U.S. consumption increased from \*\*\* percent in 2020 to \*\*\* percent in 2021 and to \*\*\* percent in 2022; it was lower at \*\*\* percent in interim 2023 than in interim 2022 at \*\*\* percent.<sup>390</sup> Although nonsubject imports would be likely to remain in the U.S. market if the orders were revoked, the record does not show that the presence of nonsubject imports would prevent cumulated subject imports from significantly increasing their presence in the U.S. market after revocation, in light of the large size and exports of the subject industries and the relative attractiveness of the U.S. market. Given the domestic industry's 77.1 percent of apparent U.S. consumption in 2022, the moderate-to-high degree of substitutability between subject imports and the domestic like product, and the importance of price in purchasing decisions, the significant volume of low-priced cumulated subject imports that we have found likely after revocation would likely take market share from the domestic industry, as well as potentially from nonsubject imports, and/or force the domestic industry to reduce prices or forgo needed price increases to retain sales and market share. We therefore find that any effects of nonsubject imports would be distinct from the likely effects attributable to the subject imports.

We have also considered the likely effects of demand trends on the domestic industry. We recognize that apparent U.S. consumption was 4.5 percent lower in 2022, at 1,888,669 short tons than 2016, at 1,978,446, which was the last year of the prior period of review.<sup>391</sup> Although apparent U.S. consumption increased 32.9 percent from 2020 to 2022, it was 30.4 percent lower in interim 2023 than in interim 2022.<sup>392</sup> As discussed above in section IV.B.a, Domestic Producers claim that apparent U.S. consumption increased from 2020 to 2022 as pent up demand surged following the COVID-19 pandemic, but declined in the latter half of 2022 and beginning of 2023.<sup>393</sup> Japanese Respondents claim that demand for home appliances increased during the COVID-19 pandemic and that, while demand for automotive parts initially declined during the pandemic and fluctuated with supply chain challenges, it has been steadily

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<sup>389</sup> CR/PR at Table C-1. The volume of nonsubject imports was \*\*\* short tons in 2020, \*\*\* short tons in 2021, and \*\*\* short tons in 2022; it was \*\*\* short tons in interim 2023 and \*\*\* in interim 2022. *Id.*

<sup>390</sup> CR/PR at Tables I-20, C-1.

<sup>391</sup> CR/PR at Table C-1.

<sup>392</sup> CR/PR at Table C-1.

<sup>393</sup> Outokumpu/NAS Prehearing Br. at 49-50; Cleveland-Cliffs Prehearing Br. at 47.

increasing since then.<sup>394</sup> Market participants' views regarding anticipated demand were mixed.<sup>395</sup> To the extent that demand for SSSS continues to decline, the significant volume of low-priced cumulated subject imports that is likely after revocation would exacerbate any injury caused by weakening demand, and negatively impact the domestic industry by further reducing the industry's sales and placing additional downward pressure on domestic SSSS prices.

In sum, we conclude that, if the orders were revoked, cumulated subject imports from Japan, South Korea, and Taiwan would likely have a significant impact on the domestic industry within a reasonably foreseeable time.

## **V. Conclusion**

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

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<sup>394</sup> Japanese Respondents Prehearing Br. at 21-23.

<sup>395</sup> One U.S. producer each reported anticipating that U.S. demand for SSSS will fluctuate up, fluctuate down, or steadily decrease, while the majority of importers and foreign producers reported that they do not anticipate demand for SSSS in the U.S. market to change, and most purchasers reported that demand is expected to steadily increase or not change. CR/PR at Table II-7.

# Part I: Introduction

## Background

On September 1, 2022, the U.S. International Trade Commission (“Commission” or “USITC”) gave notice, pursuant to section 751(c) of the Tariff Act of 1930, as amended (“the Act”),<sup>1</sup> that it had instituted reviews to determine whether revocation of the countervailing duty order on stainless steel sheet and strip (“SSSS”) from South Korea and the antidumping duty orders on SSSS from Japan, South Korea, and Taiwan would likely lead to the continuation or recurrence of material injury to a domestic industry.<sup>2 3</sup> On December 5, 2022, the Commission determined that it would conduct full reviews pursuant to section 751(c)(5) of the Act.<sup>4</sup> Table I-1 presents information relating to the background and schedule of this proceeding.<sup>5 6</sup>

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

<sup>2</sup> 87 FR 53780, September 1, 2022. All interested parties were requested to respond to this notice by submitting the information requested by the Commission.

<sup>3</sup> In accordance with section 751(c) of the Act, the U.S. Department of Commerce (“Commerce”) published a notice of initiation of five-year reviews of the subject antidumping and countervailing duty orders. 87 FR 53727, September 1, 2022.

<sup>4</sup> 87 FR 78994, December 23, 2022. The Commission found that both the domestic and respondent interested party group responses from Japan to its notice of institution (87 FR 53780, September 1, 2022) were adequate, and determined to conduct a full review of the antidumping duty order on imports from Japan. The Commission also found that the respondent interested party group responses from South Korea and Taiwan were inadequate but determined to conduct full reviews of the orders on imports from those countries in order to promote administrative efficiency in light of its determinations to conduct a full review of the order with respect to Japan.

<sup>5</sup> The Commission’s notice of institution, notice to conduct full reviews and scheduling notice are referenced in appendix A and may also be found at the Commission’s web site (internet address [www.usitc.gov](http://www.usitc.gov)). Commissioners’ votes on whether to conduct expedited or full reviews may also be found at the web site. Appendix B is reserved for the witnesses appearing at the Commission’s hearing.

<sup>6</sup> Whereas these current reviews use the term “South Korea”, prior reviews referred to “Korea”, and as such this report uses “Korea” in place of “South Korea” when referencing prior reviews. Either case refers to imports covered by orders from investigation nos. 701-TA-388 and 731-TA-801.

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

Effective date	Action
July 27, 1999	Commerce's antidumping duty orders on SSSS from Japan, South Korea, and Taiwan (64 FR 40555 and 40565)
August 6, 1999	Commerce's countervailing duty order on SSSS from South Korea (64 FR 42923)
September 1, 2022	Commission's institution of five-year reviews (87 FR 53780)
September 1, 2022	Commerce's initiation of five-year reviews (87 FR 53727)
December 2, 2022	Commerce's final results of expedited five-year reviews of the countervailing and antidumping duty orders (87 FR 74130 and 74133)
December 5, 2022	Commission's determinations to conduct full five-year reviews (87 FR 78994)
March 7, 2023	Commission's scheduling of the reviews (88 FR 15456)
August 17, 2023	Scheduled date for the Commission's hearing
October 2, 2023	Scheduled date for the Commission's vote
October 16, 2023	Scheduled date for the Commission's determinations and views

## The original investigations

The original investigations resulted from petitions filed by Allegheny Ludlum Corp., Pittsburgh, Pennsylvania; Armco, Inc., Pittsburgh, Pennsylvania; J&L Specialty Steel, Inc. ("J&L"), Pittsburgh, Pennsylvania; Washington Steel Division of Bethlehem Steel Corp., Washington, Pennsylvania; the United Steel Workers of America, AFL-CIO/CLC; Butler Armco Independent Union; and Zanesville Armco Independent Organization, Inc, on June 10, 1998, alleging that an industry in the United States was materially injured and threatened with material injury by reason of subsidized imports of SSSS from France, Italy and Korea and less-than-fair-value ("LTFV") imports of SSSS from France, Germany, Italy, Japan, South Korea, Mexico, Taiwan, and the United Kingdom. Following notification of a final determination by Commerce that imports of SSSS from France, Germany, Italy, Japan, Korea, Mexico, Taiwan, and the United Kingdom were being sold at LTFV and that imports of SSSS were being subsidized by the Governments of France, Italy, and Korea, the Commission determined on July 19, 1999, that the domestic industry was materially injured by reason of the subject imports from France, Germany, Italy, Japan, Korea, Mexico, Taiwan, and the United Kingdom.<sup>7</sup> Commerce published the antidumping duty orders on subject imports of SSSS from France, Germany, Italy, Japan, Korea, Mexico,

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<sup>7</sup> *Certain Stainless Steel Sheet and Strip from France, Germany, Italy, Japan, The Republic of Korea, Mexico, Taiwan, and The United Kingdom, Inv. Nos. 701-TA-380-382 and 731-TA-797-804 (Final)*, USITC Publication 3208, July 1999 ("Original publication"), p. 1.

Taiwan, and the United Kingdom on July 27, 1999.<sup>8</sup> Commerce published the countervailing duty orders on SSSS from France, Italy, and Korea on August 6, 1999.<sup>9 10</sup>

### **Subsequent five-year reviews**

In July 2005, the Commission completed full five-year reviews of the subject orders and determined that revocation of the antidumping duty orders on SSSS from Germany, Italy, Japan, Korea, Mexico, and Taiwan, and the countervailing duty orders on SSSS from Italy and Korea would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time and that revocation of the antidumping duty orders on imports of SSSS from France and the United Kingdom would not be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.<sup>11</sup> Following affirmative determinations in the first five-year reviews by Commerce and the Commission,<sup>12</sup> Commerce issued a continuation of the antidumping duty orders on imports of SSSS from Germany, Italy, Japan, Korea, Mexico, and Taiwan, and the countervailing duty orders on imports SSSS from Italy and Korea, effective July 25, 2005.<sup>13 14</sup>

In July 2011, the Commission completed full five-year reviews of the subject orders and determined that revocation of the antidumping duty orders on SSSS from Japan, Korea, and Taiwan, and the countervailing duty order on SSSS from Korea would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time, and that revocation of the antidumping duty orders on SSSS from Germany, Italy, and Mexico would not

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<sup>8</sup> 64 FR 40562, 64 FR 40555, 64 FR 40557, 64 FR 40560, 64 FR 40567, and 64 FR 40565, July 27, 1999.

<sup>9</sup> 64 FR 42923, August 6, 1999. POSCO received a de minimis margin (0.65 percent) from Commerce and was thus excluded from the original countervailing duty order on Korea.

<sup>10</sup> 69 FR 53415, September 1, 2004. On September 1, 2004, Commerce amended its final determination in regards to imports of SSSS from France alleged to be subsidized by the Government of France, and revoked the countervailing duty order.

<sup>11</sup> *Stainless Steel Sheet and Strip from France, Germany, Italy, Japan, Korea, Mexico, Taiwan, and the United Kingdom, Inv. Nos. 701-TA-381-382 and 731-TA-979-805 (Review)*, USITC Publication 3788, July 2005 (“First review publication”), p. 1.

<sup>12</sup> 69 FR 60357, October 8, 2004; 69 FR 62250, October 25, 2004; 69 FR 67896, 69 FR 67894, and 69 FR 67892, November 22, 2004; 69 FR 67896, 69 FR 67894, and 69 FR 67892, November 22, 2004; 69 FR 75513, December 17, 2004; 70 FR 23094, May 4, 2005; 70 FR 41236, July 18, 2005.

<sup>13</sup> 70 FR 44886, August 4, 2005.

<sup>14</sup> Following negative determinations in the five-year reviews by the Commission, effective July 27, 2004, Commerce revoked the antidumping duty orders on imports of SSSS from France and the United Kingdom. 70 FR 44894, August 4, 2005. Following a changed circumstances review of the countervailing duty order on imports of SSSS from Italy, Commerce revoked the order on March 28, 2006. 71 FR 15382, March 28, 2006.

be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.<sup>15</sup> Following affirmative determinations in the second five-year reviews by Commerce and the Commission,<sup>16</sup> Commerce issued a continuation of the antidumping duty orders on imports of SSSS from Japan, Korea, and Taiwan, and the countervailing duty order on imports of SSSS from Korea, effective August 11, 2011.<sup>17 18</sup>

In September 2017, the Commission completed full five-year reviews of the subject orders and determined that revocation of the antidumping duty orders on SSSS from Japan, Korea, and Taiwan, and the countervailing duty order on SSSS from Korea would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.<sup>19</sup> Following affirmative determinations in the third five-year reviews by Commerce and the Commission,<sup>20</sup> Commerce issued a continuation of the antidumping duty orders on imports of SSSS from Japan, Korea, and Taiwan, and the countervailing duty order on imports of SSSS from Korea, effective October 3, 2017.<sup>21</sup>

## Previous and related investigations

The Commission has conducted a number of previous import relief investigations on stainless steel sheet and strip or similar merchandise, as presented in table I-2.

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<sup>15</sup> *Stainless Steel Sheet and Strip from Germany, Mexico, Japan, Korea, Mexico, and Taiwan, Inv. Nos. 701-TA-382 and 731-TA-798-803 (Second Review)*, USITC Publication 4244, July 2011 (“Second review publication”), p. 1.

<sup>16</sup> 75 FR 62104, October 7, 2010; 75 FR 62101, October 7, 2010; 76 FR 46323, August 2, 2011.

<sup>17</sup> 76 FR 49726, August 11, 2011.

<sup>18</sup> The Commission also determined on July 27, 2011, that revocation of the antidumping duty orders on SSSS from Germany, Italy, and Mexico would not be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time. 76 FR 46323, August 2, 2011. Following negative determinations from the Commission, effective July 25, 2011, Commerce revoked the antidumping duty orders on imports of SSSS from Germany, Italy, and Mexico. 76 FR 49450, August 10, 2011.

<sup>19</sup> *Stainless Steel Sheet and Strip from Japan, Korea, and Taiwan, Inv. Nos. 701-TA-382 and 731-TA-800, 801, 803 (Third Review)*, USITC Publication 4725, September 2017 (“Third review publication”), p. 1.

<sup>20</sup> 81 FR 78114 and 81 FR 78111, November 7, 2016; 82 FR 44841, September 26, 2017.

<sup>21</sup> 82 FR 46036, October 3, 2017.

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

<b>Date</b>	<b>Number</b>	<b>Country</b>	<b>ITC Original Determination</b>	<b>Current Status of Order</b>
1973	AD-126	France	Negative	No order
1976	TA-201-5	N/A	N/A	3-year Voluntary Restraint Agreement (6/14/76-6/13/79)
1977	TA-203-3	N/A	N/A	N/A
1983	TA-201-48	N/A	N/A	4-year import relief (quotas and tariffs)
1983	731-TA-92	Germany	Affirmative	Order date: 6/23/83 Revocation date: 8/11/86
1983	731-TA-95	France	Affirmative	Order date: 6/22/83 Revocation date: 8/11/86
1983	701-TA-195	United Kingdom	Negative	N/A
1984	731-TA-164	Spain	Negative	N/A
2016	701-TA-557	China	Affirmative	Order date: 4/3/17 Order in place; continued November 4, 2022
2016	731-TA-1312	China	Affirmative	Order date: 4/3/17 Order in place; continued November 4, 2022

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

Note: "Date" refers to the year in which the investigation or review was instituted by the Commission. "N/A" refers to information that is not available or not included in the proceeding.

## Summary data

Table I-3 presents a summary of data from the terminal years of the original investigations, prior reviews, and the current full five-year reviews.<sup>22</sup> Table I-4 and figure I-1 present apparent U.S. consumption for 2017-22.

U.S. producers' capacity in 2022 was 10.6 percent lower compared to 1998, while production was 9.7 percent higher, resulting in a 2022 capacity utilization rate 15.5 percentage points higher than 1998. The unit value of U.S. producers' shipments in 2022 was 126.2 percent higher compared to 1998, and U.S. producers' employment-related data were generally lower in 2022 than in 1998, with the exception of hourly wages and productivity, which were 106.1 percent and 173.5 percent higher, respectively. Additionally, U.S. producers' inventories as a ratio to total shipments was \*\*\* percentage points lower in 2022 compared to 1998.

The unit value of imports from subject sources as a whole was \*\*\* percent higher in 2022 compared to 1998, with the unit value of imports from Japan, South Korea, and Taiwan being \*\*\* percent, \*\*\* percent, and \*\*\* percent higher, respectively, across the same periods. The unit value of imports from nonsubject sources was also higher in 2022 compared to 1998, a difference of \*\*\* percent.

Apparent U.S. consumption by quantity was 8.1 percent higher in 2022 compared to 1998, and 149.2 percent higher in terms of value. U.S. producers' market share, by quantity, was 2.5 percentage points lower in 2022 compared to 1998, and 4.0 percentage points lower in terms of value. Subject imports' market share, by quantity, was \*\*\* percentage points lower in 2022 compared to 1998, and \*\*\* percentage points lower in terms of value. \*\*\* was the only subject country to report higher market share, by quantity or value, in 2022 compared to 1998, with the quantity and value of imports from \*\*\* \*\*\* percentage points and \*\*\* percentage points higher in 2022 compared to 1998.

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<sup>22</sup> For a detailed discussion of data coverage in each proceeding, please see "U.S. producers" and "U.S. importers" sections in Part I of this report.



**Table I-3****SSSS: Comparative data from the original investigation and subsequent reviews, by terminal year**

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

Item	Measure	1998	2004	2010	2016	2022
Apparent consumption	Quantity	1,747,442	1,895,410	1,508,745	1,978,372	1,888,669
U.S. producers market share	Share of quantity	79.6	84.0	83.2	82.5	77.1
Japan market share	Share of quantity	***	***	***	***	0.2
South Korea, subject market share	Share of quantity	***	***	***	***	***
Taiwan, subject market share	Share of quantity	***	***	***	***	***
Subject market share	Share of quantity	***	***	***	***	***
Nonsubject market share	Share of quantity	***	***	***	***	***
Import market share	Share of quantity	20.4	16.0	16.8	17.5	22.9
Apparent consumption	Value	2,883,292	4,197,633	4,111,376	3,617,546	7,184,622
U.S. producers market share	Share of value	79.9	83.3	82.1	79.2	75.9
Japan market share	Share of value	***	***	***	***	0.3
South Korea, subject market share	Share of value	***	***	***	***	***
Taiwan, subject market share	Share of value	***	***	***	***	***
Subject market share	Share of value	***	***	***	***	***
Nonsubject market share	Share of value	***	***	***	***	***
Import market share	Share of value	20.1	16.7	17.9	20.8	24.1
Japan	Quantity	***	***	***	***	3,107
Japan	Value	***	***	***	***	18,561
Japan	Unit value	***	***	***	***	\$5,973
South Korea, subject	Quantity	***	***	***	***	***
South Korea, subject	Value	***	***	***	***	***
South Korea, subject	Unit value	***	***	***	***	***
Taiwan, subject	Quantity	***	***	***	***	***
Taiwan, subject	Value	***	***	***	***	***
Taiwan, subject	Unit value	***	***	***	***	***
Subject sources	Quantity	***	***	***	***	***
Subject sources	Value	***	***	***	***	***
Subject sources	Unit value	***	***	***	***	***
Nonsubject sources	Quantity	***	***	***	***	***
Nonsubject sources	Value	***	***	***	***	***
Nonsubject sources	Unit value	***	***	***	***	***
All import sources	Quantity	357,193	302,482	253,765	346,910	433,294
All import sources	Value	579,615	701,057	734,438	750,800	1,730,040
All import sources	Unit value	\$1,623	\$2,318	\$2,894	\$2,164	\$3,993

Table continued.

**Table I-3 Continued****SSSS: Comparative data from the original investigation and subsequent reviews, by terminal year**

Quantity in short ton; value in 1,000 dollars; unit values in dollars per short ton; shares in percent.

Item	Measure	1998	2004	2010	2016	2022
Capacity	Quantity	2,092,165	2,262,807	2,748,775	2,654,960	1,869,424
Production	Quantity	1,429,041	1,670,643	1,544,772	1,902,216	1,567,262
Capacity utilization	Ratio	68.3	73.8	56.2	71.6	83.8
Producer U.S. shipments	Quantity	1,390,249	1,592,928	1,254,980	1,631,462	1,455,375
Producer U.S. shipments	Value	2,303,677	3,496,576	3,376,938	2,866,746	5,454,582
Producer U.S. shipments	Unit value	\$1,657	\$2,195	\$2,691	\$1,757	\$3,748
Producer inventories	Quantity	276,694	172,279	218,127	178,274	130,691
Producer inventory ratio to total shipments	Ratio	18.9	10.2	14.1	9.3	***
Production workers (number)	Noted in label	8,154	4,407	2,989	2,660	3,322
Hours worked (in 1,000 hours)	Noted in label	16,563	8,605	6,456	5,869	6,642
Wages paid (1,000 dollars)	Value	353,294	233,925	236,989	215,724	291,948
Hourly wages (dollars per hour)	Value	21.33	27.18	36.71	36.76	43.95
Productivity (short tons per 1,000 hours)	Noted in label	86.3	194.1	239.3	324.1	236.0
Net sales	Quantity	1,463,511	1,680,804	1,545,756	1,916,985	***
Net sales	Value	2,433,455	3,692,443	4,211,902	3,366,746	***
Net sales	Unit value	\$1,663	\$2,197	\$2,725	\$1,756	\$3,714
Cost of goods sold	Value	2,254,260	3,332,922	4,021,106	3,279,618	***
Gross profit or (loss)	Value	179,195	359,521	190,796	87,128	***
SG&A expense	Value	134,431	127,398	119,653	139,309	***
Operating income or (loss)	Value	44,764	232,123	71,143	(52,181)	***
Unit COGS	Unit value	\$1,540	\$1,983	\$2,601	\$1,711	\$2,978
Unit operating income	Unit value	\$31	\$138	\$46	\$(27)	\$693
COGS/ Sales	Ratio	92.6	90.3	95.5	97.4	80.2
Operating income or (loss)/ Sales	Ratio	1.8	6.3	1.7	(1.5)	18.7

Source: Office of Investigations memorandum INV-W-131 (June 18, 1999), memorandum INV-CC-070 (May 23, 2005), memorandum INV-JJ-065 (June 22, 2011), memorandum INV-PP-110 (August 17, 2017), official U.S. import statistics adjusted using data submitted in response to Commission questionnaires to allocate South Korea and Taiwan subject vs. nonsubject data.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Data for 1998 are from the last year of the original investigations; 2004 from the last year of the first review; 2010 the last year of the second review; 2016 the last year of the third review; and 2022 the last year of this review, the fourth review.

Note: The original investigation and subsequent reviews included countries that have now been classified as nonsubject: France, Germany, Italy, Mexico, and the United Kingdom in the original investigation and first review and Germany, Italy, and Mexico in the second review. The subject sources in this table have been adjusted to mirror these investigations and show data from only the current subject sources.

**Table I-4**  
**SSSS: U.S. consumption for all years in this current review, by source and period**

Quantity in short tons

Source	2017	2018	2019	2020	2021	2022
U.S. producers	1,369,166	1,506,721	1,407,084	1,253,755	1,511,726	1,455,375
Subject sources	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***
All import sources	358,140	293,649	219,251	167,384	316,803	433,294
All sources	1,727,306	1,800,370	1,626,335	1,421,139	1,828,529	1,888,669

Source: Official U.S. import statistics of the U.S. Department of Commerce Census Bureau, using HTS statistical reporting numbers 7219.13.00.31, 7219.13.00.51, 7219.13.00.71, 7219.13.00.81, 7219.14.00.30, 7219.14.00.65, 7219.14.00.90, 7219.32.00.05, 7219.32.00.20, 7219.32.00.25, 7219.32.00.35, 7219.32.00.36, 7219.32.00.38, 7219.32.00.42, 7219.32.00.44, 7219.33.00.05, 7219.33.00.20, 7219.33.00.25, 7219.33.00.35, 7219.33.00.36, 7219.33.00.38, 7219.33.00.42, 7219.33.00.44, 7219.34.00.05, 7219.34.00.20, 7219.34.00.25, 7219.34.00.30, 7219.34.00.35, 7219.35.00.05, 7219.35.00.15, 7219.35.00.30, 7219.35.00.35, 7219.90.00.10, 7219.90.00.20, 7219.90.00.25, 7219.90.00.60, 7219.90.00.80, 7220.12.10.00, 7220.12.50.00, 7220.20.10.10, 7220.20.10.15, 7220.20.10.60, 7220.20.10.80, 7220.20.60.05, 7220.20.60.10, 7220.20.60.15, 7220.20.60.60, 7220.20.60.80, 7220.20.70.05, 7220.20.70.10, 7220.20.70.15, 7220.20.70.60, 7220.20.70.80, 7220.20.80.00, 7220.20.90.30, 7220.20.90.60, 7220.90.00.10, 7220.90.00.15, 7220.90.00.60, and 7220.90.00.80, accessed July 5, 2023, adjusted using data submitted in response to Commission questionnaires to allocate South Korea and Taiwan subject vs. nonsubject data. Imports are based on the imports for consumption data series.

**Figure I-1**  
**SSSS: Historical apparent U.S. consumption, by period and source**

\* \* \* \* \*

Source: Office of Investigations memorandum INV-W-131 (June 18, 1999), memorandum INV-CC-070 (May 23, 2005), memorandum INV-JJ-065 (June 22, 2011), memorandum INV-PP-110 (August 17, 2017), official U.S. import statistics adjusted using data submitted in response to Commission questionnaires to allocate South Korea and Taiwan subject vs. nonsubject data.

## Statutory criteria

Section 751(c) of the Act requires Commerce and the Commission to conduct a review no later than five years after the issuance of an antidumping or countervailing duty order or the suspension of an investigation to determine whether revocation of the order or termination of the suspended investigation “would be likely to lead to continuation or recurrence of dumping or a countervailable subsidy (as the case may be) and of material injury.”

Section 752(a) of the Act provides that in making its determination of likelihood of continuation or recurrence of material injury--

*(1) IN GENERAL.-- . . . the Commission shall determine whether revocation of an order, or termination of a suspended investigation, would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time. The Commission shall consider the likely volume, price effect, and impact of imports of the subject merchandise on the industry if the order is revoked or the suspended investigation is terminated. The Commission shall take into account--*

*(A) its prior injury determinations, including the volume, price effect, and impact of imports of the subject merchandise on the industry before the order was issued or the suspension agreement was accepted,*

*(B) whether any improvement in the state of the industry is related to the order or the suspension agreement,*

*(C) whether the industry is vulnerable to material injury if the order is revoked or the suspension agreement is terminated, and*

*(D) in an antidumping proceeding . . . , (Commerce’s findings) regarding duty absorption . . .*

*(2) VOLUME.--In evaluating the likely volume of imports of the subject merchandise if the order is revoked or the suspended investigation is terminated, the Commission shall consider whether the likely volume of imports of the subject merchandise would be significant if the order is revoked or the suspended investigation is terminated, either in absolute terms or relative to production or consumption in the United States. In so doing, the Commission shall consider all relevant economic factors, including--*

*(A) any likely increase in production capacity or existing unused production capacity in the exporting country,*

*(B) existing inventories of the subject merchandise, or likely increases in inventories,*

*(C) the existence of barriers to the importation of such merchandise into countries other than the United States, and*

*(D) 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.*

*(3) PRICE.--In evaluating the likely price effects of imports of the subject merchandise if the order is revoked or the suspended investigation is terminated, the Commission shall consider whether--*

*(A) there is likely to be significant price underselling by imports of the subject merchandise as compared to domestic like products, and*

*(B) imports of the subject merchandise are likely to enter the United States at prices that otherwise would have a significant depressing or suppressing effect on the price of domestic like products.*

*(4) IMPACT ON THE INDUSTRY.--In evaluating the likely impact of imports of the subject merchandise on the industry if the order is revoked or the suspended investigation is terminated, the Commission shall consider all relevant economic factors which are likely to have a bearing on the state of the industry in the United States, including, but not limited to--*

*(A) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity,*

*(B) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment, and*

*(C) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or more advanced version of the domestic like product.*

*The Commission shall evaluate all such relevant economic factors . . . within the context of the business cycle and the conditions of competition that are distinctive to the affected industry.*

Section 752(a)(6) of the Act states further that in making its determination, “the Commission may consider the magnitude of the margin of dumping or the magnitude of the net countervailable subsidy. If a countervailable subsidy is involved, the Commission shall consider information regarding the nature of the countervailable subsidy and whether the subsidy is a subsidy described in Article 3 or 6.1 of the Subsidies Agreement.”

## Organization of report

Information obtained during the course of the reviews that relates to the statutory criteria is presented throughout this report. A summary of trade and financial data for SSSS as collected in the original investigations, prior reviews, and the current full five-year reviews is presented in appendix C. U.S. industry data are based on the questionnaire responses of three U.S. producers of SSSS that are believed to have accounted for all domestic production of SSSS in 2022. U.S. import data and related information are based on Commerce’s official import statistics and the questionnaire responses of 15 U.S. importers of SSSS that are believed to have accounted for \*\*\* percent of the total subject U.S. imports during 2022.<sup>23</sup> Foreign industry data and related information are based on the questionnaire responses of five Japanese producers of SSSS and one Japanese reseller of SSSS, who accounted for \*\*\* total production of SSSS in Japan in 2022. No producers or exporters from South Korea or Taiwan submitted responses to Commission questionnaires.<sup>24</sup> Responses by U.S. producers, importers, purchasers, and foreign producers of SSSS to a series of questions concerning the significance of the existing antidumping and countervailing duty orders and the likely effects of revocation of such orders are presented in appendix D.

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<sup>23</sup> See section titled “U.S. imports” in Part IV of this report for more information.

<sup>24</sup> See sections titled “The industry in Japan,” “The industry in South Korea,” and “The industry in Taiwan” in Part IV of this report for more information.

## Commerce's reviews<sup>25</sup>

### Administrative reviews<sup>26</sup>

Since the imposition of the antidumping duty orders, Commerce has completed five administrative reviews of the order with respect to Japan, three administrative reviews of the order with respect to South Korea, and ten administrative reviews of the order with respect to Taiwan.<sup>27</sup> Commerce has completed five administrative reviews of the countervailing duty order on SSSS from South Korea.<sup>28</sup> The results of these administrative reviews are presented in tables I-5 through I-8.

**Table I-5**  
**SSSS: Administrative reviews of the antidumping duty order for Japan**

Date results published	Period of review	Producer or exporter	Margin (percent)
67 FR 6495, February 12, 2002	January 4, 1999 – June 30, 2000	Kawasaki Steel	1.92
70 FR 37759, June 30, 2005	July 1, 2003 – June 30, 2004	Kawasaki Steel	57.87
75 FR 6627, February 10, 2010	July 1, 2007 – June 30, 2008	Hitachi Cable Ltd.	0.00
		Nippon	0.54

Source: Cited Federal Register notices.

<sup>25</sup> Commerce has not conducted any changed circumstances review or scope rulings since the completion of the last five-year review. In addition, Commerce has not issued any anti-circumvention findings since the imposition of the order. South Korean producer POSCO was excluded from the countervailing duty order on SSSS from South Korea because it received *de minimis* net subsidy rate of 0.65 percent *ad valorem*. 65 FR 42923, August 6, 1999. South Korean producer Incheon was excluded from the antidumping duty order on SSSS from South Korea because it received a zero dumping margin. Taiwan producers Chang Mien and Tung Mung are excluded from the antidumping duty order on SSSS from Taiwan because they received a *de minimis* dumping margin of 0.98 percent and a zero dumping margin, respectively. 64 FR 40555, July 27, 1999; 69 FR 67311, November 17, 2004; 70 FR 17658, April 7, 2005.

<sup>26</sup> Commerce has made one duty absorption finding concerning SSSS from Taiwan. In the fourth administrative review, covering the period July 1, 2002 through June 30, 2003, Commerce determined that Chia Far had absorbed antidumping duties for all U.S. sales through its affiliated importer. 70 FR 7715, February 15, 2005.

<sup>27</sup> Commerce also initiated an administrative review on SSSS from Japan, South Korea, and Taiwan for the review period of July 1, 2021 through June 30, 2022. 87 FR 54463, September 6, 2022. As of the writing of this report, this administrative review is ongoing. In April 2023, Commerce published its preliminary results with regard to SSSS from Taiwan, finding that sales of SSSS from Taiwan have been made at less than normal value during the period of review, and preliminarily determining that four companies for which Commerce initiated a review had no shipments during the period of review. 88 FR 20481, April 6, 2023.

<sup>28</sup> For previously reviewed or investigated companies not included in an administrative review, the cash deposit rate continues to be the company-specific rate published for the most recent period.

**Table I-6****SSSS: Administrative reviews of the countervailing duty order for South Korea**

Date results published	Period of review	Producer or exporter	Margin (percent)
67 FR 1964 January 15, 2002 amended 67 FR 8229, February 22, 2002	November 17, 1998 – December 31, 1999	Inchon	2.45
68 FR 13267 March 19, 2003	January 1, 2000 – December 31, 2000	Inchon	3.79
69 FR 2113 January 14, 2004 amended 69 FR 7419, February 17, 2004	January 1, 2001 – December 31, 2001	INI/Sammi	0.54
72 FR 120 January 3, 2007	January 1, 2004 – December 31, 2004	Dai Yang Metal Co., Ltd.	0.02 <i>de minimis</i>
73 FR 2456 January 15, 2008	January 1, 2005 – December 31, 2005	Dai Yang Metal Co., Ltd.	0.03 <i>de minimis</i>

Source: Cited Federal Register notices.

**Table I-7****SSSS: Administrative reviews of the antidumping duty order for South Korea**

Date results published	Period of review	Producer or exporter	Margin (percent)
66 FR 64950, December 17, 2001 amended 67 FR 2194, January 16, 2002	January 4, 1999 – June 30, 2000	POSCO	0.03
		Samwon	7.88
		DMC	2.74
		All others	2.49
68 FR 6713, February 10, 2003 amended 68 FR 12039, March 13, 2003	July 1, 2000 – June 30, 2001	POSCO	0.92
		DMN	5.44
		All others	2.49
72 FR 4486, January 31, 2007	July 1, 2004 – June 30, 2005	Boorim Corporation	58.79
		Dae Kyung Corporation	58.79
		Dai Yang Metal Co., Ltd.	3.77
		Dine Trading Co., Ltd.	58.79
		Doko Co., Ltd.	58.79

Source: Cited Federal Register notices



**Table I-8**

**SSSS: Administrative reviews of the antidumping duty order for Taiwan**

<b>Date results published</b>	<b>Period of review</b>	<b>Producer or exporter</b>	<b>Margin (percent)</b>
67 FR 6682, February 13, 2002	January 4, 1999 – June 30, 2000	YUSCO	0.00
		Tung Mung	0.00
		Chia Far	21.10
		All Others	12.61
67 FR 76721, December 13 2002	July 1, 2000 – June 30, 2001	YUSCO	0.00
		Tung Mung	1.11
		Chia Far	21.10
		All Others	12.12
69 FR 5960, February 9, 2004	July 1, 2001 – June 30, 2002	YUSCO	1.96
		Tung Mung	0.98
		Chia Far	21.10
		All Others	12.12
70 FR 7715, February 15, 2005	July 1, 2002 – June 30, 2003	YUSCO	1.92
		Chia Far	1.10
71 FR 7519, February 13, 2006	July 1, 2003 – June 30, 2004	YUSCO	0.00
		Chia Far	1.36
		Goang Jua Shing Enterprise Co., Ltd.	21.10
		PFP Taiwan Co., Ltd.	21.10
		Yieh Trading Corporation	21.10
		Chien Shing Stainless Steel Company Ltd.	21.10

Table continued.

Table I-8 Continued

## SSSS: Administrative reviews of the antidumping duty order for Taiwan

Date results published	Period of review	Producer or exporter	Margin (percent)
71 FR 75504, December 15, 2006	July 1, 2004 – June 30, 2005	Chia Far	0.79
		Goang Jua Shing Enterprise Co., Ltd.	21.10
		PFP Taiwan Co. Ltd.	21.10
		Yieh Trading Corporation	21.10
		Chien Shing Stainless Steel Company Ltd.	21.10
		Tang Eng Iron Works Company, Ltd.	21.10
73 FR 6932, February 6, 2008	July 1, 2005 – June 30 2006	Chia Far	1.41
		PFP Taiwan Co., Ltd.	21.10
		Yieh Trading Corporation	21.10
73 FR 74704, December 9, 2008	July 1, 2006 – June 30, 2007	Chia Far	2.71
75 FR 5947, February 5, 2010	January 1, 2007 – June 30, 2008	Chia Far	4.30
75 FR 76700, December 9, 2010	July 1, 2008 – June 30, 2009	Chia Far	0.0
		Chain Chon Industrial Co., Ltd.	4.30
		Chien Shing Stainless Co.	4.30
		China Steel Corporation	N/A
		Dah Shi Metal Industrial Co., Ltd.	4.30
		Goang Jau Shing Enterprise Co., Ltd.	4.30
		KNS Enterprise Co., Ltd.	4.30
		Lih Chan Steel Co., Ltd.	4.30
		Maytun International Corp.	4.30
		PFP Taiwan Co., Ltd.	4.30
		Shih Taiwan Co., Ltd.	4.30
		Ta Chen Stainless Pipe Co., Ltd.	4.30
		Tang Eng Iron Works	4.30
		Tibest International Inc.	4.30
		Tung Mung Development Co., Ltd. (aka Chung Hung Steel Co., Ltd.)	4.30
		Yieh Mau Corp.	4.30
Yieh Trading Corp.	4.30		
Yieh United Steel Corp.	4.30		

<sup>1</sup> No shipments of sales subject to this review.

<sup>2</sup> This rate applies to shipments of stainless steel sheet and strip produced by Tung Mung Development Co. Ltd. in Taiwan and exported from Taiwan to the United States by Ta Chen Stainless Pipe Co., Ltd.

Source: Cited Federal Register notices.

## Changed circumstances reviews

Commerce has conducted five changed circumstances reviews with respect to SSSS from Japan. In April 2000, Commerce revoked the antidumping duty order covering SSSS from Japan, in part, with regard to stainless steel welding electrode strips, based on the fact that domestic parties expressed no further interest in the relief provided by the order with respect to the importation or sale of this steel coil.<sup>29</sup> In September 2000, Commerce revoked the antidumping duty order covering SSSS from Japan, in part, with regard to stainless steel razor blade, medical surgical blade, and industrial blades, based on the fact that domestic parties expressed no further interest in the relief provided by the order with respect to the importation or sale of this stainless steel coil.<sup>30</sup> In October 2000, Commerce revoked the antidumping duty order covering SSSS from Japan, in part, with regard to stainless steel lithographic sheet, based on the fact that domestic parties expressed no further interest in the relief provided by the order with respect to the importation or sale of this stainless steel lithographic sheet.<sup>31</sup> In December 2000, Commerce revoked the antidumping duty order covering SSSS from Japan, in part, with regard to nickel-clad stainless steel sheet and strip in coils, based on the fact that domestic parties expressed no further interest in the relief provided by the order with respect to the importation or sale of this nickel-clad stainless steel sheet and strip in coils.<sup>32</sup> In February 2014, Commerce found that Hitachi Metals is the successor-in-interest to the merger of Hitachi Metals and Hitachi Cable Ltd. for purposes of determining antidumping duty cash deposits and liabilities.<sup>33</sup>

Commerce has conducted two changed circumstances reviews with respect to SSSS from South Korea. In June 2002, Commerce found that INI is the successor-in-interest to Inchon, and that INI should retain the deposit rate assigned to Inchon by Commerce for all entries of the subject merchandise produced or exported by INI Steel Company (“INI”) INI; and that INI's acquisition of Sammi Steel Co. has not changed the status of either company as separate legal entities.<sup>34</sup> In March 2007, Commerce determined that Hyundai Steel Company (“Hyundai”) is the successor-in-interest to INI, formerly Inchon Iron and Steel Co., Ltd.<sup>35</sup> Commerce has not conducted any changed circumstances reviews with respect to SSSS from Taiwan.

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<sup>29</sup> 65 FR 17856, April 5, 2000.

<sup>30</sup> 65 FR 54841, September 11, 2000.

<sup>31</sup> 65 FR 64423, October 27, 2000.

<sup>32</sup> 65 FR 77578, December 12, 2000.

<sup>33</sup> 79 FR 10096, February 24, 2014.

<sup>34</sup> 67 FR 43583, June 28, 2002.

<sup>35</sup> 72 FR 12767, March 19, 2007.

## Scope rulings

Commerce has completed two scope rulings with respect to SSSS from Japan, Korea, and Taiwan since the issuance of the orders. In February 2003, Commerce determined that McCord Grade 301 Precision Strip is within the scope of the antidumping order covering imports of SSSS from Japan.<sup>36</sup> In August 2005, Commerce determined that suspension foil, other than that specifically described in the scope exclusion language, is subject to the antidumping duty order on SSSS in coils from Japan, Korea, and Taiwan.<sup>37</sup> In July 2015, Commerce determined that American BOA, Inc.'s ("ABI") precision strip products are within the scope of the antidumping duty order covering SSSS from Japan because they possess all of the essential physical characteristics of subject stainless steel sheet and strip in coils.<sup>38</sup>

## Five-year reviews

Commerce has issued the final results of its expedited reviews with respect to all subject countries.<sup>39</sup> Tables I-9 through I-12 present the countervailable subsidy margins and dumping margins calculated by Commerce in its original investigations and subsequent reviews.

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<sup>36</sup> 68 FR 7772, February 18, 2003.

<sup>37</sup> Issues and Decision Memorandum for the Final Results of Expedited Second Sunset Reviews of the Antidumping Duty Orders on Certain Stainless Steel Sheet and Strip in Coils from Germany, Japan, the Republic of Korea, and Taiwan, September 30, 2010.

<sup>38</sup> 81 FR 14421, March 17, 2016.

<sup>39</sup> 87 FR 74130 and 87 FR 74133, December 2, 2022.

**Table I-9****SSSS: Commerce's original and subsequent five-year review countervailable subsidy margins for producers/exporters in South Korea**

<b>Producer/exporter</b>	<b>Original margin (percent)</b>	<b>First five-year review margin (percent)</b>	<b>Second five-year review margin (percent)</b>	<b>Third five-year review margin (percent)</b>	<b>Fourth five-year review margin (percent)</b>
Inchon	2.64	--	--	--	--
INI/BNG	--	0.54	--	--	--
Hyundai Steel Company (formerly known as INI/BNG and as Inchon)	--	--	0.54	--	--
INI/BNG (formerly Inchon and now known as Hyundai)	--	--	--	0.54	0.54
Dai Yang	1.58	--	--	--	--
Dai Yang Metal Company	--	0.67	0.67	--	--
DMC	--	--	--	0.67	0.67
Taihan Electric Wire Company	7.00	4.64	4.64	4.64	4.64
Sammi Steel Company, Ltd.	59.30	--	--	--	--
All others	1.68	0.63	0.63	0.63	0.63

Source: 64 FR 42923, August 6, 1999; 69 FR 75513, December 17, 2004; 75 FR 62101, August 7, 2010; 81 FR 78111, November 7, 2016; 87 FR 74130, December 2, 2022.

Note: "--" indicates that the specific firm name did not appear in the referenced Commerce Federal Register notice.

**Table I-10**  
**SSSS: Commerce’s original and subsequent five-year review dumping margins for producers/exporters in Japan**

<b>Producer/exporter</b>	<b>Original margin (percent)</b>	<b>First five-year review margin (percent)</b>	<b>Second five-year review margin (percent)</b>	<b>Third five-year review margin (percent)</b>	<b>Fourth five-year review margin (percent)</b>
Kawasaki Steel Corporation	48.18	40.18	--	1	2
Kawasaki Steel Corporation/JFE Steel Corporation	--	--	40.18	1	2
Nippon Steel Corporation	57.87	57.87	57.87	1	2
Nisshin Steel Co., Ltd.	57.87	57.87	57.87	1	2
Nippon Yakin Kogyo	57.87	57.87	57.87	1	2
Nippon Metal Industries	57.87	57.87	57.87	1	2
All others	40.18	40.18	40.18	57.89	57.87

Source: 64 FR 40565, July 27, 1999; 69 FR 62250, October 25, 2004; 75 FR 62104, October 7, 2010; 81 FR 78114, November 7, 2016; 87 FR 74133, December 2, 2022.

Note: In its expedited third review, Commerce determined that revocation of the antidumping duty order on SSSS from Japan would be likely to lead to continuation or recurrence of dumping at weighted average margins of up to 57.87 percent. Commerce did not present weighted-average dumping margins for individual companies or a country-wide dumping margin.

<sup>1</sup> Commerce reported the final results of its sunset reviews as follows: “Pursuant to sections 751(c)(1) and 752(c)(1) and (3) of the Act, the Department determines that revocation of the AD Orders on stainless steel sheet and strip in coils from Japan {...} would be likely to lead to continuation or recurrence of dumping up to” the figures presented above.

<sup>2</sup> Commerce reported the final results of its sunset reviews as follows: “Pursuant to sections 751(c)(1) and 752(c)(1) and (3) of the Act, Commerce determines that revocation of the *Orders* would likely lead to the continuation or recurrence of dumping and that the magnitude of the dumping margin likely to prevail would be up to 57.87 percent for Japan.

Note: “--” indicates that the specific firm name did not appear in the referenced Commerce Federal Register notice.

**Table I-11**

**SSSS: Commerce’s original and subsequent five-year review dumping margins for producers/exporters in South Korea**

<b>Producer/exporter</b>	<b>Original margin (percent)</b>	<b>First five-year review margin (percent)</b>	<b>Second five-year review margin (percent)</b>	<b>Third five-year review margin (percent)</b>	<b>Fourth five-year review margin (percent)</b>
Pohang Iron & Steel Co. Ltd. (POSCO)	12.12	--	--	<sup>1</sup>	<sup>2</sup>
POSCO	--	2.49	2.49	Excluded	Excluded
Taihan Electric Wire Co., Ltd.	58.79	58.79	--	<sup>1</sup>	<sup>2</sup>
Taihan	--	--	58.79	<sup>1</sup>	<sup>2</sup>
Inchon Iron & Steel Co., Ltd. (Inchon)	0.00	Excluded	Excluded	Excluded	Excluded
Daiyang (DMC)	--	5.44	5.44	<sup>1</sup>	<sup>2</sup>
All others	12.12	2.49	2.49	58.79	58.79

Source: 64 FR 40555, July 27, 1999; 69 FR 67892, November 22, 2004; 75 FR 62104, October 7, 2010; 81 FR 78114, November 7, 2016; 87 FR 74133, December 2, 2022.

Note: In its expedited third review, Commerce determined that revocation of the antidumping duty order on SSSS from South Korea would be likely to lead to continuation or recurrence of dumping at weighted average margins of up to 58.79 percent. Commerce did not present weighted-average dumping margins for individual companies or a country-wide dumping margin.

<sup>1</sup> Commerce reported the final results of its sunset reviews as follows: “Pursuant to sections 751(c)(1) and 752(c)(1) and (3) of the Act, the Department determines that revocation of the AD Orders on stainless steel sheet and strip in coils from South Korea {...} would be likely to lead to continuation or recurrence of dumping up to” the figures presented above.

<sup>2</sup> Commerce reported the final results of its sunset reviews as follows: “Pursuant to sections 751(c)(1) and 752(c)(1) and (3) of the Act, Commerce determines that revocation of the *Orders* would likely lead to the continuation or recurrence of dumping and that the magnitude of the dumping margin likely to prevail would be up to 58.79 percent for South Korea.

Note: “--” indicates that the specific firm name did not appear in the referenced Commerce Federal Register notice.

**Table I-12****SSSS: Commerce's original and subsequent five-year review dumping margins for producers/exporters in Taiwan**

<b>Producer/exporter</b>	<b>Original margin (percent)</b>	<b>First five-year review margin (percent)</b>	<b>Second five-year review margin (percent)</b>	<b>Third five-year review margin (percent)</b>	
Tung Mung/Ta Chen	15.40	15.40	15.40	1	2
Tung Mung	14.95	Excluded	Excluded	Excluded	Excluded
Chang Mien	0.00	Excluded	Excluded	Excluded	Excluded
YUSCO/Ta Chen	36.95	36.44	36.44	1	2
Yieh United Steel Corporation (YUSCO)	34.95	21.00	21.10	1	2
All others	12.61	12.61	12.61	21.10	21.10

Source: 64 FR 40555, July 27, 1999; 69 FR 67892, November 22, 2004; 75 FR 62104, October 7, 2010; 81 FR 78114, November 7, 2016; 87 FR 74133, December 2, 2022.

Note: In its expedited third review, Commerce determined that revocation of the antidumping duty order on SSSS from Taiwan would be likely to lead to continuation or recurrence of dumping at weighted average margins of up to 21.10 percent. Commerce did not present weighted-average dumping margins for individual companies or a country-wide dumping margin.

<sup>1</sup> Commerce reported the final results of its sunset reviews as follows: "Pursuant to sections 751(c)(1) and 752(c)(1) and (3) of the Act, the Department determines that revocation of the AD Orders on stainless steel sheet and strip in coils from Taiwan {...} would be likely to lead to continuation or recurrence of dumping up to" the figures presented above.

<sup>2</sup> Commerce reported the final results of its sunset reviews as follows: "Pursuant to sections 751(c)(1) and 752(c)(1) and (3) of the Act, Commerce determines that revocation of the *Orders* would likely lead to the continuation or recurrence of dumping and that the magnitude of the dumping margin likely to prevail would be up to 21.10 percent for Taiwan.



## The subject merchandise

### Commerce's scope

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

*The merchandise under review is certain stainless steel sheet and strip in coils. Stainless steel is an alloy steel containing, by weight, 1.2 percent or less of carbon and 10.5 percent or more of chromium, with or without other elements. The subject sheet and strip is a flat-rolled product in coils that is greater than 9.5 mm in width and less than 4.75 mm in thickness, and that is annealed or otherwise heat treated and pickled or otherwise descaled. The subject sheet and strip may also be further processed (e.g., cold-rolled, polished, aluminized, coated, etc.) provided that it maintains the specific dimensions of sheet and strip following such processing.*

*Excluded from the scope of this review are the following: (1) sheet and strip that is not annealed or otherwise heat treated and pickled or otherwise descaled, (2) sheet and strip that is cut to length, (3) plate (i.e., flat-rolled stainless steel products of a thickness of 4.75 mm or more), (4) flat wire (i.e., cold-rolled sections, with a prepared edge, rectangular in shape, of a width of not more than 9.5 mm), and (5) razor blade steel. Razor blade steel is a flat-rolled product of stainless steel, not further worked than cold-rolled (cold-reduced), in coils, of a width of not more than 23 mm and a thickness of 0.266 mm or less, containing, by weight, 12.5 to 14.5 percent chromium, and certified at the time of entry to be used in the manufacture of razor blades. See Chapter 72 of the HTS, "Additional U.S. Note" 1(d).*

*Flapper valve steel is also excluded from the scope of the review. This product is defined as stainless steel strip in coils containing, by weight, between 0.37 and 0.43 percent carbon, between 1.15 and 1.35 percent molybdenum, and between 0.20 and 0.80 percent manganese. This steel also contains, by weight, phosphorus of 0.025 percent or less, silicon of between 0.20 and 0.50 percent, and sulfur of 0.020 percent or less. The product is manufactured by means of vacuum arc remelting, with inclusion controls for sulphide of no more than 0.04 percent and for oxide of no more than 0.05 percent. Flapper valve steel has a tensile strength of between 210 and 300 ksi, yield strength of between 170 and 270 ksi, plus or minus 8 ksi, and a hardness (Hv) of between 460 and 590. Flapper valve steel is most commonly used to produce specialty flapper valves in compressors.*

*Also excluded is a product referred to as suspension foil, a specialty steel product used in the manufacture of suspension assemblies for computer*

*disk drives. Suspension foil is described as 302/304 grade or 202 grade stainless steel of a thickness between 14 and 127 microns, with a thickness tolerance of plus-or-minus 2.01 microns, and surface glossiness of 200 to 700 percent Gs. Suspension foil must be supplied in coil widths of not more than 407 mm, and with a mass of 225 kg or less. Roll marks may only be visible on one side, with no scratches of measurable depth. The material must exhibit residual stresses of 2 mm maximum deflection, and flatness of 1.6 mm over 685 mm length.*

*Certain stainless steel foil for automotive catalytic converters is also excluded from the scope of this order. This stainless steel strip in coils is a specialty foil with a thickness of between 20 and 110 microns used to produce a metallic substrate with a honeycomb structure for use in automotive catalytic converters. The steel contains, by weight, carbon of no more than 0.030 percent, silicon of no more than 1.0 percent, manganese of no more than 1.0 percent, chromium of between 19 and 22 percent, aluminum of no less than 5.0 percent, phosphorus of no more than 0.045 percent, sulfur of no more than 0.03 percent, lanthanum of less than 0.002 or greater than 0.05 percent, and total rare earth elements of more than 0.06 percent, with the balance iron.*

*Permanent magnet iron-chromium-cobalt alloy stainless strip is also excluded from the scope of this order. This ductile stainless steel strip contains, by weight, 26 to 30 percent chromium, and 7 to 10 percent cobalt, with the remainder of iron, in widths 228.6 mm or less, and a thickness between 0.127 and 1.270 mm. It exhibits magnetic remanence between 9,000 and 12,000 gauss, and a coercivity of between 50 and 300 oersteds. This product is most commonly used in Barcode:4314186-02 A-588-845 SUNR - Sunset Review - Sunset 2022 Filed By: Andrew Hart, Filed Date: 11/25/22 12:28 PM, Submission Status: Approved 4 electronic sensors and is currently available under proprietary trade names such as "Arnokrome III."<sup>40</sup>*

*Certain electrical resistance alloy steel is also excluded from the scope of this order. This product is defined as a non-magnetic stainless steel manufactured to American Society of Testing and Materials (ASTM) specification B344 and containing, by weight, 36 percent nickel, 18 percent chromium, and 46 percent iron, and is most notable for its resistance to high temperature corrosion. It has a melting point of 1390 degrees Celsius and displays a creep rupture limit of 4 kilograms per square millimeter at 1000 degrees Celsius. This steel is most commonly used in the production of heating ribbons for circuit breakers and industrial furnaces, and in rheostats for railway locomotives. The product*

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<sup>40</sup> "Arnokrome III" is a trademark of the Arnold Engineering Company.

*is currently available under proprietary trade names such as "Gilphy 36."<sup>41</sup>*

*Certain martensitic precipitation-hardenable stainless steel is also excluded from the scope of this order. This high-strength, ductile stainless steel product is designated under the Unified Numbering System (UNS) as S45500-grade steel, and contains, by weight, 11 to 13 percent chromium, and 7 to 10 percent nickel. Carbon, manganese, silicon and molybdenum each comprise, by weight, 0.05 percent or less, with phosphorus and sulfur each comprising, by weight, 0.03 percent or less. This steel has copper, niobium, and titanium added to achieve aging, and will exhibit yield strengths as high as 1700 Mpa and ultimate tensile strengths as high as 1750 Mpa after aging, with elongation percentages of 3 percent or less in 50 mm. It is generally provided in thicknesses between 0.635 and 0.787 mm, and in widths of 25.4 mm. This product is most commonly used in the manufacture of television tubes and is currently available under proprietary trade names such as "Durphynox 17."<sup>42</sup>*

*Finally, three specialty stainless steels typically used in certain industrial blades and surgical and medical instruments are also excluded from the scope of this order. These include stainless steel strip in coils used in the production of textile cutting tools (e.g., carpet knives).<sup>43</sup> This steel is similar to AISI grade 420 but containing, by weight, 0.5 to 0.7 percent of molybdenum. The steel also contains, by weight, carbon of between 1.0 and 1.1 percent, sulfur of 0.020 percent or less, and includes between 0.20 and 0.30 percent copper and between 0.20 and 0.50 percent cobalt. This steel is sold under proprietary names such as "GIN4 Mo." The second excluded stainless steel strip in coils is similar to AISI 420-J2 and contains, by weight, carbon of between 0.62 and 0.70 percent, silicon of between 0.20 and 0.50 percent, manganese of between 0.45 and 0.80 percent, phosphorus of no more than 0.025 percent and sulfur of no more than 0.020 percent. This steel has a carbide density on average of 100 carbide particles per 100 square microns. An example of this product is "GIN5" steel. The third specialty steel has a chemical composition similar to AISI 420 F, with carbon of between 0.37 and 0.43 percent, molybdenum of between 1.15 and 1.35 percent, but lower manganese of between 0.20 and 0.80 percent, phosphorus of no more than 0.025 percent, silicon of between 0.20 and 0.50 percent, and sulfur of no more than 0.020 percent.*

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<sup>41</sup> "Gilphy 36" is a trademark of Imphy, S.A.

<sup>42</sup> "Durphynox 17" is a trademark of Imphy, S.A.

<sup>43</sup> This list of uses is illustrative and provided for descriptive purposes only.

*This product is supplied with a hardness of more than Hv 500 guaranteed after customer processing, and is supplied as, for example, "GIN6."* <sup>44</sup> <sup>45</sup>

## **Tariff treatment**

Stainless steel sheet and strip is currently imported under Harmonized Tariff Schedule of the United States ("HTS") reporting numbers 7219.13.0031, 7219.13.0051, 7219.13.0071, 7219.13.0081, 7219.14.0030, 7219.14.0065, 7219.14.0090, 7219.32.0005, 7219.32.0020, 7219.32.0025, 7219.32.0035, 7219.32.0036, 7219.32.0038, 7219.32.0042, 7219.32.0044, 7219.33.0005, 7219.33.0020, 7219.33.0025, 7219.33.0035, 7219.33.0036, 7219.33.0038, 7219.33.0042, 7219.33.0044, 7219.34.0005, 7219.34.0020, 7219.34.0025, 7219.34.0030, 7219.34.0035, 7219.35.0005, 7219.35.0015, 7219.35.0030, 7219.35.0035, 7219.90.0010, 7219.90.0020, 7219.90.0025, 7219.90.0060, 7219.90.0080, 7220.12.1000, 7220.12.5000, 7220.20.1010, 7220.20.1015, 7220.20.1060, 7220.20.1080, 7220.20.6005, 7220.20.6010, 7220.20.6015, 7220.20.6060, 7220.20.6080, 7220.20.7005, 7220.20.7010, 7220.20.7015, 7220.20.7060, 7220.20.7080, 7220.20.8000, 7220.20.9030, 7220.20.9060, 7220.90.0010, 7220.90.0015, 7220.90.0060, and 7220.90.0080. The general rate of duty is "free" for HTS subheadings 7219.13.00, 7219.14.00, 7219.32.00, 7219.33.00, 7219.34.00, 7219.35.00, 7219.90.00, 7220.12.10, 7220.12.50, 7220.20.10, 7220.20.60, 7220.20.70, 7220.20.80, 7220.20.90, and 7220.90.00.<sup>46</sup> Effective March 23, 2018, stainless steel sheet and strip originating in Taiwan is subject to an additional 25 percent ad valorem duty under Section 232 of the Trade Expansion Act of 1962, as amended.<sup>47</sup> Stainless steel sheet and strip originating in

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<sup>44</sup> "GIN4 Mo," "GIN5" and "GIN6" are the proprietary grades of Hitachi Metals America, Ltd.

<sup>45</sup> 87 FR 74133, December 2, 2022 and accompanying *Issues and Decision Memorandum for the Final Results of the Expedited Fourth Sunset Reviews of the Antidumping Duty Orders on Stainless Steel Sheet and Strip from Japan, the Republic of Korea, and Taiwan*, November 23, 2022.

<sup>46</sup> USITC, HTS (2023) Revision 9, Publication 5445, June 2023, pp. 72-28, 72-30–72-35.

<sup>47</sup> Section 232 of the Trade Expansion Act of 1962, as amended (19 U.S.C. §1862), authorizes the President, on advice of the Secretary of Commerce, to adjust the imports of an article and its derivatives that are being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security. 83 FR 11625, March 15, 2018.

Section 232 import duties on steel articles currently cover all countries of origin except Argentina, Australia, Brazil, Canada, Mexico, and South Korea. Imports from Australia, Canada, and Mexico are exempt from Section 232 duties and quotas on steel articles, while imports originating in Argentina, Brazil, and South Korea are exempt from duties but are instead subject to absolute quotas. EU member countries (effective January 1, 2022), Japan (effective April 1, 2022), and the United Kingdom (effective June 1, 2022) are currently subject to tariff-rate quotas ("TRQs") for steel articles, and imports that exceed the TRQ limits are subject to the Section 232 tariffs. Section 232 import duties on steel articles originating in Turkey were temporarily raised from 25 percent to 50 percent, effective August 13, 2018, but restored to 25 percent effective May 21, 2019. In addition, Section 232 duties on steel articles originating in Ukraine are suspended, effective June 1, 2022, to June 1, 2024. 83 FR 11625, March 15,

*(continued...)*

South Korea is exempt from Section 232 duties but is instead subject to an absolute import quota.<sup>48</sup> Stainless steel sheet and strip originating in Japan is subject to a tariff-rate quota and imports above the quota level are subject to Section 232 duties.<sup>49</sup> Decisions on the tariff

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(...continued)

2018; 83 FR 13361, March 28, 2018; 83 FR 20683, May 7, 2018; 83 FR 25857, June 5, 2018; 83 FR 40429, August 15, 2018; 84 FR 23987, May 23, 2019; 87 FR 11, January 3, 2022; 87 FR 19351, April 1, 2022; 87 FR 33407, June 2, 2022; 87 FR 33591, June 3, 2022; 88 FR 36437, June 5, 2023.

See also HTS heading 9903.80.01 and U.S. notes 16(a) and 16(b) to subchapter III of chapter 99 and related tariff provisions for this duty treatment. USITC, HTS (2023) Revision 9, USITC Publication 5445, June 2023, pp. 99-III-5–99-III-7, 99-III-272.

<sup>48</sup> South Korea annual absolute quota limits and usage:

- Quota ID 9903.80.28 (Hot-rolled sheet of stainless steel): 1,172,992 kg (0 percent used in 2022 and 0 percent used in the first two quarters of 2023).
- Quota ID 9903.80.29 (Hot-rolled strip of stainless steel and other products): 13,346 kg (0 percent used in 2022 and 0 percent used in the first two quarters of 2023).
- Quota ID 9903.80.31 (Cold-rolled sheet of stainless steel): 13,460,008 kg (84.1 percent used in 2022 and 19.3 percent used in the first two quarters of 2023).
- Quota ID 9903.80.32 (Cold-rolled strip of stainless steel): 1,649,722 kg (64.1 percent used in 2022 and 9.8 percent used in the first two quarters of 2023).
- Total: 16,296,068 kg (75.9 percent used in 2022 and 16.9 percent used in the first two quarters of 2023).

U.S. Customs and Border Protection (CBP), 2022 annual usage by quarter – absolute steel and aluminum report, accessed August 8, 2023 at

[https://www.cbp.gov/sites/default/files/assets/documents/2023-Jan/Copy%20of%202022%20Absolute%20Steel%20and%20Aluminum%20Quarter%20Usage%20Final%20JR%20DV%20JP\\_0.pdf](https://www.cbp.gov/sites/default/files/assets/documents/2023-Jan/Copy%20of%202022%20Absolute%20Steel%20and%20Aluminum%20Quarter%20Usage%20Final%20JR%20DV%20JP_0.pdf); CBP, 2023 annual usage by quarter – absolute steel and aluminum report, accessed August 8, 2023 at

[https://www.cbp.gov/sites/default/files/assets/documents/2023-Jul/STEEL%20USAGE%202023%20Q2\\_0.pdf](https://www.cbp.gov/sites/default/files/assets/documents/2023-Jul/STEEL%20USAGE%202023%20Q2_0.pdf); USITC, HTS (2023) Revision 9, Publication 5445, June 2023, p. 99-III-276.

<sup>49</sup> Japan’s 2023 annual tariff-rate quotas and first quarter usage rates (annual 2022 usage rates are not available) for HTS statistical reporting numbers containing SS sheet and strip:

- Quota ID 9903.81.48 (Hot-rolled sheet of stainless steel): 1,580,845 kg annual quota (21 percent of the first quarter quota limit was filled)
- Quota ID 9903.81.49: 10,788 kg annual quota (8 percent of the first quarter quota limit was filled)
- Quota ID 9903.81.51 (Cold-rolled sheet of stainless steel): 508,726 kg annual quota (100 percent of the first quarter quota limit was filled)
- Quota ID 9903.81.52 (Cold-rolled strip of stainless steel): 2,709,633 kg annual quota (61 percent of the first quarter quota limit was filled)

U.S. Customs and Border Protection (CBP), Japan and United Kingdom tariff rate quota periodic limits, accessed August 8, 2023 at

[https://www.cbp.gov/sites/default/files/assets/documents/2023-Jun/Japan\\_UK\\_Steel\\_TRQ\\_Q1\\_Usage\\_Q3\\_Limits\\_2023.pdf](https://www.cbp.gov/sites/default/files/assets/documents/2023-Jun/Japan_UK_Steel_TRQ_Q1_Usage_Q3_Limits_2023.pdf); USITC, HTS (2023) Revision 9, Publication 5445, June 2023, p. 99-III-289, 99-III-290.

classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

## **The product**

### **Description and applications<sup>50</sup>**

The stainless steel sheet and strip subject to these reviews are flat-rolled stainless steel products in coils, less than 4.75 mm in thickness, at least 9.5 mm in width, that are annealed (heat-treated) and pickled (subjected to an acid rinse to remove surface scale).<sup>51</sup>

Sheet and strip are distinguished from one another by width. Sheet is 24 inches or greater in width; strip is less than 24 inches in width (table I-13). Stainless steel is a low carbon steel which contains 10.5 percent or more chromium by weight. The addition of chromium gives the steel its corrosion resisting properties. Other alloying elements can be added to impart various characteristics, but all stainless steels contain chromium at a minimum.

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<sup>50</sup> Unless otherwise noted, this information is based on Stainless Steel Sheet and Strip from Japan, Korea, and Taiwan, Investigation Nos. 701-TA-382 and 731-TA-800, 801, and 803 (Third Review), USITC Publication 4725, September 2017 (“third review publication”), pp. I-23–I-26.

<sup>51</sup> Hot-rolled black band (“HRB”), the intermediate stainless flat-rolled product produced after stainless steel slab is rolled but before the rolled material is annealed and pickled, is not within the product scope.

**Table I-13**  
**Stainless steel flat products: Various forms and their definitions**

Item	Definition	Relation to product scope
Sheet	Under 3/16 inches (4.75 mm) in thickness and 24 inches (610 mm) and over in width.	Sheet in coils is within the product scope.
Strip	Under 3/16 inches (4.75 mm) in thickness and is under 24 inches (610 mm) in width.	Strip in coils is within the product scope if it is at least 9.5 mm (0.374 inches) in width.
Foil	Maximum thickness of .005 inches.	Foil in coils, except for specific exclusions in the scope definition, is within the product scope.
Plate	More than ten inches (254 mm) wide with a thickness ranging from 3/16 of an inch (4.75 mm) and over.	Plate is outside of the product scope.

Source: Specialty Steel Industry of North America, Glossary, <https://www.ssina.com/education/glossary/#S>, retrieved October 21, 2022.

There are many different stainless steel alloys, each with its own characteristics.<sup>52</sup> The broad metallurgical groupings are austenitic, ferritic, martensitic, precipitation-hardening, and duplex (table I-14). The most used stainless steels are austenitic grades 304 and 316. The precipitation-hardening and duplex types are less widely used than the other classes of stainless steel. Each alloying element imparts certain characteristics to the steel (table I-15).

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<sup>52</sup> Petitioners estimate that 80-90 percent of the U.S. SSSS market is for products that are “not special.” Hearing transcript. at 81 (Weinert); NAS-Outokumpu posthearing brief at exh. 1, p.27. Japanese respondents estimate that \*\*\* of the industry’s shipments, both total and to the U.S. market, consist of specialty grades. Japanese respondents posthearing brief at exh. 1, p. 4. No commonly accepted industry definition of specialty products was provided by parties.

**Table I-14****Stainless steel: Stainless steel classes and their most important grades**

<b>Class</b>	<b>Composition</b>	<b>Characteristics</b>	<b>Common applications</b>
Austenitic	Iron-Chromium-Manganese and Iron-Chromium-Nickel  Commonly used grades: Grades 304 and 316 are the most widely used stainless steel grades.	Excellent corrosion resistance, non-magnetic, good high and low temperature mechanical properties, excellent formability and weldability, all common finishes can be applied	Cookware, flatware, automotive wiper arms, hardware, hinges, entry doors, chemical processing equipment, storage tanks, chemical transportation tanks, food processing equipment, oil refining equipment
Ferritic	Iron-Chromium  Commonly used grades: 409 and 430	Good corrosion resistance, magnetic, limited temperature use, can be polished	Automotive exhaust systems, fins for heater tubes, smoke control ductwork, transformer and capacitor cases, architectural applications (interior), automotive trim, cooking utensils, food processing equipment
Martensitic	Iron-Chromium-Carbon  Commonly used grades: 410, 420 and 440	Adequate corrosion resistance, magnetic, somewhat limited temperature use, limited weldability	Fasteners, pump shafts, turbine blades, surgical instruments, cutlery
Precipitation Hardening Steels	Iron-Chromium-Nickel  Some grades may contain other elements such as molybdenum, aluminum, copper, rare earth elements and nitrogen	Good corrosion resistance, characterized by ease of fabrication	Valves, gears, and petrochemical equipment
Duplex	Iron-Chromium-Nickel-Nitrogen  Some grades also contain molybdenum	Combine both the austenitic and ferritic microstructures; magnetic; offer increased tensile and yield strength over the other categories; more resistant to stress corrosion cracking than austenitic, yet tougher than ferritic alloys	Pipelines, pressure shafting, structural components, and industrial tanks

Source: Special Steel Industry of North America, Alloy families, <https://www.ssina.com/education/product-resources/alloy-families/>, retrieved October 19, 2022.



**Table I-15**  
**Stainless steel: Properties imparted by common alloying elements**

Alloying element	Properties imparted
Chromium	Resists rust
Nickel	Increases ductility Increases toughness Increases corrosion resistance to acids Creates non-magnetic structure
Molybdenum	Increases pitting and crevice corrosion resistance Increases resistance to chlorides
Manganese	Substitutes for nickel in some grades
Nitrogen	Increases strength and corrosion resistance in austenitic and duplex steels
Carbon	Usually kept low. Used in martensitic grades to increase strength and hardness.

Source: Special Steel Industry of North America, Alloying elements, <https://www.ssina.com/education/product-resources/alloying-elements/>, retrieved October 19, 2022.

Many consumer and industrial applications utilize stainless steel sheet and strip products, especially where corrosion resistance, heat resistance, or stainless steel’s aesthetic characteristics are desired. For example, the automotive industry uses sheet and strip to manufacture trim, exhaust- and emission-control systems, and wheel covers. The pipe and tube industry uses slit coil as its raw material and produces pipes and tubes by welding the lengthwise edges together. Sheet and strip are also used by the chemical and construction industries, as well as by appliance and industrial equipment manufacturers, among many other applications.

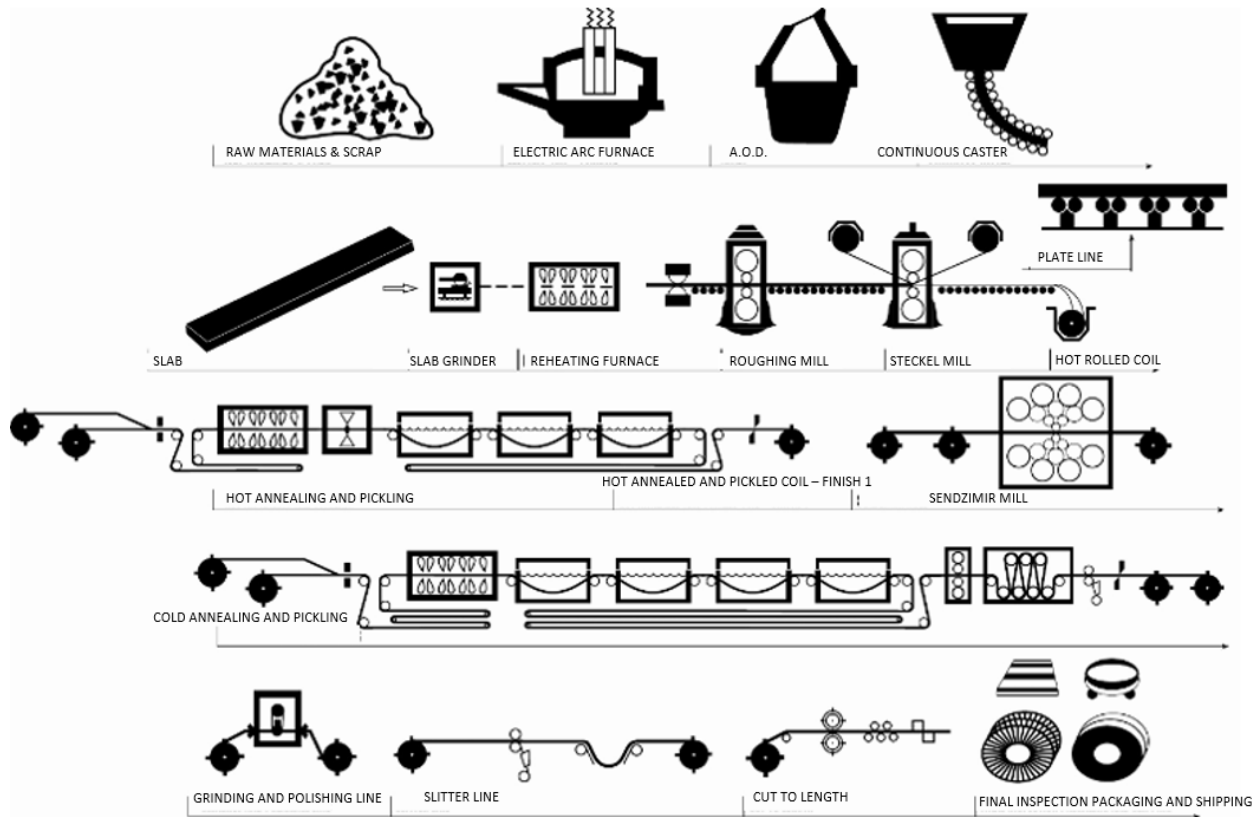
### **Manufacturing processes<sup>53</sup>**

The basic steps in stainless steel sheet and strip production regardless of grade or final width and thickness are: (1) stainless steel production; (2) the casting of slabs, a semifinished flat-rolled product; (3) hot-rolling the slabs; (4) annealing and pickling; and, if specified, (5) cold-rolling the hot-rolled products; and, if specified (5) finishing (embossing, etching, special surface mechanical treatment, etc.) (figure I-2). U.S. producers perform all these steps.

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<sup>53</sup> Unless otherwise noted, this information is based on third review publication, pp. I-26–I-31.

**Figure I-2**  
**SSSS: Production process**



Source: North American Stainless, Flat Products Brochure, pp. 13–14, modified by Commission staff, [https://www.northamericanstainless.com/wp-content/themes/northamericanstainless/pdf/NAS\\_Flat\\_Products\\_Brochure.pdf](https://www.northamericanstainless.com/wp-content/themes/northamericanstainless/pdf/NAS_Flat_Products_Brochure.pdf), retrieved October 20, 2022.

Notes: After hot rolling, the stainless steel coil is called hot-rolled black (HRB) band. Because it has not yet been annealed and pickled, HRB band is not within the product scope of this review. After the HRB is annealed and pickled, it is called white band and is within the product scope of this review.

### **Stainless steel production**

Mills produce stainless steel by melting stainless or other steel scrap and alloying elements such as chromium, nickel, and molybdenum (depending on the stainless steel grade) in an electric arc furnace. The resultant liquid steel is tapped into a furnace ladle and transferred to an argon-oxygen decarburization (“AOD”) vessel for further refinement (also known as secondary steelmaking) in which oxygen, gradually replaced by argon, is blown through the molten steel, to eliminate impurities.<sup>54</sup> Secondary steelmaking requires frequent testing to determine the precise amount of ferroalloys to be added in order to produce steel

<sup>54</sup> An alternate method of removing impurities from molten stainless steel is to use vacuum oxygen decarburization (“VOD”), in which the molten metal is placed in a vacuum while oxygen is bubbled through it.

with specific properties according to end-use applications. The quantity and composition of inputs is particularly important in the production of stainless steel as raw materials such as scrap and the alloying elements nickel, molybdenum, and chromium account for the majority of the total cost. After achieving the desired chemical composition, the molten stainless steel is transferred in a preheated transfer ladle to the continuous slab caster for solidification into slabs, the wide semifinished products from which flat-rolled products are rolled.

### **Slab casting**

The molten stainless steel is poured into a tundish (reservoir dam) which controls the flow into the top of the mold of the continuous casting machine. Solid surfaces form as the molten stainless steel passes through and out the open bottom of the mold, and the slab solidifies as it slowly descends through the caster. The resulting slabs are generally 5 to 8 inches thick and up to 100 inches wide, depending on mill capability and the flat-rolled product that will be produced from the slab. The continuous slab is cut into lengths of up to about 35 feet for further processing. The length is limited by the mill's reheating and/or rolling capability. The slab is then inspected and conditioned by grinding the surface to remove scale and defects, in preparation for rolling in coil form on the hot-strip mill. Before it enters the rolling mill, the slab is charged in a gas-fired reheating furnace to a rolling temperature of 2,250-2,300 degrees Fahrenheit. After reaching the appropriate temperature, the slab exits the furnace and enters the hot-strip mill.

### **Hot rolling the slabs**

For a mill designed primarily to produce stainless steel, the roughing mill is generally a reversing mill in which the slabs are rolled to a thickness of about 1 inch in a succession of rolling passes. The finishing mill is either a reversing mill of the Steckel type, which is equipped to coil the bands after each pass in order to conserve space and temperature, or a continuous mill made up of a series of individual roll stands that may be hundreds of yards long and with the bands passing continuously through the stands in one direction only.<sup>55</sup> The bands continue on to a coiler, where they are wrapped into coils. The coils (whether destined to become sheet or strip) are called hot-rolled black (HRB) bands, due to the surface layer of dark-colored oxide formed as a result of exposure to oxygen at high temperatures.

### **Annealing**

The rolling process creates internal stresses and hardens the steel. Annealing, a form of heat treatment, relieves the stresses and softens the steel. Therefore, after cooling, the HRB band passes through a continuous furnace in which it is heated to annealing temperatures,

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<sup>55</sup> Because the slabs are fed into the mill at an elevated temperature, the mill is known as a "hot-strip mill."

about 2,000 degrees Fahrenheit depending on the stainless steel grade, and then quickly cooled. The heat treatment creates a dark colored oxide scale on the surface of the steel. The band next passes through a grit-blasting machine in which the scale from the hot mill and the annealing furnace is broken up by using small particles of steel grit thrown at high speed by centrifugal wheels.

### **Pickling**

After annealing and grit blasting, the band undergoes pickling, to remove the dark oxide scale and surface defects, and to impart corrosion resistance. The band passes through pickling tanks which usually contain mixtures of nitric and hydrofluoric acids to descale the steel, followed by a water rinse. Annealing and pickling are usually performed on a continuous process line, although they can be performed in separate units. The product at this point is considered white coil or white band, or hot-rolled annealed and pickled (“HRAP”) coil or HRAP band and can be shipped in this condition. After this stage, stainless steel sheet and strip is within the scope of this review.

### **Cold rolling**

Cold-rolled stainless sheet and strip is manufactured by transferring HRAP coil to a cold-rolling mill to reduce the product’s thickness by 10 to 95 percent. Depending on the desired thickness of the end product, multiple passes through the cold-rolling mill may be required to achieve the necessary reduction. As in hot-rolling, the material hardens after a certain amount of cold-rolling. Further cold-rolling becomes difficult at this point so annealing (to soften the material) and pickling several times may be necessary to achieve the desired final thickness. The final product is considered cold-rolled, annealed, and pickled coil. The large majority of stainless steel sheet and strip is sold as cold-rolled product. If specified, after cold rolling the coil can be bright annealed. In bright annealing, the coil is placed in a special furnace that heats the coil in an oxygen-free reducing atmosphere. Bright annealing does not create the dark oxide scale on the coil and so the pickling step is unnecessary. This type of annealing produces a mirror-like appearance and is often used when a highly reflective surface is desired.<sup>56</sup>

### **Finishing**

Stainless steel sheet and strip may undergo additional finishing operations. For example, once the final anneal/pickle/cold-roll sequence is complete, the steel may undergo a temper roll (skin pass) to improve surface condition. However, this step does not involve any further

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<sup>56</sup> The mirror like appearance may have some cloudiness and other imperfections. A finish that is designated “BA” has only been bright annealed. A finish that is designated “2BA” has been bright annealed and then passed between highly polished rolls. A minimal amount of roll pressure (skin pass) is applied. The process improves flatness and finish uniformity but does not significantly decrease thickness. Bright annealed stainless is sometimes buffed to attain a more mirror-like finish.

thickness reduction in the material. A finish may also be applied to the product. As shown in table I-16, stainless steel sheet and strip are available in several standard finishes. Other finishing operations include “rolled-on” embossing, etching, special surface mechanical treatment to provide, for example, perforations, electromechanical coloring and plating.<sup>57</sup>

**Table I-16**  
**SSSS: Standard finishes**

Finish designator	Properties imparted
No. 1	Rough, dull finish that results from hot rolling.
No. 2B	Bright finish with some reflectivity. It is a general-purpose finish used as is, or it is used as a basis for subsequent polished finishes.
No. 2D	Dull finish generally used where the surface appearance is of little concern.
No. 4	Polished bright surface with reasonable reflectivity, although it contains visible “grit lines” which prevent mirror reflection.
No. 6	Dull satin finish with less reflectivity than a No. 4.
No. 7	Highly reflective surface finish but still maintains some light “grit” lines.
No. 8	Reflective standard finish with a mirror-like reflectivity.

Source: Specialty Steel Industry of North America, Designer Handbook: Stainless Steel Primer, p. 2, <https://www.ssina.com/wp-content/uploads/2019/06/primerupdatebroc.pdf>, retrieved October 19, 2022.

Sheet and strip may also be edge-trimmed, slit, or cut-to-length. Edge condition is often more important for strip than for sheet. Strip is produced with various edge specifications: (1) mill edge (as produced, condition unspecified); (2) No. 1 edge (edge-rolled, rounded, or square); (3) No. 3 edge (as-slit); or (4) No. 5 edge (square edge produced by rolling or filing after slitting). Mill edge is the least expensive edge condition and is adequate for many purposes. No. 1 edge provides improved width tolerance over mill edge plus a cold-rolled edge condition; rounded edges are preferred for applications requiring the lowest degree of stress concentration at corners. No. 3 and No. 5 edges give progressively better width tolerance and squareness over No. 1 edge.

## Domestic like product issues

In its original determinations and its full first, second, and third five-year review determinations, the Commission defined the domestic like product as stainless steel sheet and strip in coils corresponding to the scope of the subject merchandise.<sup>58</sup> In its notice of institution in these current five-year reviews, the Commission solicited comments from interested parties

<sup>57</sup> Specialty Steel Industry of North America, Designer Handbook: Stainless Steel Primer, p. 3, <https://www.ssina.com/wp-content/uploads/2019/06/primerupdatebroc.pdf>, retrieved October 19, 2022.

<sup>58</sup> Original publication, p. I-3.

regarding the appropriate domestic like product and domestic industry.<sup>59</sup> Three domestic producers agreed with the Commission's definition of the domestic like product, and one foreign producer did not express a view on the Commission's definition of the domestic like product and reserved the right to comment at a later stage.<sup>60</sup> No party requested that the Commission collect data concerning other possible domestic like products in their comments on the Commission's draft questionnaires.

## **U.S. market participants**

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

During the original investigations, 13 firms supplied the Commission with information on their U.S. operations with respect to SSSS. These firms accounted for virtually all of U.S. production of SSSS in 1998.<sup>61</sup> In the first five-year reviews, seven firms supplied the Commission with information on their U.S. operations with respect to SSSS, accounting for 100 percent of U.S. production of SSSS in 2004. During the second five-year reviews, seven firms supplied the Commission with information on their SSSS operations, with these firms believed to account for all U.S. production of SSSS in 2010. In the third five-year reviews, four firms provided the Commission with information on their SSSS operations, with these firms believed to account for all U.S. production of SSSS in 2016. In these current proceedings, the Commission issued U.S. producer questionnaires to four firms, three of which provided the Commission with information on their SSSS operations. These firms are believed to account for all U.S. production of SSSS in 2022. Presented in table I-17 is a list of current domestic producers of SSSS and each company's position on the continuation of the orders, production location(s), related and/or affiliated firms, and share of reported production of SSSS in 2022.

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<sup>59</sup> 87 FR 53780, September 1, 2022.

<sup>60</sup> *Substantive Response of Cleveland-Cliffs Inc., North American Stainless, and Outokumpu Stainless USA LLC*, p. 42; *Substantive Response of Nippon Steel Stainless Steel Corporation*, p. 13.

<sup>61</sup> The 13 U.S. producers/rerollers that supplied the Commission with usable questionnaire information during the original investigations were: Allegheny Ludlum Corp., Armco, Inc., J&L Specialty Steel, Inc., North American Stainless, Nucor Steel, Washington Steel, Cold Metals Products, Inc., Hamilton Precision Metals, Precision Specialty Metals, Rahns Specialty Metals, Inc., Rodney Metals, Somers Thin Strip, and Theis Precision Steel Corp. Original publication, p. III-2.

**Table I-17****SSSS: U.S. producers, positions on orders, U.S. production locations, and shares of reported U.S. production, 2022**

Shares in percent

<b>Firm</b>	<b>Position on orders</b>	<b>Production location(s)</b>	<b>Share of production</b>
Cleveland-Cliffs	***	Butler, PA Coshocton, OH Mansfield, OH Middleton, OH Rockport, IN Zanesville, OH	***
North American Stainless	***	Ghent, KY Minooka, IL Pendergrass, GA Wrightsville, PA	***
Outokumpu	***	Calvert, AL	***
All firms	Various	Various	***

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

As indicated in table I-18, no U.S. producers are related to foreign producers of the subject merchandise nor to U.S. importers of the subject merchandise. In addition, as discussed in greater detail in Part III, no U.S. producers directly import the subject merchandise nor purchase the subject merchandise from U.S. importers.

**Table I-18**

**SSSS: U.S. producers' ownership, related and/or affiliated firms**

<b>Reporting firm</b>	<b>Relationship type and related firm</b>	<b>Details of relationship</b>
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***

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

## **U.S. importers**

In the original investigations, 46 U.S. importing firms supplied the Commission with usable information on their operations involving the importation of SSSS, believed to account for the vast majority of total U.S. imports of SSSS from Japan, South Korea, and Taiwan during 1996.<sup>62</sup> Of the responding U.S. importers, two were domestic producers: North American Stainless and Outokumpu Stainless USA, LLC. During the first five-year reviews, the Commission received U.S. importer questionnaires from 26 firms, and did not provide estimates of the share of coverage of total U.S. imports for each country. During the second five-year reviews, the Commission received U.S. importer questionnaires from 27 firms, which accounted for approximately \*\*\* percent of total U.S. imports of SSSS from Japan, approximately \*\*\* percent of total U.S. imports of SSSS from South Korea, and approximately \*\*\* percent of total

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<sup>62</sup> Original publication, p. IV-1.



U.S. imports of SSSS from Taiwan during 2005-2010.<sup>63</sup> During the third five-year reviews, the Commission received U.S. importer questionnaires from 19 firms, which accounted for approximately \*\*\* percent of total U.S. imports of SSSS from Japan, approximately \*\*\* percent of total U.S. imports of SSSS from South Korea, and approximately \*\*\* percent of total U.S. imports of SSSS from Taiwan during 2016.<sup>64</sup>

In the current proceedings, the Commission issued U.S. importer questionnaires to 41 firms believed to be importers of SSSS, as well as to all U.S. producers of SSSS. Usable questionnaire responses were received from sixteen firms, representing \*\*\* percent of U.S. imports from Japan, \*\*\* percent of U.S. imports from subject sources in South Korea, and \*\*\* percent of U.S. imports, by value, from subject sources Taiwan in 2022. Table I-19 lists all responding U.S. importers of SSSS from Japan, South Korea, and Taiwan, and other sources, their locations, and their shares of U.S. imports in 2022.

**Table I-19**  
**SSSS: U.S. importers, their headquarters, and share of imports within each source, 2022**

Shares in percent

Firm	Headquarters	Japan	South Korea, subject	Taiwan, subject	Subject sources
Atlas Steel	Twinsburg, OH	***	***	***	***
Datum	Binghamton, NY	***	***	***	***
Hanwa	Irvine, CA	***	***	***	***
Marubeni Itochu	Schaumburg, IL	***	***	***	***
North American Stainless	Ghent, KY	***	***	***	***
Okaya	Arlington Heights, IL	***	***	***	***
Olbert	Mississauga, ON	***	***	***	***
Outokumpu	Calvert, AL	***	***	***	***
Pacific Metals	Gardena, CA	***	***	***	***
Penflex	Gilbertsville, PA	***	***	***	***
POSCO	Teaneck, NJ	***	***	***	***
Proterial	Purchase, NY	***	***	***	***
Sasano Max	Hopkinsville, KY	***	***	***	***
Source 21	Sound Beach, NY	***	***	***	***
Ta Chen	Long Beach, CA	***	***	***	***
Toyota Tsusho	Georgetown, KY	***	***	***	***
All firms	Various	***	***	***	***

Table continued.

<sup>63</sup> First review publication, p. II-1.

<sup>64</sup> Investigation Nos. 701-TA-382 and 731-TA-800, 801, and 803 (Third Review): Stainless Steel Sheet and Strip from Japan, Korea, and Taiwan Confidential Report, INV-PP-110, August 17, 2017 (“Third review confidential report”), p. IV-1.

**Table I-19 Continued**  
**SSSS: U.S. importers, their headquarters, and share of imports within each source, 2022**

Shares in percent

Firm	Headquarters	South Korea, nonsubject	Taiwan, nonsubject	All other sources	Nonsubject sources	All import sources
Atlas Steel	Twinsburg, OH	***	***	***	***	***
Datum	Binghamton, NY	***	***	***	***	***
Hanwa	Irvine, CA	***	***	***	***	***
Marubeni Itochu	Schaumburg, IL	***	***	***	***	***
North American Stainless	Ghent, KY	***	***	***	***	***
Okaya	Arlington Heights, IL	***	***	***	***	***
Olbert	Mississauga, ON	***	***	***	***	***
Outokumpu	Calvert, AL	***	***	***	***	***
Pacific Metals	Gardena, CA	***	***	***	***	***
Penflex	Gilbertsville, PA	***	***	***	***	***
POSCO	Teaneck, NJ	***	***	***	***	***
Proterial	Purchase, NY	***	***	***	***	***
Sasano Max	Hopkinsville, KY	***	***	***	***	***
Source 21	Sound Beach, NY	***	***	***	***	***
Ta Chen	Long Beach, CA	***	***	***	***	***
Toyota Tsusho	Georgetown, KY	***	***	***	***	***
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. purchasers

The Commission received 10 usable questionnaire responses from firms that bought SSSS during January 2017-March 2023.<sup>65</sup> Four responding purchasers are distributors, four are both distributors and processors, one is a distributor and automotive assembler/supplier, and one is a processor. In general, responding U.S. purchasers were located throughout the contiguous United States. The responding purchasers represented firms in a variety of domestic industries, including the automotive industry. Large purchasers of SSSS include \*\*\*.

<sup>65</sup> Of the 10 responding purchasers, eight purchased the domestic product, five purchased imports of the subject merchandise from South Korea and Taiwan, and six purchased imports of SSSS from other sources.

## Apparent U.S. consumption and market shares

### Quantity

Table I-20 presents data on apparent U.S. consumption and U.S. market shares by quantity for SSSS. Apparent U.S. consumption of SSSS by quantity increased steadily from 2020-22, for a two-year increase of 32.9 percent. The period 2020-21 saw the largest annual increase, with growth of 28.7 percent, followed by 3.3 percent growth from 2021-22. Apparent U.S. consumption was lower in interim 2023 compared to interim 2022, a difference of 30.4 percent. U.S. producers, subject imports, and nonsubject imports all reported fewer quantities in interim 2023 compared to interim 2022.

Although U.S. producers also reported a net increase of 16.1 percent from 2020-22 in terms of quantity of U.S. shipments, U.S. producers' market share decreased by 11.2 percentage points over the same period. Nonetheless, U.S. producers accounted for over three-quarters of apparent U.S. consumption of SSSS for all periods reported. The market share of total imports grew by 11.2 percentage points from 2020-22, nearly doubling, driven primarily by growth in the market share of nonsubject imports (\*\*\*) percentage points), as well as subject imports (growth of \*\*\*) percentage points). In terms of subject imports, imports from Taiwan, by quantity, rose \*\*\* percent from 2020-22, driving the vast majority of the growth in subject imports. Nonsubject imports' market share growth was comprised primarily of growth in the quantity of imports from all other sources, which grew \*\*\* percent from 2020-22. Nonsubject imports from Taiwan also increased by \*\*\* percent over the same period, albeit accounting for only \*\*\* percent of total nonsubject imports, and \*\*\* percent of apparent U.S. consumption in 2022.<sup>66</sup>

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<sup>66</sup> The growth in imports from nonsubject sources in Taiwan is comprised almost entirely of imports from \*\*\*. \*\*\* U.S. importer questionnaire.

**Table I-20**  
**SSSS: Apparent U.S. consumption and market shares based on quantity, by source and period**

Quantity in short tons; shares in percent

Source	Measure	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
U.S. producers	Quantity	1,253,755	1,511,726	1,455,375	402,712	309,253
Japan	Quantity	2,251	2,934	3,107	632	695
South Korea, subject	Quantity	***	***	***	***	***
Taiwan, subject	Quantity	***	***	***	***	***
Subject sources	Quantity	***	***	***	***	***
South Korea, nonsubject	Quantity	***	***	***	***	***
Taiwan, nonsubject	Quantity	***	***	***	***	***
All other sources	Quantity	119,891	216,279	312,030	84,776	47,008
Nonsubject sources	Quantity	***	***	***	***	***
All import sources	Quantity	167,384	316,803	433,294	124,984	57,943
All sources	Quantity	1,421,139	1,828,529	1,888,669	527,696	367,196
U.S. producers	Share	88.2	82.7	77.1	76.3	84.2
Japan	Share	0.2	0.2	0.2	0.1	0.2
South Korea, subject	Share	***	***	***	***	***
Taiwan, subject	Share	***	***	***	***	***
Subject sources	Share	***	***	***	***	***
South Korea, nonsubject	Share	***	***	***	***	***
Taiwan, nonsubject	Share	***	***	***	***	***
All other sources	Share	8.4	11.8	16.5	16.1	12.8
Nonsubject sources	Share	***	***	***	***	***
All import sources	Share	11.8	17.3	22.9	23.7	15.8
All sources	Share	100.0	100.0	100.0	100.0	100.0

Source: Official U.S. import statistics of the U.S. Department of Commerce Census Bureau, using HTS statistical reporting numbers 7219.13.00.31, 7219.13.00.51, 7219.13.00.71, 7219.13.00.81, 7219.14.00.30, 7219.14.00.65, 7219.14.00.90, 7219.32.00.05, 7219.32.00.20, 7219.32.00.25, 7219.32.00.35, 7219.32.00.36, 7219.32.00.38, 7219.32.00.42, 7219.32.00.44, 7219.33.00.05, 7219.33.00.20, 7219.33.00.25, 7219.33.00.35, 7219.33.00.36, 7219.33.00.38, 7219.33.00.42, 7219.33.00.44, 7219.34.00.05, 7219.34.00.20, 7219.34.00.25, 7219.34.00.30, 7219.34.00.35, 7219.35.00.05, 7219.35.00.15, 7219.35.00.30, 7219.35.00.35, 7219.90.00.10, 7219.90.00.20, 7219.90.00.25, 7219.90.00.60, 7219.90.00.80, 7220.12.10.00, 7220.12.50.00, 7220.20.10.10, 7220.20.10.15, 7220.20.10.60, 7220.20.10.80, 7220.20.60.05, 7220.20.60.10, 7220.20.60.15, 7220.20.60.60, 7220.20.60.80, 7220.20.70.05, 7220.20.70.10, 7220.20.70.15, 7220.20.70.60, 7220.20.70.80, 7220.20.80.00, 7220.20.90.30, 7220.20.90.60, 7220.90.00.10, 7220.90.00.15, 7220.90.00.60, and 7220.90.00.80, accessed July 5, 2023, adjusted using data submitted in response to Commission questionnaires to allocate South Korea and Taiwan subject vs. nonsubject data. 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 I-3**  
**SSSS: Apparent U.S. consumption based on quantity, by source and period**

\* \* \* \* \*

Source: Official U.S. import statistics of the U.S. Department of Commerce Census Bureau, using HTS statistical reporting numbers 7219.13.00.31, 7219.13.00.51, 7219.13.00.71, 7219.13.00.81, 7219.14.00.30, 7219.14.00.65, 7219.14.00.90, 7219.32.00.05, 7219.32.00.20, 7219.32.00.25, 7219.32.00.35, 7219.32.00.36, 7219.32.00.38, 7219.32.00.42, 7219.32.00.44, 7219.33.00.05, 7219.33.00.20, 7219.33.00.25, 7219.33.00.35, 7219.33.00.36, 7219.33.00.38, 7219.33.00.42, 7219.33.00.44, 7219.34.00.05, 7219.34.00.20, 7219.34.00.25, 7219.34.00.30, 7219.34.00.35, 7219.35.00.05, 7219.35.00.15, 7219.35.00.30, 7219.35.00.35, 7219.90.00.10, 7219.90.00.20, 7219.90.00.25, 7219.90.00.60, 7219.90.00.80, 7220.12.10.00, 7220.12.50.00, 7220.20.10.10, 7220.20.10.15, 7220.20.10.60, 7220.20.10.80, 7220.20.60.05, 7220.20.60.10, 7220.20.60.15, 7220.20.60.60, 7220.20.60.80, 7220.20.70.05, 7220.20.70.10, 7220.20.70.15, 7220.20.70.60, 7220.20.70.80, 7220.20.80.00, 7220.20.90.30, 7220.20.90.60, 7220.90.00.10, 7220.90.00.15, 7220.90.00.60, and 7220.90.00.80, accessed July 5, 2023, adjusted using data submitted in response to Commission questionnaires to allocate South Korea and Taiwan subject vs. nonsubject data. Imports are based on the imports for consumption data series.

## Value

Table I-21 presents data on apparent U.S. consumption and U.S. market shares by value for SSSS. Apparent U.S. consumption of SSSS by value increased annually from 2020-22, for a net rise of 135.2 percent. During this same two-year period, subject imports, nonsubject imports, and U.S. producers' shipments of SSSS increased annually, for increases of \*\*\* percent, \*\*\* percent, and 108.3 percent, respectively. In interim 2023, apparent U.S. consumption was 31.1 percent lower than in interim 2022, the result of subject and nonsubject imports and U.S. producers' shipments all recording lower values in interim 2023 compared to interim 2022.

Despite U.S. producers' U.S. shipments increasing 61.8 percent from 2020-21 and a further 28.8 percent from 2021-22 in terms of value, U.S. producers' market share nonetheless declined 4.9 percentage points from 2020-21, and a further 4.9 percentage points from 2021-22. U.S. producers' market share was then 8.3 percentage points higher in interim 2023 compared to interim 2022. The value of subject and nonsubject imports grew annually from 2020-22, for increases of \*\*\* percent and \*\*\* percent, respectively, leading to a rise of \*\*\* and \*\*\* percentage points in the market share of subject and nonsubject sources, respectively, from 2020-22. While imports from all subject sources grew in value from 2020-22, imports from Taiwan comprised \*\*\* of subject imports in all periods reported. Meanwhile, imports from all other sources comprised \*\*\* of nonsubject imports. In interim 2023, imports from all sources other than Japan were lower than in interim 2022, with the value of imports from Japan being 10.2 percent higher in interim 2023 compared to interim 2022.

**Table I-21**  
**SSSS: Apparent U.S. consumption and market shares based on value, by source and period**

Value in 1,000 dollars; shares in percent

Source	Measure	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
U.S. producers	Value	2,618,581	4,236,259	5,454,582	1,434,929	1,096,993
Japan	Value	16,218	17,746	18,561	3,953	4,356
South Korea, subject	Value	***	***	***	***	***
Taiwan, subject	Value	***	***	***	***	***
Subject sources	Value	***	***	***	***	***
South Korea, nonsubject	Value	***	***	***	***	***
Taiwan, nonsubject	Value	***	***	***	***	***
All other sources	Value	320,789	702,130	1,285,506	318,767	178,842
Nonsubject sources	Value	***	***	***	***	***
All import sources	Value	435,978	1,007,503	1,730,040	468,364	213,507
All sources	Value	3,054,559	5,243,762	7,184,622	1,903,293	1,310,500
U.S. producers	Share of value	85.7	80.8	75.9	75.4	83.7
Japan	Share of value	0.5	0.3	0.3	0.2	0.3
South Korea, subject	Share of value	***	***	***	***	***
Taiwan, subject	Share of value	***	***	***	***	***
Subject sources	Share of value	***	***	***	***	***
South Korea, nonsubject	Share of value	***	***	***	***	***
Taiwan, nonsubject	Share of value	***	***	***	***	***
All other sources	Share of value	10.5	13.4	17.9	16.7	13.6
Nonsubject sources	Share of value	***	***	***	***	***
All import sources	Share of value	14.3	19.2	24.1	24.6	16.3
All sources	Share of value	100.0	100.0	100.0	100.0	100.0

Source: Official U.S. import statistics of the U.S. Department of Commerce Census Bureau, using HTS statistical reporting numbers 7219.13.00.31, 7219.13.00.51, 7219.13.00.71, 7219.13.00.81, 7219.14.00.30, 7219.14.00.65, 7219.14.00.90, 7219.32.00.05, 7219.32.00.20, 7219.32.00.25, 7219.32.00.35, 7219.32.00.36, 7219.32.00.38, 7219.32.00.42, 7219.32.00.44, 7219.33.00.05, 7219.33.00.20, 7219.33.00.25, 7219.33.00.35, 7219.33.00.36, 7219.33.00.38, 7219.33.00.42, 7219.33.00.44, 7219.34.00.05, 7219.34.00.20, 7219.34.00.25, 7219.34.00.30, 7219.34.00.35, 7219.35.00.05, 7219.35.00.15, 7219.35.00.30, 7219.35.00.35, 7219.90.00.10, 7219.90.00.20, 7219.90.00.25, 7219.90.00.60, 7219.90.00.80, 7220.12.10.00, 7220.12.50.00, 7220.20.10.10, 7220.20.10.15, 7220.20.10.60, 7220.20.10.80, 7220.20.60.05, 7220.20.60.10, 7220.20.60.15, 7220.20.60.60, 7220.20.60.80, 7220.20.70.05, 7220.20.70.10, 7220.20.70.15, 7220.20.70.60, 7220.20.70.80, 7220.20.80.00, 7220.20.90.30, 7220.20.90.60, 7220.90.00.10, 7220.90.00.15, 7220.90.00.60, and 7220.90.00.80, accessed July 5, 2023, adjusted using data submitted in response to Commission questionnaires to allocate South Korea and Taiwan subject vs. nonsubject data. Imports are based on the imports for consumption data series. Value data reflect landed duty-paid values.

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 I-4**  
**SSSS: Apparent U.S. consumption based on value, by source and period**

\* \* \* \* \*

Source: Source: Official U.S. import statistics of the U.S. Department of Commerce Census Bureau, using HTS statistical reporting numbers 7219.13.00.31, 7219.13.00.51, 7219.13.00.71, 7219.13.00.81, 7219.14.00.30, 7219.14.00.65, 7219.14.00.90, 7219.32.00.05, 7219.32.00.20, 7219.32.00.25, 7219.32.00.35, 7219.32.00.36, 7219.32.00.38, 7219.32.00.42, 7219.32.00.44, 7219.33.00.05, 7219.33.00.20, 7219.33.00.25, 7219.33.00.35, 7219.33.00.36, 7219.33.00.38, 7219.33.00.42, 7219.33.00.44, 7219.34.00.05, 7219.34.00.20, 7219.34.00.25, 7219.34.00.30, 7219.34.00.35, 7219.35.00.05, 7219.35.00.15, 7219.35.00.30, 7219.35.00.35, 7219.90.00.10, 7219.90.00.20, 7219.90.00.25, 7219.90.00.60, 7219.90.00.80, 7220.12.10.00, 7220.12.50.00, 7220.20.10.10, 7220.20.10.15, 7220.20.10.60, 7220.20.10.80, 7220.20.60.05, 7220.20.60.10, 7220.20.60.15, 7220.20.60.60, 7220.20.60.80, 7220.20.70.05, 7220.20.70.10, 7220.20.70.15, 7220.20.70.60, 7220.20.70.80, 7220.20.80.00, 7220.20.90.30, 7220.20.90.60, 7220.90.00.10, 7220.90.00.15, 7220.90.00.60, and 7220.90.00.80, accessed July 5, 2023, adjusted using data submitted in response to Commission questionnaires to allocate South Korea and Taiwan subject vs. nonsubject data. Imports are based on the imports for consumption data series. Value data reflect landed duty-paid values.



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

### U.S. market characteristics

SSSS is an input used in a variety of consumer and industrial applications, including automotive parts, pipe and tube, food service equipment, kitchen equipment and appliances, and tanks and pressure vessels. Demand for SSSS is driven largely by demand in these industries, as well as overall economic conditions. The U.S. market is supplied mostly by three U.S. producers and nonsubject imports, with subject imports accounting for the smallest share of total U.S. consumption.

All responding U.S. producers (3 of 3) reported that the market was subject to distinctive conditions of competition. U.S. producer \*\*\* reported that there had been an increase in “aggressive” pricing practices of imports from nonsubject countries since 2017. U.S. producer \*\*\* reported that the large capital investments needed to produce SSSS required it to maintain high capacity utilization rates to remain competitive in the market from a cost perspective. U.S. producer \*\*\* reported that demand for SSSS depends on overall economic conditions and the demand for downstream products. U.S. producer \*\*\* also reported that excess capacity in foreign markets, particularly China and nonsubject countries, exceed their home market demand and force foreign producers to find export markets. It continued that SSSS is produced to technical standards and that there is a high level of substitutability between SSSS produced in the United States and other countries, making consumers highly sensitive to price.

The majority of importers (9 of 14) and purchasers (7 of 10) reported that the market was not subject to distinct conditions of competition. However, importer \*\*\* reported that there are niche products in the U.S. market that face minimal competition. Importer \*\*\* reported that the price of labor is a key factor in determining competitiveness in the global SSSS market, giving foreign producers in countries with lower wages and lower standards of living an advantage. Purchaser \*\*\* reported that pricing trends in materials that make up surcharges can cause purchasers to time purchases of SSSS based off the expected price increases or decreases.

Apparent U.S. consumption of SSSS increased in terms of quantity and value during 2020-2022. Apparent U.S. consumption in 2022 was 32.9 percent higher in terms of quantity and 135.2 percent higher in terms of value than in 2020. However, apparent U.S. consumption during January-March 2023 was \*\*\* percent lower in terms of quantity and \*\*\* percent lower in terms of value than January-March 2022.

## Impact of section 232 tariffs

U.S. producers, foreign producers, importers, and purchasers were asked to report the impact of section 232 tariffs on overall demand, supply, prices, or raw material costs (tables II-1 and II-2). The majority of U.S. producers, importers, and purchasers reported that section 232 tariffs had an impact on the U.S. SSSS market (described below). Additionally, respondents provided examples of exclusions to section 232 tariffs made for Japanese products that fall within the scope of stainless steel sheet and strip<sup>1</sup> but that these examples were not a complete list of products that fall within the scope of the investigation and that received exclusions from section 232 tariffs.<sup>2</sup>

**Table II-1**  
**SSSS: Count of firms' responses regarding the impact of the section 232 tariffs on steel and aluminum imports**

Count in number of firms reporting

Item	Firm type	Yes	No	Don't know
Impact on U.S. market from 232 actions	U.S. producers	3	0	0
Impact on U.S. market from 232 actions	Importers	10	1	3
Impact on U.S. market from 232 actions	Purchasers	8	1	1
Impact on U.S. market from 232 actions	Foreign producers	2	4	0

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

The majority of U.S. producers (2 of 3) reported that section 232 tariffs had caused the supply of U.S.-produced SSSS to fluctuate upwards. U.S. producers were mixed regarding the impact of section 232 tariffs on the supply of imported SSSS in the U.S. market. U.S. producer \*\*\* reported that 232 tariffs caused the supply of imported SSSS to steadily increase, while U.S. producer \*\*\* reported that section 232 tariffs caused the supply of imported SSSS to fluctuate upwards. U.S. producer \*\*\* reported that 232 tariffs caused the supply of imported SSSS to fluctuate down. The majority of U.S. producers (2 of 3) reported that section 232 tariffs had caused the price of SSSS to fluctuate upwards. U.S. producer \*\*\* reported that the price for grade 304 had increased 22 percent and allowed it to become profitable for the first time. U.S. producer \*\*\* reported that section 232 tariffs had provided price stability in the U.S. market but that this price stability had been undermined by low-priced nonsubject imports. The majority of U.S. producers (2 of 3) reported that section 232 tariffs had no impact on the overall demand for

<sup>1</sup> Japanese respondents' prehearing brief, exhs 6-11.

<sup>2</sup> Hearing transcript, p. 205 (Morgan).

SSSS in the U.S. market. U.S. producer \*\*\* reported that any decrease in demand was due to the COVID-19 pandemic, that demand has rebounded since the pandemic ended, and that demand is projected to grow at 2-3 percent per annum.

The majority of importers (8 of 12) reported that section 232 tariffs had no impact on the supply of U.S.-produced SSSS. However, importer \*\*\* reported that domestic shipments have decreased 19 percent during 2018-2022 according to AISI. Half of responding importers (6 of 12) reported that section 232 tariffs had no impact on the supply of imported SSSS. On the other hand, importer \*\*\* reported that despite section 232 tariffs, imports have increased 50 percent according to AISI. The majority of responding importers (8 of 12) reported that section 232 tariffs had caused the price of SSSS to steadily increase or fluctuate upwards. The majority of importers (6 of 11) reported that section 232 tariffs had no impact on demand in the U.S. market for SSSS.

Six of 10 purchasers reported that section 232 tariffs had no impact on the supply of U.S. SSSS. Purchaser \*\*\* reported that section 232 tariffs prevented imports from China from entering the U.S. market, and as a result, U.S. mills increased production. Purchaser \*\*\* reported that as a result of section 232 tariffs, domestic mills put customers on material allocation. Half of purchasers (5 of 10) reported that the section 232 tariffs caused the supply of imported SSSS to fluctuate down.

Seven of 10 purchasers reported that section 232 tariffs caused the price of SSSS to fluctuate upwards while the remaining three reported that section 232 tariffs caused the price of SSSS to steadily increase. Purchaser \*\*\* reported that domestic mills were able to raise prices due to the imposition of section 232 tariffs.

The majority of purchasers reported that section 232 tariffs had caused overall demand in the U.S. market and raw material costs for SSSS to fluctuate upwards or steadily increase. Purchaser \*\*\* reported that demand for domestic SSSS increased after the imposition of 232 tariffs, but that demand has decreased with overall market demand in the last 6 months.

A majority of foreign producers (4 of 6) reported that section 232 tariffs had no impact on their firm's exports of SSSS to the United States. However, \*\*\* reported that it is difficult to export products to the U.S. market without exemptions to the section 232 tariffs. \*\*\* reported that section 232 tariffs would provide an advantage for countries which did not have section 232 tariffs and that this difference in competition would result in price differences.

**Table II-2**  
**SSSS: Count of firms' responses regarding the impact of the 232 tariffs on steel and aluminum imports**

Count in number of firms reporting

Impact on	Firm type	Steadily increase	Fluctuated up	No change	Fluctuated down	Steadily decrease
Domestic supply in market	U.S. producers	0	2	0	1	0
Domestic supply in market	Importers	0	3	8	1	0
Domestic supply in market	Purchasers	1	3	6	0	0
Imported supply in market	U.S. producers	1	1	0	1	0
Imported supply in market	Importers	0	2	6	4	0
Imported supply in market	Purchasers	0	1	3	5	1
Prices of scope merchandise	U.S. producers	1	2	0	0	0
Prices of scope merchandise	Importers	3	5	3	0	1
Prices of scope merchandise	Purchasers	3	7	0	0	0
Overall demand in market	U.S. producers	0	0	2	1	0
Overall demand in market	Importers	1	3	6	1	0
Overall demand in market	Purchasers	2	3	3	1	0
Raw material costs	Purchasers	1	4	4	0	0

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

## Channels of distribution

U.S. producers and nonsubject importers sold mainly to distributors while subject importers sold mainly to end users. Importers of \*\*\* SSSS sold exclusively to end users while importers of \*\*\* SSSS sold exclusively to distributors, as shown in table II-3.

**Table II-3**  
**SSSS: Share of U.S. shipments by source, channel of distribution, and period**

Shares in percent

Source	Channel	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
United States	Distributors	***	***	***	***	***
United States	End users	***	***	***	***	***
Japan	Distributors	***	***	***	***	***
Japan	End users	***	***	***	***	***
South Korea, subject	Distributors	***	***	***	***	***
South Korea, subject	End users	***	***	***	***	***
Taiwan, subject	Distributors	***	***	***	***	***
Taiwan, subject	End users	***	***	***	***	***
Subject sources	Distributors	***	***	***	***	***
Subject sources	End users	***	***	***	***	***
South Korea, nonsubject	Distributors	***	***	***	***	***
South Korea, nonsubject	End users	***	***	***	***	***
Taiwan, nonsubject	Distributors	***	***	***	***	***
Taiwan, nonsubject	End users	***	***	***	***	***
All other sources	Distributors	***	***	***	***	***
All other sources	End users	***	***	***	***	***
Nonsubject sources	Distributors	***	***	***	***	***
Nonsubject sources	End users	***	***	***	***	***
All imports	Distributors	***	***	***	***	***
All imports	End users	***	***	***	***	***

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

## Geographic distribution

U.S. producers reported selling SSSS to all regions in the contiguous United States (table II-4). Importers of SSSS from Japan reported selling SSSS to all regions of the contiguous United States. While importers of subject SSSS from Taiwan reported selling SSSS to all regions of the contiguous United States except the Mountain region, importers of subject SSSS from South Korea reported no sales of SSSS to any region of the United States. For U.S. producers, \*\*\* percent of sales were within 100 miles of their production facility, \*\*\* percent were between 101 and 1,000 miles, and \*\*\* percent were over 1,000 miles. Importers sold \*\*\* percent

within 100 miles of their U.S. point of shipment, and \*\*\* percent between 101 and 1,000 miles.

**Table II-4**  
**SSSS: Count of U.S. producers' and U.S. importers' geographic markets**

Count in number of firms reporting

Region	U.S. producers	Japan	South Korea, subject	Taiwan, subject	Subject sources
Northeast	3	2	0	2	4
Midwest	3	3	0	2	5
Southeast	2	3	0	2	5
Central Southwest	3	2	0	2	4
Mountain	3	1	0	0	1
Pacific Coast	3	3	0	2	5
Other	0	0	0	0	0
All regions (except Other)	2	1	0	0	1
Reporting firms	3	6	0	3	8

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-5 provides a summary of the supply factors regarding SSSS from U.S. producers and from Japan.

**Table II-5**  
**SSSS: Supply factors that affect the ability to increase shipments to the U.S. market, by country**

Quantity in short tons; ratio and share in percent

Factor	Measure	United States	Japan
Capacity 2020	Quantity	1,799,115	***
Capacity 2022	Quantity	1,869,424	***
Capacity utilization 2020	Ratio	77.9	***
Capacity utilization 2022	Ratio	83.8	***
Inventories to total shipments 2020	Ratio	***	***
Inventories to total shipments 2022	Ratio	***	***
Home market shipments 2022	Share	***	***
Non-US export market shipments 2022	Share	***	***
Ability to shift production (firms reporting “yes”)	Count	***	***

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

Note: Responding U.S. producers accounted for all of U.S. production of SSSS in 2022. Responding foreign producer/exporter firms accounted for less than half of U.S. imports of SSSS from Japan during 2022. The Commission did not receive responses to the Foreign Producers’ Questionnaire from subject producers in South Korea and Taiwan. 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, “U.S. Producers” and “U.S. Importers”.

### Domestic production

Based on available information, U.S. producers of SSSS have the ability to respond to changes in demand with small-to-moderate changes in the quantity of shipments of U.S.-produced SSSS to the U.S. market. The main contributing factors to this degree of responsiveness of supply are some available inventories, some ability to shift some product from alternate markets, and the ability to shift production to or from alternate products. The limited availability of unused capacity mitigates the responsiveness of supply.

U.S. producers reported increasing production and production capacity from 2020 to 2022. Production increased at a greater rate than production capacity, leading to an increase in capacity utilization from 2020 to 2022. U.S. producer inventories relative to total shipments

decreased from 2020 to 2022. Exports remained steadily above \*\*\* percent of U.S. producers' reported shipments in all full years of the investigation and interim 2023. The majority of U.S. producers (\*\*\*) reported being able to produce other products on the same equipment used to produce SSSS. U.S. producer \*\*\* reported that it produced both \*\*\* on the same equipment used to produce SSSS. U.S. producer \*\*\* reported that it could produce \*\*\* on the same equipment used to produce SSSS.

### **Subject imports from Japan**

Based on available information, producers of SSSS from Japan have the ability to respond to changes in demand with moderate changes in the quantity of shipments of SSSS to the U.S. market. The main contributing factors to this degree of responsiveness of supply are some available inventories, some ability to shift product from alternate markets, and the ability to shift shipments to or from alternate products. The limited availability of unused capacity mitigates the responsiveness of supply.

Responding Japanese producers reported increased production and decreased production capacity, leading to an increase in capacity utilization from 2020 to 2022. Japanese producers' inventories relative to total shipments increased slightly from 2020 to 2022. Responding Japanese producers reported selling over \*\*\* of shipments in their home market and just under a \*\*\* of shipments to markets other than the United States. The majority (4 of 5) responding Japanese producers reported being able to produce other products on the same equipment used to produce SSSS. Foreign producer \*\*\* reported that it produces carbon steel on the same equipment used to produce SSSS. Foreign producer \*\*\* reported that it produces \*\*\* on the same equipment used to produce SSSS and the factors impacting its ability to switch production between products were the number of workers it employs in its facilities. Foreign producer \*\*\* reported that it produced SSSS that are outside the scope of the investigation by virtue of its thickness or finish, on the same equipment it uses to produce subject SSSS. Foreign producer \*\*\* reported that it produced \*\*\* on the same equipment used to produce SSSS.

### **Subject imports from South Korea (Subject)**

The Commission did not receive responses from any subject foreign producers for South Korea.



## **Subject imports from Taiwan (Subject)**

The Commission did not receive responses from any subject foreign producers for Taiwan.

## **Imports from nonsubject sources**

Nonsubject imports accounted for \*\*\* percent of total volume of U.S. imports in 2022. The largest sources of nonsubject imports in 2022 were India and Indonesia. Combined, these countries accounted for 32.1 percent of the value of nonsubject imports in 2022.

## **Supply constraints**

Two of three U.S. producers and 6 of 14 importers reported that they had experienced supply constraints since January 1, 2017. U.S. producer \*\*\* stated that it did not refuse to supply, nor was it unable to supply its customers at any point since 2017, but added that COVID-19 did force it to allocate volumes to its customers because of global supply chain issues. It reported that it in most cases it successfully supplied its customers beyond contractual levels and offered steel to new customers as lead times allowed. U.S. producer \*\*\* reported that it supplied all existing customers throughout the COVID-19 pandemic, and added that the only purchase requests it denied were from firms that normally sourced SSSS from foreign sources that were facing disruptions due to supply chain issues. Importer \*\*\* reported that, due to shipping delays in 2022, it was not able to meet timely shipment commitments. Importer \*\*\* reported that, during the COVID-19 pandemic, Aperam<sup>3</sup> was unable to supply SSSS. \*\*\* continued that it was forced to shift purchases to a higher cost supplier in \*\*\*. Importer \*\*\* reported that tariffs and the COVID-19 pandemic had caused supply constraints in the U.S. market. Importer \*\*\* reported that U.S. mills were placing purchasers on allocation during 2022.

The majority of responding purchasers (8 of 10) reported that domestic suppliers have placed firms on allocation or controlled order entry since January 1, 2017. Purchaser \*\*\* reported that it had been placed on allocation from the fourth quarter of 2020 to the third quarter of 2022. Other purchasers reported that they had been placed on allocation by North American Stainless and Outokumpu starting in mid to late 2020 and that these allocations had been removed in mid to late 2022. Only one purchaser, \*\*\*, reported that

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<sup>3</sup> Aperam produces stainless steel sheet and strip in nonsubject countries (Brazil, Belgium, and France).

it had been put on allocation or controlled order entry from an importer since January 1, 2017, and that this situation had been the result of the COVID-19 pandemic and related supply chain issues limiting what foreign producers could offer to the U.S. market.

Half of responding purchasers reported that domestic producers had declined orders for SSSS since January 1, 2017. Purchaser \*\*\* reported that Cleveland-Cliffs declined non-contract orders from February 2021 through December 2021 and that ATI declined to accept orders from February 2021 through August 2022. Purchaser \*\*\* reported that it had trouble getting \*\*\* for a period of time. None of the responding purchasers reported that importers had declined an order since January 1, 2017.

None of the responding purchasers reported that a domestic producer had delivered less than the amount of SSSS specified in a contract. One responding purchaser, \*\*\*, reported that in 2021-2022 some orders were shipped in short volumes due to raw material supply chain issues.

The majority of responding purchasers (7 of 10) reported that domestic suppliers have been unable to deliver product by the date identified at the time of order. Purchaser \*\*\* reported that all suppliers are sometimes late. Purchaser \*\*\* reported that after COVID-19, domestic producers had staffing issues, and there was a trucking shortage that caused delivery issues. The majority of purchasers (8 of 10) reported that importing suppliers have been unable to deliver product by the date identified at the time of order. Purchaser \*\*\* reported that shipping delays were constant in 2021 and 2022. Purchaser \*\*\* reported that the few orders it had from foreign producers were 4-6 months late. Purchaser \*\*\* reported that there were “huge” backups at U.S. ports and container shortages and that shipments and material could be months late.

A majority of purchasers (6 of 10) reported that U.S. producers had been unable or unwilling to provide specific types of SSSS. Purchaser \*\*\* reported limited availability of \*\*\* from North American Stainless, Outokumpu, and Cleveland-Cliffs during 2020-2022. Purchaser \*\*\* reported that there was limited availability of the \*\*\* from domestic producers. Purchaser \*\*\* reported that Outokumpu reduced the production volume of \*\*\* SSSS. Purchaser \*\*\* reported that it was having trouble obtaining \*\*\* material, even though it didn’t buy very much. None of the purchasers reported that importers were unable or unwilling to provide specific types of SSSS.

## **New suppliers**

Three of nine purchasers indicated that new suppliers entered the U.S. market since January 1, 2017, and two expect additional entrants. Purchaser \*\*\* reported that Tsingshan and Outokumpu entered the U.S. market. It also reported that it expected Yong Jin to enter the market, while purchaser \*\*\* reported that high domestic prices could bring in new imports to the U.S. markets.

## **U.S. demand**

Based on available information, the overall demand for SSSS is likely to experience small-to-moderate changes in response to changes in price. The main contributing factors are moderate cost shares for SSSS among end-use products and the lack of substitute products.

## **End uses and cost share**

U.S. demand for SSSS depends on the demand for U.S.-produced downstream products. Reported end uses include automotive parts, pipe and tube, restaurant and food service equipment, appliances, sinks, and venting products. Two responding U.S. producers, six foreign producers, 13 importers, and one purchaser reported no changes in end uses and did not anticipate future changes to end uses for SSSS. U.S. producer \*\*\* noted decreases in product consumption, particularly stainless steel exhaust systems for motor vehicles that are produced less frequently as an increasing number of new vehicles are electric.

As described in the previous reviews, SSSS accounts for a moderate-to-large share of the cost of the end-use products in which it is used. In the third reviews purchasers reported cost shares for some end uses were as follows:

- Automotive exhaust and other components (40-90 percent)
- Pipe and tube (50-85 percent)
- Sinks (85 percent)
- Food and restaurant equipment (70 percent)
- Appliances (20 percent)
- Fabrication (60 percent)
- Venting products (20-30 percent)
- Decorative wheel fasteners (20 percent)
- Towel dispenser/toilet tissue dispenser (35-50 percent)
- Window trim (75 percent)

## **Business cycles**

Two of three U.S. producers and 12 of 14 importers indicated that the SSSS market was not subject to business cycles. However, U.S. producer \*\*\* reported that SSSS demand followed the overall trend of the U.S. economy. Importer \*\*\* reported that the market for SSSS reaches a low point in late June, July, and around the winter holidays.

Unlike most U.S. producers and importers, nine of 10 purchasers reported that the market was subject to business cycles. Purchasers reported that demand for SSSS generally tracks the U.S. economy but also reported that demand for SSSS is seasonal. Purchaser \*\*\* reported that demand for SSSS decreases in July, November and December when a high number of people take vacations. Purchaser \*\*\* reported that demand is stronger in the second quarter of the year but weakest in the fourth quarter.

## **Demand trends**

The majority of U.S. producers reported that U.S. demand for SSSS fluctuated down since January 1, 2017. The majority of importers and foreign producers reported that there has been no change in domestic demand since January 1, 2017. The majority of purchasers reported that domestic demand had steadily increased or fluctuated upward since January 1, 2017 (table II-6).

The sole responding U.S. producer reported that foreign demand had steadily increased, while the majority of importers and foreign producers reported that there had been no change in foreign demand for SSSS since January 1, 2017. Half of responding purchasers reported that there had been no change in foreign demand for SSSS since January 1, 2017.

All responding purchasers reported that demand for end use products produced with SSSS has not changed since January 1, 2017.

**Table II-6****SSSS: Count of firms' responses regarding overall domestic and foreign demand, by firm type**

Count in number of firms reporting

Market	Firm type	Steadily increase	Fluctuated up	No change	Fluctuated down	Steadily decreased
U.S. demand	U.S. producers	0	0	1	2	0
U.S. demand	Importers	1	1	10	2	0
U.S. demand	Purchasers	3	3	2	2	0
U.S. demand	Foreign producers	1	0	5	0	0
Foreign demand	U.S. producers	1	0	0	0	0
Foreign demand	Importers	3	1	7	1	0
Foreign demand	Purchasers	0	2	4	2	0
Foreign demand	Foreign producers	2	0	4	0	0

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

U.S. producers' responses to anticipated U.S. demand for SSSS were mixed. The sole responding U.S. producer reported that it anticipates foreign demand to increase steadily. The majority of importers reported that they anticipate U.S. and foreign demand to remain constant. Half of responding purchasers reported that they anticipate U.S. demand to steadily increase or fluctuate upwards, while the majority of purchasers reported that they anticipate foreign demand to remain constant. The majority of foreign producers reported they anticipate no changes to demand in the U.S. market and half anticipate steadily increasing demand in foreign markets while the remaining half anticipate no change to the demand in foreign markets (table II-7).

**Table II-7**  
**SSSS: Count of firms' responses regarding anticipated overall domestic and foreign demand, by firm type**

Count in number of firms reporting

Market	Firm type	Steadily increase	Fluctuated up	No change	Fluctuated down	Steadily decreased
U.S. demand	U.S. producers	0	1	0	1	1
U.S. demand	Importers	2	1	9	1	0
U.S. demand	Purchasers	3	2	4	0	1
U.S. demand	Foreign producers	2	0	4	0	0
Foreign demand	U.S. producers	1	0	0	0	0
Foreign demand	Importers	3	1	8	0	0
Foreign demand	Purchasers	0	2	5	0	1
Foreign demand	Foreign producers	3	0	3	0	0

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

### Substitute products

In the previous review, most responding firms indicated that there were no substitutes for SSSS. In this review, all responding U.S. producers, foreign producers, importers, and purchasers reported that there have been no changes in the number or type of substitutes for SSSS since January 1, 2017 and that they did not anticipate any future changes.

Seven purchasers reported that there are no substitutes for SSSS. However, two did. Purchaser \*\*\* reported that carbon steel can be substituted for SSSS in oil and gas production. Purchaser \*\*\* reported that carbon steel can be substituted for SSSS in the production of appliances.

### Substitutability issues

This section assesses the degree to which U.S.-produced SSSS and imports of SSSS from subject countries can be substituted for one another by examining the importance of certain purchasing factors and the comparability of SSSS 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 SSSS and SSSS imported from subject sources.<sup>4</sup>

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<sup>4</sup> The degree of substitution between domestic and imported SSSS depends upon the extent of product differentiation between the domestic and imported products and reflects how easily purchasers can switch from domestically produced SSSS to the SSSS imported from subject countries (or vice versa) when prices change. The degree of substitution may include such factors as relative prices

(continued...)

A number of responding importers and purchasers reported differences in characteristics between some U.S.-produced SSSS and subject imports. A number of firms also reported that firms are willing to pay a higher price for SSSS in certain grades or with certain qualities. However, the majority of purchasers reported that SSSS from the United States and subject countries are generally comparable in terms of purchasing factors and generally interchangeable. The majority of foreign producers reported that SSSS produced in subject countries is interchangeable with the SSSS exported to the United States and third-country markets.

## **Factors affecting purchasing decisions<sup>5</sup>**

### **Purchaser decisions based on source**

As shown in table II-8, purchasers reported mixed responses with regard to whether they base their purchasing decisions on the producer or country of origin. Purchaser \*\*\* reported it based most orders on long-standing relationships, most of which are with domestic producers. Purchaser \*\*\* reported that it based purchasing decisions on pricing, quality, and on-time delivery. It added that it purchased SSSS from countries without high tariffs. Purchaser \*\*\* reported it based purchasing decisions on which producer could meet the required specifications. Purchaser \*\*\* reported that it based purchasing decisions on production and lead times. Purchaser \*\*\* reported that it purchased from domestic producers when possible.

The majority of purchasers reported that their customers sometimes or never make purchasing decisions based on the producer or country of origin. Purchaser \*\*\* reported that some of its customers prefer certain mills. Purchasers \*\*\* reported that customers typically choose producers of SSSS based on the producer's past performance. Purchaser \*\*\* reported that most customers do not care about the source of SSSS but only care about price and quality. Purchaser \*\*\* reported that some customers may have preferences for one mill over another for a variety of reasons including quality, finish, or forming ability. Purchasers \*\*\* reported that customers required domestic producers in order to source

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(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.).

<sup>5</sup> Ten purchasers indicated they had marketing/pricing knowledge of domestic product, three of Japanese product, five of South Korean product, eight of Taiwan, and five of product from nonsubject countries.

\*\*\*. Purchasers \*\*\* reported that customers have requirements to purchase domestically produced SSSS.

**Table II-8**  
**SSSS: Count of purchasers' responses regarding frequency of purchasing decisions based on producer and country of origin**

Count in number of firms reporting

Firm making decision	Decision based on	Always	Usually	Sometimes	Never
Purchaser	Producer	2	3	3	2
Customer	Producer	2	0	6	2
Purchaser	Country	1	4	4	1
Customer	Country	1	0	8	1

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

### Importance of purchasing domestic product

Eight of 10 purchasers reported that most or all of their purchases did not require purchasing U.S.-produced product. Seven reported that domestic product was required by law (for under 25 percent of their purchases), six reported it was required by their customers (for under 25 percent of their purchases), and one reported other preferences for domestic product (for under 25 percent of their purchases). Reasons cited for preferring domestic product included the ability to market products made domestically.

### Most important purchase factors

The most often cited top three factors firms consider in their purchasing decisions for SSSS were price and quality (9 firms each) and availability (3 firms), as shown in table II-9. Quality was the most frequently cited first-most important factor (cited by 4 firms); quality was the most frequently reported second-most important factor (4 firms); and price was the most frequently reported third-most important factor (5 firms).

**Table II-9**  
**SSSS: Count of ranking of factors used in purchasing decisions as reported by purchasers, by factor**

Count in number of firms reporting

Factor	First	Second	Third	Total
Price	3	1	5	9
Quality	4	4	1	9
Availability	1	2	0	3
All other factors	0	0	0	0

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



The majority of purchasers (5 of 9) reported that they usually purchase the lowest-priced product. Three of the remaining purchasers reported that they sometime purchase the lowest-priced product and one reported that it never does.

### Importance of specified purchase factors

Purchasers were asked to rate the importance of 18 factors in their purchasing decisions (table II-10). The factors rated as very important by more than half of responding purchasers were availability, product consistency, and quality meets industry standards (10 firms each), price and reliability of supply (9 firms each), availability of austenitic grades and delivery time (8 firms each), delivery terms, product range, and quality exceeds industry standards (6 firms each), and U.S. transportation costs (5 firms).

**Table II-10**  
**SSSS: Count of purchasers' responses regarding importance of purchase factors, by factor**

Count in number of firms reporting

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

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

### Lead times

SSSS is primarily produced-to-order. U.S. producers reported that \*\*\* percent of their commercial shipments were produced-to-order, with lead times averaging \*\*\* days. The remaining \*\*\* percent of their commercial shipments came from inventories, with lead times averaging \*\*\* days. Importers reported that \*\*\* percent of commercial shipments were produced-to-order, with lead times averaging \*\*\* days. The remaining \*\*\* percent of their commercial shipments came from U.S. inventories with lead times averaging \*\*\* days.

## Supplier certification

Eight of 10 responding purchasers require their suppliers to become certified or qualified to sell SSSS to their firm. Purchasers \*\*\* reported that they require their suppliers to be ISO certified. Purchasers \*\*\* reported that they require firms to pass credit approval and conflict mineral compliance to become a certified supplier. Purchaser \*\*\* reported it requires a trial order and product liability insurance for firms to become certified suppliers. Purchasers reported that the time to qualify a new supplier ranged from 1 day to 3 years. None of the responding purchasers reported that any domestic or foreign supplier had failed in its attempt to qualify to sell SSSS or had lost its approved status since 2017.

## Minimum quality specifications

As can be seen from table II-11, the majority of responding purchasers reported that domestically produced product always met minimum quality specifications. The majority of responding purchasers that had knowledge of each subject country reported that the subject imports of SSSS always met minimum quality specifications.

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

Count in number of firms reporting

Source of purchases	Always	Usually	Sometimes	Rarely or never	Don't Know
United States	7	2	1	0	0
Japan	3	0	0	0	6
South Korea, subject	4	2	0	0	4
Taiwan, subject	4	2	0	0	3
Nonsubject sources	2	1	1	0	2

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

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

All responding purchasers (10 firms) reported factors that determined quality. Purchasers reported numerous factors that determine quality, including meeting ASTM standards, surface finish, thickness, chemistry, commercial acceptability, and shape. Purchaser \*\*\* reported that the factors that determine quality are specific to the grade or intended end use.

## Changes in purchasing patterns

Six purchasers reported that they had changed suppliers since January 1, 2017, while four reported that they had not. Specifically, firms dropped or reduced purchases because various producers no longer offered the required stainless steel grades or were unable to supply the required quantities of a given grade. Specifically, purchaser \*\*\* reported that it had to change suppliers due to a lack of availability. Purchaser \*\*\* reported that it had changed suppliers because ATI had left the stainless commodity market. Purchaser \*\*\* reported that it had changed suppliers because USS-POSCO, MS Global, and Steelsource no longer offered stainless products, while Central National Gottesman began offering stainless products in 2021. Purchaser \*\*\* reported that ATI stopped supplying \*\*\* in 2021. Purchaser \*\*\* changed suppliers because of cost, performance, and availability. Purchaser \*\*\* reported that it added Taiwan producer Tung Mung as a supplier to be more competitive in the market.

Purchasers were also asked about changes in their purchasing patterns from different countries since January 1, 2017 (table II-12). Purchasers' responses on their changes in purchasing patterns were mixed. Purchasers reported they had changed their purchasing patterns because the quantities they demanded had decreased or increased. Purchaser \*\*\* reported that it increased purchases of domestically produced SSSS because it had stopped purchasing from China.

**Table II-12**

**SSSS: Count of purchasers' responses regarding changes in purchase patterns from U.S., subject, and nonsubject countries**

Count in number of firms reporting

Source of purchases	Steadily increase	Fluctuated up	No change	Fluctuated down	Steadily decreased	Did not purchase
United States	4	1	2	2	1	0
Japan	0	1	0	1	0	8
South Korea, subject	0	2	1	0	1	5
Taiwan, subject	1	4	1	0	0	3
Nonsubject sources	1	5	0	1	0	2
Sources unknown	0	0	2	0	0	7

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

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

Purchasers were asked a number of questions comparing SSSS produced in the United States, subject countries, and nonsubject countries. First, purchasers were asked for a country-by-country comparison on the same 18 factors (table II-13) for which they were asked to rate the importance.

Most purchasers reported that U.S., subject, and nonsubject SSSS were comparable on the majority of factors, except when comparing SSSS produced in Japan to SSSS produced in the United States and Taiwan. Purchasers' responses when comparing SSSS from the United States and Taiwan to SSSS produced in Japan were mixed.

At least half of purchasers reported that U.S.-produced SSSS was superior to SSSS from Japan, South Korea, Taiwan, and nonsubject in terms of delivery time, reliability of supply, technical support/service, and U.S. transportation costs. The majority of purchasers reported that U.S.-produced SSSS was inferior to SSSS from Taiwan in terms of price.

**Table II-13**  
**SSSS: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair**

Count in number of firms reporting

Factor	Country pair	Superior	Comparable	Inferior
Availability	U.S. v. Japan	2	0	0
Availability of austenitic grades	U.S. v. Japan	2	0	0
Availability of ferritic grades	U.S. v. Japan	2	0	0
Delivery terms	U.S. v. Japan	1	1	0
Delivery time	U.S. v. Japan	1	0	0
Discounts offered	U.S. v. Japan	0	1	1
Extension of credit	U.S. v. Japan	1	1	0
Minimum quantity requirements	U.S. v. Japan	1	1	0
Packaging	U.S. v. Japan	0	1	1
Payment terms	U.S. v. Japan	2	1	0
Price	U.S. v. Japan	1	1	0
Product consistency	U.S. v. Japan	0	1	1
Product range	U.S. v. Japan	0	2	0
Quality meets industry standards	U.S. v. Japan	0	2	0
Quality exceeds industry standards	U.S. v. Japan	0	1	1
Reliability of supply	U.S. v. Japan	2	0	0
Technical support/service	U.S. v. Japan	1	1	0
U.S. transportation costs	U.S. v. Japan	1	1	0

Table continued.

**Table II-13 Continued****SSSS: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair**

Count in number of firms reporting

<b>Factor</b>	<b>Country pair</b>	<b>Superior</b>	<b>Comparable</b>	<b>Inferior</b>
Availability	U.S. v. South Korea	2	3	0
Availability of austenitic grades	U.S. v. South Korea	2	3	0
Availability of ferritic grades	U.S. v. South Korea	1	4	0
Delivery terms	U.S. v. South Korea	2	3	0
Delivery time	U.S. v. South Korea	4	1	1
Discounts offered	U.S. v. South Korea	0	4	1
Extension of credit	U.S. v. South Korea	2	3	0
Minimum quantity requirements	U.S. v. South Korea	1	3	1
Packaging	U.S. v. South Korea	1	2	2
Payment terms	U.S. v. South Korea	2	3	0
Price	U.S. v. South Korea	1	2	2
Product consistency	U.S. v. South Korea	1	3	1
Product range	U.S. v. South Korea	1	3	1
Quality meets industry standards	U.S. v. South Korea	1	3	1
Quality exceeds industry standards	U.S. v. South Korea	1	3	1
Reliability of supply	U.S. v. South Korea	3	2	0
Technical support/service	U.S. v. South Korea	3	2	0
U.S. transportation costs	U.S. v. South Korea	3	2	0

Table continued.

**Table II-13 Continued****SSSS: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair**

Count in number of firms reporting

<b>Factor</b>	<b>Country pair</b>	<b>Superior</b>	<b>Comparable</b>	<b>Inferior</b>
Availability	U.S. v. Taiwan	4	4	0
Availability of austenitic grades	U.S. v. Taiwan	4	4	0
Availability of ferritic grades	U.S. v. Taiwan	4	4	0
Delivery terms	U.S. v. Taiwan	4	3	1
Delivery time	U.S. v. Taiwan	5	1	1
Discounts offered	U.S. v. Taiwan	1	3	3
Extension of credit	U.S. v. Taiwan	2	5	0
Minimum quantity requirements	U.S. v. Taiwan	1	6	0
Packaging	U.S. v. Taiwan	1	5	1
Payment terms	U.S. v. Taiwan	2	6	0
Price	U.S. v. Taiwan	0	0	7
Product consistency	U.S. v. Taiwan	2	6	0
Product range	U.S. v. Taiwan	1	6	1
Quality meets industry standards	U.S. v. Taiwan	1	7	0
Quality exceeds industry standards	U.S. v. Taiwan	2	6	0
Reliability of supply	U.S. v. Taiwan	5	3	0
Technical support/service	U.S. v. Taiwan	7	1	0
U.S. transportation costs	U.S. v. Taiwan	7	1	0

Table continued.

**Table II-13 Continued****SSSS: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair**

Count in number of firms reporting

<b>Factor</b>	<b>Country pair</b>	<b>Superior</b>	<b>Comparable</b>	<b>Inferior</b>
Availability	Japan v. South Korea	0	1	0
Availability of austenitic grades	Japan v. South Korea	0	1	0
Availability of ferritic grades	Japan v. South Korea	0	0	1
Delivery terms	Japan v. South Korea	0	0	1
Delivery time	Japan v. South Korea	0	1	0
Discounts offered	Japan v. South Korea	0	1	0
Extension of credit	Japan v. South Korea	0	1	0
Minimum quantity requirements	Japan v. South Korea	0	1	0
Packaging	Japan v. South Korea	0	0	1
Payment terms	Japan v. South Korea	1	0	0
Price	Japan v. South Korea	0	1	0
Product consistency	Japan v. South Korea	0	1	0
Product range	Japan v. South Korea	1	0	0
Quality meets industry standards	Japan v. South Korea	0	1	0
Quality exceeds industry standards	Japan v. South Korea	0	1	0
Reliability of supply	Japan v. South Korea	0	1	0
Technical support/service	Japan v. South Korea	0	1	0
U.S. transportation costs	Japan v. South Korea	0	1	0

Table continued.

**Table II-13 Continued****SSSS: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair**

Count in number of firms reporting

<b>Factor</b>	<b>Country pair</b>	<b>Superior</b>	<b>Comparable</b>	<b>Inferior</b>
Availability	Japan v. Taiwan	0	0	1
Availability of austenitic grades	Japan v. Taiwan	0	0	1
Availability of ferritic grades	Japan v. Taiwan	0	1	0
Delivery terms	Japan v. Taiwan	0	0	1
Delivery time	Japan v. Taiwan	0	0	1
Discounts offered	Japan v. Taiwan	0	0	1
Extension of credit	Japan v. Taiwan	1	0	0
Minimum quantity requirements	Japan v. Taiwan	0	1	0
Packaging	Japan v. Taiwan	0	1	0
Payment terms	Japan v. Taiwan	1	0	0
Price	Japan v. Taiwan	0	0	1
Product consistency	Japan v. Taiwan	1	0	0
Product range	Japan v. Taiwan	0	1	0
Quality meets industry standards	Japan v. Taiwan	1	0	0
Quality exceeds industry standards	Japan v. Taiwan	1	0	0
Reliability of supply	Japan v. Taiwan	0	1	0
Technical support/service	Japan v. Taiwan	0	1	0
U.S. transportation costs	Japan v. Taiwan	0	1	0

Table continued.

**Table II-13 Continued****SSSS: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair**

Count in number of firms reporting

<b>Factor</b>	<b>Country pair</b>	<b>Superior</b>	<b>Comparable</b>	<b>Inferior</b>
Availability	South Korea v. Taiwan	0	3	1
Availability of austenitic grades	South Korea v. Taiwan	0	3	1
Availability of ferritic grades	South Korea v. Taiwan	0	4	0
Delivery terms	South Korea v. Taiwan	0	3	1
Delivery time	South Korea v. Taiwan	0	3	1
Discounts offered	South Korea v. Taiwan	0	3	1
Extension of credit	South Korea v. Taiwan	1	3	0
Minimum quantity requirements	South Korea v. Taiwan	0	4	0
Packaging	South Korea v. Taiwan	0	4	0
Payment terms	South Korea v. Taiwan	1	3	0
Price	South Korea v. Taiwan	0	2	2
Product consistency	South Korea v. Taiwan	0	4	0
Product range	South Korea v. Taiwan	0	4	0
Quality meets industry standards	South Korea v. Taiwan	0	4	0
Quality exceeds industry standards	South Korea v. Taiwan	0	4	0
Reliability of supply	South Korea v. Taiwan	0	3	1
Technical support/service	South Korea v. Taiwan	0	3	1
U.S. transportation costs	South Korea v. Taiwan	0	3	1

Table continued.

**Table II-13 Continued****SSSS: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair**

Count in number of firms reporting

<b>Factor</b>	<b>Country pair</b>	<b>Superior</b>	<b>Comparable</b>	<b>Inferior</b>
Availability	U.S. v. nonsubject	3	5	0
Availability of austenitic grades	U.S. v. nonsubject	2	5	0
Availability of ferritic grades	U.S. v. nonsubject	2	6	0
Delivery terms	U.S. v. nonsubject	2	5	1
Delivery time	U.S. v. nonsubject	5	2	1
Discounts offered	U.S. v. nonsubject	0	5	3
Extension of credit	U.S. v. nonsubject	0	6	1
Minimum quantity requirements	U.S. v. nonsubject	1	6	1
Packaging	U.S. v. nonsubject	0	7	1
Payment terms	U.S. v. nonsubject	1	7	0
Price	U.S. v. nonsubject	0	4	4
Product consistency	U.S. v. nonsubject	1	7	0
Product range	U.S. v. nonsubject	0	8	0
Quality meets industry standards	U.S. v. nonsubject	0	8	0
Quality exceeds industry standards	U.S. v. nonsubject	1	7	0
Reliability of supply	U.S. v. nonsubject	3	3	2
Technical support/service	U.S. v. nonsubject	4	2	2
U.S. transportation costs	U.S. v. nonsubject	4	2	2

Table continued.



**Table II-13 Continued****SSSS: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair**

Count in number of firms reporting

<b>Factor</b>	<b>Country pair</b>	<b>Superior</b>	<b>Comparable</b>	<b>Inferior</b>
Availability	Japan v. nonsubject	0	0	0
Availability of austenitic grades	Japan v. nonsubject	0	1	0
Availability of ferritic grades	Japan v. nonsubject	0	1	0
Delivery terms	Japan v. nonsubject	0	1	0
Delivery time	Japan v. nonsubject	0	1	0
Discounts offered	Japan v. nonsubject	0	1	0
Extension of credit	Japan v. nonsubject	0	1	0
Minimum quantity requirements	Japan v. nonsubject	0	1	0
Packaging	Japan v. nonsubject	0	0	1
Payment terms	Japan v. nonsubject	0	0	1
Price	Japan v. nonsubject	0	0	0
Product consistency	Japan v. nonsubject	0	1	0
Product range	Japan v. nonsubject	0	1	0
Quality meets industry standards	Japan v. nonsubject	0	1	0
Quality exceeds industry standards	Japan v. nonsubject	0	1	0
Reliability of supply	Japan v. nonsubject	0	0	1
Technical support/service	Japan v. nonsubject	0	1	0
U.S. transportation costs	Japan v. nonsubject	0	0	1

Table continued.

**Table II-13 Continued****SSSS: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair**

Count in number of firms reporting

<b>Factor</b>	<b>Country pair</b>	<b>Superior</b>	<b>Comparable</b>	<b>Inferior</b>
Availability	South Korea v. nonsubject	0	2	1
Availability of austenitic grades	South Korea v. nonsubject	0	2	1
Availability of ferritic grades	South Korea v. nonsubject	0	2	1
Delivery terms	South Korea v. nonsubject	1	2	0
Delivery time	South Korea v. nonsubject	1	2	0
Discounts offered	South Korea v. nonsubject	0	3	0
Extension of credit	South Korea v. nonsubject	0	3	0
Minimum quantity requirements	South Korea v. nonsubject	1	2	0
Packaging	South Korea v. nonsubject	1	2	0
Payment terms	South Korea v. nonsubject	0	3	0
Price	South Korea v. nonsubject	0	2	1
Product consistency	South Korea v. nonsubject	1	2	0
Product range	South Korea v. nonsubject	1	2	0
Quality meets industry standards	South Korea v. nonsubject	1	1	0
Quality exceeds industry standards	South Korea v. nonsubject	1	1	0
Reliability of supply	South Korea v. nonsubject	1	1	0
Technical support/service	South Korea v. nonsubject	1	1	0
U.S. transportation costs	South Korea v. nonsubject	0	2	0

Table continued.

**Table II-13 Continued****SSSS: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair**

Count in number of firms reporting

Factor	Country pair	Superior	Comparable	Inferior
Availability	Taiwan v. nonsubject	1	2	1
Availability of austenitic grades	Taiwan v. nonsubject	1	2	1
Availability of ferritic grades	Taiwan v. nonsubject	0	3	1
Delivery terms	Taiwan v. nonsubject	1	3	0
Delivery time	Taiwan v. nonsubject	1	3	0
Discounts offered	Taiwan v. nonsubject	1	3	0
Extension of credit	Taiwan v. nonsubject	0	4	0
Minimum quantity requirements	Taiwan v. nonsubject	1	3	0
Packaging	Taiwan v. nonsubject	0	4	0
Payment terms	Taiwan v. nonsubject	0	4	0
Price	Taiwan v. nonsubject	1	2	1
Product consistency	Taiwan v. nonsubject	1	3	0
Product range	Taiwan v. nonsubject	1	3	0
Quality meets industry standards	Taiwan v. nonsubject	0	4	0
Quality exceeds industry standards	Taiwan v. nonsubject	0	4	0
Reliability of supply	Taiwan v. nonsubject	1	3	0
Technical support/service	Taiwan v. nonsubject	0	4	0
U.S. transportation costs	Taiwan v. nonsubject	0	4	0

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

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

### Comparison of U.S.-produced and imported SSSS

In order to determine whether U.S.-produced SSSS can generally be used in the same applications as imports from Japan, South Korea, and Taiwan, U.S. producers, importers, and purchasers were asked whether the products can always, frequently, sometimes, or never be used interchangeably. As shown in table II-14, all U.S. producers reported that U.S.-produced SSSS is always interchangeable with SSSS from subject and nonsubject countries.

A majority of importers reported that U.S.-produced SSSS was always or frequently interchangeable with SSSS produced in Japan, South Korea, Taiwan, and nonsubject countries (table II-15). However, importer \*\*\* reported that the steel it required is only produced to the necessary quality in Japan and to a limited extent at one site in Europe. Importer \*\*\* reported that some customers do not accept Chinese material because the certifications have at times have not matched the product. Importer \*\*\* reported that South Korean SSSS is acceptable to most end users and the only real factor limiting interchangeability is \*\*\*. Importer \*\*\* reported that the quality of U.S.-produced SSSS is insufficient for \*\*\*.

The majority of purchasers reported that U.S.-produced SSSS was always or frequently interchangeable with SSSS produced in Japan, South Korea, Taiwan, and nonsubject countries. However, purchaser \*\*\* reported that U.S.-produced 430 2B SSSS has different levels of reflectivity that 430 2B produced in South Korea or Taiwan (table II-16).

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

Count in number of firms reporting

Country pair	Always	Frequently	Sometimes	Never
United States vs. Japan	3	0	0	0
United States vs. South Korea	3	0	0	0
United States vs. Taiwan	3	0	0	0
Japan vs. South Korea	3	0	0	0
Japan vs. Taiwan	3	0	0	0
South Korea vs. Taiwan	3	0	0	0
United States vs. Other	3	0	0	0
Japan vs. Other	3	0	0	0
South Korea vs. Other	3	0	0	0
Taiwan vs. Other	3	0	0	0

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

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

Count in number of firms reporting

Country pair	Always	Frequently	Sometimes	Never
United States vs. Japan	5	1	1	3
United States vs. South Korea	4	1	1	0
United States vs. Taiwan	4	1	1	0
Japan vs. South Korea	4	1	1	0
Japan vs. Taiwan	4	1	1	0
South Korea vs. Taiwan	4	1	0	0
United States vs. Other	3	2	2	0
Japan vs. Other	4	1	1	0
South Korea vs. Other	4	1	0	0
Taiwan vs. Other	4	1	0	0

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

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

Count in number of firms reporting

Country pair	Always	Frequently	Sometimes	Never
United States vs. Japan	3	2	0	0
United States vs. South Korea	3	1	1	1
United States vs. Taiwan	2	4	1	0
Japan vs. South Korea	2	1	0	0
Japan vs. Taiwan	2	0	0	0
South Korea vs. Taiwan	3	1	0	0
United States vs. Other	3	3	2	0
Japan vs. Other	2	0	0	0
South Korea vs. Other	3	0	1	1
Taiwan vs. Other	4	0	1	0

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

In addition, U.S. producers, importers, and purchasers were asked to assess how often differences other than price were significant in sales of SSSS from the United States, subject, or nonsubject countries. As seen in table II-17, all responding U.S. producers reported that there are never differences other than price between SSSS from the United States, subject, or nonsubject countries.

Importer responses on differences other than price were mixed with the exception of SSSS from the United States and Japan. The majority of importers reported that there were always differences other than price between SSSS produced in the United States and Japan (table II-18). Importer \*\*\* reported that its customer requires the exact appearance/finish of Nippon Kinzoku stainless and refuses to purchase other products regardless of price. Importer \*\*\* reported that the high quality of Japanese SSSS is a factor and its customers are willing to pay a premium for perceived quality. Importer \*\*\* reported that thickness tolerances, surface finish, and grain structure are differences other than price that differentiate U.S.-produced and Japanese SSSS. It added that these difference result in a better quality \*\*\* and fewer rejections in the manufacturing process.

The majority of purchasers report that there are sometimes or never differences between SSSS from the United States, subject, or nonsubject countries (table II-19).

**Table II-17****SSSS: 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**

Count in number of firms reporting

Country pair	Always	Frequently	Sometimes	Never
United States vs. Japan	0	0	0	3
United States vs. South Korea	0	0	0	3
United States vs. Taiwan	0	0	0	3
Japan vs. South Korea	0	0	0	3
Japan vs. Taiwan	0	0	0	3
South Korea vs. Taiwan	0	0	0	3
United States vs. Other	0	0	0	3
Japan vs. Other	0	0	0	3
South Korea vs. Other	0	0	0	3
Taiwan vs. Other	0	0	0	3

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

**Table II-18****SSSS: Count of importers reporting the significance of differences between product produced in the United States and in other countries, by country pair**

Count in number of firms reporting

Country pair	Always	Frequently	Sometimes	Never
United States vs. Japan	6	1	1	2
United States vs. South Korea	3	1	1	2
United States vs. Taiwan	3	1	1	2
Japan vs. South Korea	2	1	1	3
Japan vs. Taiwan	2	1	1	3
South Korea vs. Taiwan	1	1	1	3
United States vs. Other	2	1	2	2
Japan vs. Other	2	1	1	3
South Korea vs. Other	1	1	1	3
Taiwan vs. Other	1	1	1	3

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

**Table II-19****SSSS: Count of purchasers reporting the significance of differences between product produced in the United States and in other countries, by country pair**

Count in number of firms reporting

<b>Country pair</b>	<b>Always</b>	<b>Frequently</b>	<b>Sometimes</b>	<b>Never</b>
United States vs. Japan	1	0	3	1
United States vs. South Korea	1	0	3	2
United States vs. Taiwan	0	1	5	2
Japan vs. South Korea	0	0	2	2
Japan vs. Taiwan	0	0	2	1
South Korea vs. Taiwan	0	0	2	3
United States vs. Other	0	0	6	1
Japan vs. Other	0	0	2	1
South Korea vs. Other	1	0	2	2
Taiwan vs. Other	0	0	3	2

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

## **Elasticity estimates**

This section discusses elasticity estimates. Petitioners and respondents did not comment on these estimates.

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

The domestic supply elasticity for SSSS measures the sensitivity of the quantity supplied by U.S. producers to changes in the U.S. market price of SSSS. The elasticity of domestic supply depends on several factors including the level of excess capacity, the ease with which producers can alter capacity, producers' ability to shift to production of other products, the existence of inventories, and the availability of alternate markets for U.S.-produced SSSS. Analysis of these factors above indicates that the U.S. industry has the ability to small-to moderate increase or decrease shipments to the U.S. market; an estimate in the range of 2 to 5 is suggested.

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

The U.S. demand elasticity for SSSS measures the sensitivity of the overall quantity demanded to a change in the U.S. market price of SSSS. 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 SSSS in the production of any downstream products. Based on the available information, the aggregate demand for SSSS is likely to be inelastic; a range of -0.5 to -1.0 is suggested.

### **Substitution elasticity**

The elasticity of substitution depends upon the extent of product differentiation between the domestic and imported products.<sup>6</sup> Product differentiation, in turn, depends upon such factors as quality (e.g., chemistry, appearance, etc.) and conditions of sale (e.g., availability, sales terms/discounts/promotions, etc.). Based on available information, the elasticity of substitution between U.S.-produced SSSS and imported SSSS is likely to be in the range of 3 to 5. A number of firms reported differences other than price between U.S.-produced SSSS and customer willingness to pay premiums for SSSS sourced from specific producers.

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<sup>6</sup> The substitution elasticity measures the responsiveness of the relative U.S. consumption levels of the subject imports and the domestic like products to changes in their relative prices. This reflects how easily purchasers switch from the U.S. product to the subject products (or vice versa) when prices change.



## Part III: Condition of the U.S. industry

### Overview

The information in this section of the report was compiled from responses to the Commission’s questionnaires and research conducted by Commission staff using publicly available sources. Three firms, which accounted for all U.S. production of SSSS during 2022, supplied information on their operations in these reviews and other proceedings on SSSS.

Table III-1 presents events in the U.S. industry since January 1, 2017.

**Table III-1**  
**SSSS: Recent developments in the U.S. industry**

Item	Firm	Event
Acquisition	Cleveland-Cliffs/AK Steel	On March 13, 2020, Cleveland Cliffs announced the acquisition of AK Steel. Cleveland-Cliffs is one of the largest vertically integrated producers of iron ore and steel products in North America, employing approximately 12,000 people in mining and steel manufacturing operations.
Plant closing	ATI	In June 2020, ATI closed its stainless steel rolling, annealing, and pickling plant in Beaver County, PA. The company stated that the closure was due to the impact of Section 232 tariffs on the cost of imports of stainless steel slab for the production of stainless steel sheet. Previously, the plant was idled in 2016 and reopened in 2018.
Industry exit	ATI	In December 2020, ATI announced that it would exit the standard stainless steel sheet market by mid-2021 and close various standard stainless steel downstream finishing operations due to low margins in standard stainless steel operations (less than one percent as of 2019). ATI planned to shift resources to aerospace and defense industry operations and consolidate its specialty finishing operations by investing in its Vandergrift, PA location.
Plant idling	ATI	In December 2020, ATI announced plans to idle operations of specialty rolled products in Louisville, OH by the end of 2021, with production shifting to ATI’s plant in Vandergrift, PA.
Force Majeure Issue	NAS	In early July 2021, North American Steel declared force majeure in a notice to suppliers and customers as it was forced to indefinitely delay all deliveries from its Ghent, KY mill (Ghent) due to unforeseen supply-chain issues with industrial gas inputs. The declaration of force majeure was withdrawn the following week.
Labor Union Contract	Cleveland-Cliffs	On October 12, 2022, Cleveland Cliffs and the United Steelworkers (USW) ratified a four-year labor contract covering 12,000 U.S. steelworkers at 13 Cleveland Cliffs’ operating locations in Ohio, Pennsylvania, Indiana, Illinois,

Item	Firm	Event
		West Virginia, and Minnesota. The contract includes a raise of base wages by 20 percent and improved insurance benefits for active and retired workers.

Source: Cleveland Cliffs, Inc, Cleveland-Cliffs completes acquisition of AK Steel, March 13, 2020. <https://www.clevelandcliffs.com/investors/news-events/press-releases/detail/35/cleveland-cliffs-completes-acquisition-of-ak-steel>. Tierney, Jacob, Allegheny Technologies to close Beaver County steel plant, citing Trump’s tariffs, March 31, 2020, <https://triblive.com/local/regional/allegheny-technologies-to-close-beaver-county-steel-plant-citing-trumps-tariffs/>. Allegheny Technologies, Form 10-K for the fiscal year ended December 31, 2020, February 26, 2021, p. 3, <https://d18rn0p25nwr6d.cloudfront.net/CIK-0001018963/5ca5e6e7-5f0e-439c-a993-a5657b37f175.pdf>. Allegheny Technologies, ATI exits standard stainless sheet products, redeploys capital to high-return opportunities, December 2, 2020, [https://s27.q4cdn.com/226628310/files/doc\\_news/2020/12/ATI-Exits-Standard-Stainless-Sheet-Products-Redeploys-Capital-to-High-Return-Opportunities.pdf](https://s27.q4cdn.com/226628310/files/doc_news/2020/12/ATI-Exits-Standard-Stainless-Sheet-Products-Redeploys-Capital-to-High-Return-Opportunities.pdf). Pritchard, Edd, Allegheny Technologies to idle Louisville plant next year, cut 120 jobs, December 7, 2020. <https://www.cantonrep.com/story/news/2020/12/07/allegheny-technologies-close-louisville-plant-end-2021/6480128002/>. Yue Lie, Yvonne, Top U.S. stainless steel maker roiled by supply chain woes, Bloomberg, July 9, 2021, <https://www.bloomberg.com/news/articles/2021-07-09/u-s-stainless-steel-maker-halts-deliveries-on-gas-interruption>. Steel News, Stainless Espresso: NAS revokes force majeure – but does it change anything?, July 13, 2021, <https://steelnews.biz/nas-revokes-force-majeure-but-does-it-change-anything/>. Reuters, USW Union, Cleveland-Cliffs ratify new labor agreement, October 12, 2022. <https://www.reuters.com/world/us/usw-union-cleveland-cliffs-ratify-new-labor-agreement-2022-10-12/>.

## Changes experienced by the industry

Producers in the United States were asked to report any change in the character of their operations or organization relating to the production of SSSS since 2017. Two of three producers indicated in their questionnaires that they had experienced such changes. Table III-2 presents the changes identified by these producers.

**Table III-2**

**SSSS: Reported changes in operations since January 1, 2017**

Type of change	Firm name and narrative on changes in operations
Production curtailments	***
Expansions	***
Acquisitions	***
Other	***

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

### **Anticipated changes in operations**

The Commission asked domestic producers to report anticipated changes in the character of their operations relating to the production of SSSS. Their responses appear in table III-3.

**Table III-3**  
**SSSS: Anticipated changes in operations**

Type of change	Firm name and narrative on anticipated changes in operations
Anticipated changes in operations	***
Anticipated changes in operations	***

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

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

Table III-4 presents U.S. producers’ installed capacity, practical capacity, and production on the same equipment. U.S. producers reported irregular increases for all capacity and production measures from 2020-22, with capacity and production peaking in 2021 prior to declining slightly in 2022. In the case of capacity, U.S. producers’ installed overall and practical SSSS capacity grew 4.3 percent and 8.4 percent, respectively, from 2020-21, before declining slightly from 2021-22 for a net growth of 3.9 percent for each from 2020-22. Practical overall capacity experienced a larger net rise of 8.1 percent from 2020-22. Both installed overall and practical SSSS capacity for interim 2023 were lower than interim 2022, while practical overall capacity remained flat. U.S. producers’ practical overall production and practical SSSS production followed similar trends as capacity, with increases of 21.4 percent and 16.7 percent from 2020-21 prior to slight declines from 2021-22, for 2020-22 net gains of 19.6 percent and 11.8 percent, respectively. As with capacity, production in interim 2023 was lower than interim 2022, with practical overall production 19.1 percent lower, and practical SSSS production 22.7 percent lower in interim 2023 compared to interim 2022.

Though all measures of capacity and production showed irregular increases from 2020-22, production growth across this period outpaced growth in capacity, leading to net increases in capacity utilization of 8.1 percentage points and 5.9 percentage points for practical overall and practical SSSS capacity utilization, respectively. Capacity utilization was highest in interim 2022, and capacity utilization for interim 2023 was the lowest of any period reported, with

interim 2023 practical overall capacity utilization 17.6 percentage points lower than interim 2022, and 17.5 percentage points lower for practical SSSS capacity utilization.

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

Capacity and production in short tons; utilization in percent

Item	Measure	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Installed overall	Capacity	2,785,500	2,905,120	2,893,543	745,238	731,284
Installed overall	Production	1,679,921	2,039,948	2,009,935	571,964	462,688
Installed overall	Utilization	60.3	70.2	69.5	76.7	63.3
Practical overall	Capacity	2,221,112	2,471,245	2,400,124	620,903	620,904
Practical overall	Production	1,679,921	2,039,948	2,009,935	571,964	462,688
Practical overall	Utilization	75.6	82.5	83.7	92.1	74.5
Practical SSSS	Capacity	1,799,115	1,949,470	1,869,424	489,822	466,959
Practical SSSS	Production	1,401,727	1,636,153	1,567,262	451,496	348,845
Practical SSSS	Utilization	77.9	83.9	83.8	92.2	74.7

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: Installed overall production capacity is the level of production that a firm's 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 account for 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: Practical overall production capacity is the level of production that a firm's establishment(s) could reasonably have expected to attain, accounting for the firm's actual product mix over the period for which data were collected. 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. Importantly, this capacity measure is the maximum "practical" production a firm could have achieved without hiring new personnel or expanding the number of shifts operated in the period.

Note: Practical SSSS production capacity is the level of production of SSSS that a firm's establishment(s) could reasonably have expected to attain. The same assumptions apply to this capacity measure as for practical overall capacity, but only includes the portion of practical overall capacity allocated to the production of SSSS based on the actual product mix experienced over the period.

Table III-5 presents U.S. producers' reported narratives regarding practical capacity constraints.

**Table III-5**  
**SSSS: U.S. producers' reported capacity constraints since January 1, 2017**

Type of change	Firm name and narrative on constraints to practical overall capacity
Production bottlenecks	***
Production bottlenecks	***
Existing labor force	***

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

Table III-6 presents U.S. producers' production, capacity, and capacity utilization.<sup>1</sup> For U.S. producers as a whole, capacity, production, and capacity utilization each experienced irregular increases from 2020-22, with levels in interim 2023 being lower than interim 2022. In the case of capacity, the 3.9 percent increase across 2020-22 was due solely to the \*\*\* percent increase reported by \*\*\* across the same period. The increase in capacity reported by \*\*\* is the result of the \*\*\*.<sup>2</sup> Although \*\*\*, which reported the most capacity of any U.S. producer in all periods reported, did not report changes in capacity, there was \*\*\*.<sup>3</sup>

In the case of production, \*\*\* experienced net increases from 2020-22, with interim 2023 production lower than production in interim 2022. The only firm which reported consistent growth in production across 2020-22 was \*\*\*, as both \*\*\* reported peaks in production in 2021 followed by 2021-22 decreases

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

<sup>2</sup> As reported in its U.S. producer questionnaire, \*\*\*. \*\*\* U.S. producer questionnaire, section II-2.

<sup>3</sup> \*\*\* U.S. producer questionnaire, section II-2a.

for irregular increases of \*\*\* percent and \*\*\* percent from 2020-22, respectively.<sup>4</sup> \*\*\* reported the largest 2020-22 growth in SSSS production of any firm, with a \*\*\* percent two-year rise. Despite reporting year-on-year growth from 2020-22, \*\*\* interim 2023 production volume was \*\*\* percent lower than interim 2022, which it ascribed to “producing lower volumes of stainless steel sheet on {...} existing machinery because sales fell from Q1 2022 to Q1 2023, due in large part to increased competition from imports.”<sup>5</sup> \*\*\* also reported lower production levels in interim 2023 compared to interim 2022, with interim 2023 production \*\*\* percent and \*\*\* percent lower than interim 2022, respectively.<sup>6</sup> As with \*\*\*, both \*\*\* cited the impact of increasing imports of SSSS as reasons for reduced production in 2022 and/or interim 2023.<sup>7 8</sup>

U.S. producers’ capacity utilization increased irregularly by 5.9 percentage points from 2020-22, driven by increases in capacity utilization by \*\*\* and \*\*\*, which reported \*\*\* percentage point and \*\*\* percentage point increases in capacity utilization from 2020-22, respectively. \*\*\* reported reaching \*\*\* percent capacity utilization in 2021, citing

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<sup>4</sup> Regarding the 2021 peak in both production and capacity, \*\*\*. \*\*\* U.S. producer questionnaire, section III-15.

<sup>5</sup> \*\*\* U.S. producer questionnaire, section II-3f. \*\*\* also noted that it \*\*\*. \*\*\* U.S. producer questionnaire, section II-2c.

<sup>6</sup> \*\*\*. \*\*\* U.S. producer questionnaire, section II-14.

<sup>7</sup> \*\*\* noted that \*\*\*. \*\*\* U.S. producer questionnaire, section II-11.

<sup>8</sup> \*\*\* noted that they \*\*\*. \*\*\* U.S. producer questionnaire, section II-17.

\*\*\*.<sup>9</sup> In interim 2023, \*\*\* reported lower capacity utilization levels compared to interim 2022.

**Table III-6**  
**SSSS: U.S. producers' output, by firm and by period**

**Practical Capacity**

Capacity in short tons

Firm	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Cleveland-Cliffs	***	***	***	***	***
North American Stainless	***	***	***	***	***
Outokumpu	***	***	***	***	***
All firms	1,799,115	1,949,470	1,869,424	489,822	466,959

Table continued.

**Table III-6 Continued**  
**SSSS: U.S. producers' output, by firm and by period**

**Production**

Production in short tons

Firm	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Cleveland-Cliffs	***	***	***	***	***
North American Stainless	***	***	***	***	***
Outokumpu	***	***	***	***	***
All firms	1,401,727	1,636,153	1,567,262	451,496	348,845

Table continued.

**Table III-6 Continued**  
**SSSS: U.S. producers' output, by firm and by period**

**Capacity utilization**

Capacity utilization in percent

Firm	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Cleveland-Cliffs	***	***	***	***	***
North American Stainless	***	***	***	***	***
Outokumpu	***	***	***	***	***
All firms	77.9	83.9	83.8	92.2	74.7

Table continued.

<sup>9</sup> \*\*\*. \*\*\* U.S. producer questionnaire, section II-2b.



**Table III-6 Continued**  
**SSSS: U.S. producers' output, by firm and by period**

**Share of production**

Shares in percent

<b>Firm</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Jan-Mar 2022</b>	<b>Jan-Mar 2023</b>
Cleveland-Cliffs	***	***	***	***	***
North American Stainless	***	***	***	***	***
Outokumpu	***	***	***	***	***
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 "---".

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

\* \* \* \* \*

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

## Alternative products

As shown in table III-7, \*\*\* percent of the product produced on the same equipment used to produce SSSS in 2022 by U.S. producers was SSSS, which represented a \*\*\* percentage point decrease compared to 2020 production levels. While production of SSSS rose 11.8 percent from 2020-22, this growth was outpaced by a \*\*\* percent growth in the production of other products during the same period. Production of SSSS as a share of total production on shared equipment and machinery was lowest in interim 2023, \*\*\* percentage points lower than in interim 2022.

\*\*\* reported producing products other than SSSS on the same equipment used to produce SSSS, with \*\*\* accounting for the majority of total production of alternative products in all periods reported. \*\*\* alternative products produced on the same equipment as SSSS include \*\*\*. Regarding the ability to shift production at the \*\*\* facilities to produce SSSS, \*\*\* stated that \*\*\*.<sup>10</sup>

\*\*\* reported production of \*\*\*, also noting that \*\*\*.<sup>11</sup>

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<sup>10</sup> \*\*\* U.S. producer questionnaire, section II-4a.

<sup>11</sup> \*\*\* U.S. producer questionnaire, section II-4b.

**Table III-7**  
**SSSS: U.S. producers' overall production on the same equipment as production of SSSS, by period**

Quantity in short tons; shares in percent

Product Type	Measure	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
SSSS	Quantity	1,401,727	1,636,153	1,567,262	451,496	348,845
Other products	Quantity	***	***	***	***	***
All products	Quantity	***	***	***	***	***
SSSS	Share	***	***	***	***	***
Other products	Share	***	***	***	***	***
All products	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 "---".

### Constraints on capacity

\*\*\* responding U.S. producers reported constraints in the manufacturing process.

\*\*\*<sup>12</sup>

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

Table III-8 presents U.S. producers' U.S. shipments, export shipments, and total shipments.

U.S. producers' aggregate U.S. shipments, by quantity, increased irregularly from 2020-22, a overall increase of 16.1 percent, and were subsequently 23.2 percent lower in interim 2023 compared to interim 2022. The growth in the quantity of U.S. shipments from 2020-22 was driven by growth reported by \*\*\*, with \*\*\*

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<sup>12</sup> \*\*\*. \*\*\* U.S. producer questionnaire, section II-3e.

reporting the largest two-year growth in quantity of U.S. shipments, at \*\*\* percent. Whereas U.S. shipments by quantity peaked in 2021 before declining in 2022, U.S. shipments by value rose steadily from 2020-22, for a 108.3 percent two-year increase, resulting in a 79.4 percent two-year increase in the unit value of U.S. producers' U.S. shipments. As with U.S. shipments by quantity, U.S. shipments by value rose \*\*\* from 2020-22, with \*\*\* of U.S. shipments over that two-year period. The value of U.S. shipments in interim 2023, however, was 23.6 percent lower than interim 2022, which when combined with the comparably lower quantity of U.S. shipments in interim 2023 compared to interim 2022, resulted in the unit value of U.S. shipments remaining essentially flat across the two interim periods.

Export shipments by U.S. producers followed a similar trend as U.S. shipments, with export shipments by quantity fluctuating but increasing \*\*\* percent from 2020-22, and export shipments by value increasing annually for a two-year increase of \*\*\* percent. Whereas the 2020-22 growth in the quantity of export shipments was due to \*\*\* percent and \*\*\* percent growth by \*\*\* and \*\*\*, respectively, \*\*\* reported a 2020-22 net increase in the value of export shipments from 2020-22, with the largest being \*\*\* \*\*\* percent 2020-22 growth in export shipments by value.<sup>13</sup> As with U.S. shipments' unit value, export shipments growth by value outpaced the growth in terms of quantity, resulting in a two-year increase of \*\*\* percent in the unit value of export shipments from 2020-22.

U.S. producers' total shipments, by quantity, first rose \*\*\* percent from 2020-21, before falling \*\*\* percent from 2021-22, for a two-year increase of \*\*\* percent, driven primarily by trends in the quantity of U.S. shipments, which never accounted for less than \*\*\* percent of total shipments as a share of quantity. However, in interim 2023 total shipments by quantity were \*\*\* percent lower compared to interim 2022.<sup>14</sup> The value of total shipments, driven primarily by trends in U.S. shipments, which never accounted for less than \*\*\* percent of total shipments, rose annually for a two-year increase of \*\*\* percent

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<sup>13</sup> \*\*\*. U.S. producer questionnaire, section II-6a.

<sup>14</sup> \*\*\* reported fewer total shipments in interim 2023 compared to interim 2022, with the largest difference (\*\*\* percent) reported by \*\*\*. Lower levels of commercial U.S. shipments accounted for \*\*\* of this difference. U.S. producers cited \*\*\*. U.S. producer questionnaire, sections II-2b and II-16.

from 2020-22, before reporting interim 2023 levels \*\*\* percent lower than interim 2022. As the unit value of U.S. producers' U.S. shipments and export shipments rose steadily across 2020-22, so did the unit value of total shipments, for a \*\*\* percent two-year increase. The unit value of total shipments of SSSS was slightly lower (\*\*\* percent) in interim 2023 compared to interim 2022.

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

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

Item	Measure	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
U.S. shipments	Quantity	1,253,755	1,511,726	1,455,375	402,712	309,253
Export shipments	Quantity	***	***	***	***	***
Total shipments	Quantity	***	***	***	***	***
U.S. shipments	Value	2,618,581	4,236,259	5,454,582	1,434,929	1,096,993
Export shipments	Value	***	***	***	***	***
Total shipments	Value	***	***	***	***	***
U.S. shipments	Unit value	2,089	2,802	3,748	3,563	3,547
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 annually from 2020-22, a 30.7 percent two-year decrease, and interim 2023 inventories were 19.5 percent lower than interim 2022.

\*\*\* reported net decreases in end-of-period inventories from 2020-22.<sup>15</sup> Ratios of end-of-period inventories to U.S. production, U.S. shipments, and total shipments followed a similar trend, with 2020-22 decreases ranging between 5.1 and 6.1 percentage points, and interim 2022 ratios slightly higher than 2023 levels.

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

Quantity in short tons; ratio are inventories to production and shipments

Item	Measure	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
End-of-period inventory	Quantity	188,626	163,307	130,691	178,601	143,788
Inventory to U.S. production	Ratio	13.5	10.0	8.3	9.9	10.3
Inventory to U.S. shipments	Ratio	15.0	10.8	9.0	11.1	11.6
Inventory to total shipments	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 "---".

## U.S. producers' imports from subject sources

No responding U.S. producer reported imports of SSSS from subject sources during 2020-2022 nor in either interim period.<sup>16 17</sup>

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

No responding U.S. producer reported purchases of imports of SSSS from subject sources during 2020-22 nor in either interim period.

<sup>15</sup> The largest 2020-22 decline in inventories of SSSS was reported by \*\*\*, a decline of \*\*\* percent, while \*\*\* each reported declines of \*\*\* percent in end-of-period inventories over the same period.

<sup>16</sup> \*\*\*. \*\*\* U.S. producer questionnaire, section II-10a.

<sup>17</sup> \*\*\*. \*\*\* U.S. producer questionnaire, section II-11.

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

Table III-10 shows U.S. producers' employment-related data. The number of U.S. producers' production and related workers ("PRWs") and total hours worked rose 11.2 percent and 2.6 percent, respectively, from 2020-22, with the larger relative increase in PRWs leading to a 2020-22 decline of 7.7 percent in hours worked per PRW. The vast majority of U.S. producers' increase in total PRWs was due to growth in PRWs by \*\*\*, and \*\*\* was the only firm which reported 2020-22 declines in both PRWs and total hours worked.<sup>18 19</sup> U.S. producers' PRWs were 7.3 percent lower in interim 2023 compared to interim 2022, with total hours worked 3.7 percent higher, resulting in hours worked per PRW being 11.9 percent higher in interim 2023 compared to interim 2022.<sup>20</sup>

Both wages paid and hourly wages increased annually across 2020-22, with two-year increases of 21.6 percent and 18.5 percent, respectively. Likewise, wages paid and hourly wages were 4.4 percent and 0.7 percent higher, respectively, in interim 2023 compared to interim 2022. Whereas both \*\*\* and \*\*\* reported \*\*\* percent and \*\*\* percent growth, respectively, in total wages paid from 2020-22, \*\*\* experienced a net decline of \*\*\* percent over the same period.

U.S. producers' productivity experienced an irregular increase of 9.0 percent from 2020-22. Interim 2022 had the highest productivity for any period reported, while interim 2023 had the lowest, with interim 2023 productivity 25.5 percent lower than interim 2022. Unit labor costs also increased irregularly from 2020-22, an increase of 8.7 percent. However, the unit labor costs of U.S. producers were highest in interim 2023, and lowest in interim 2022, with a 35.1 percent difference between the interim periods.<sup>21</sup>

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<sup>18</sup> Cleveland-Cliffs reported that, \*\*\*. Cleveland-Cliffs' U.S. producer questionnaire, section II-9.

<sup>19</sup> North American Stainless indicated that, during the early period of COVID-19, \*\*\*. North American Stainless's U.S. producer questionnaire, section II-2b.

<sup>20</sup> Outokumpu indicated that, \*\*\* referring to the 2022 sale of Outokumpu Fortinox S.A, the Argentinian subsidiary of Outokumpu, to Mirgor S.A.C.I.F.I.A. Outokumpu's U.S. producer questionnaire, section II-9. Outokumpu webpage, <https://www.outokumpu.com/en/news/2023/outokumpu-has-completed-the-divestment-of-majority-of-its-long-products-business-3206896>, retrieved July 10, 2023.

<sup>21</sup> While total wages paid for U.S. producers as a whole was only 4.4 percent higher in interim 2023 compared to interim 2022, U.S. producers' production of SSSS in interim 2023 was 22.7 percent lower than interim 2022, leading to the higher unit labor costs reported in interim 2023 as compared to

(continued...)

**Table III-10****SSSS: U.S. producers' employment related information, by period**

Item	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Production and related workers (PRWs) (number)	2,988	3,037	3,322	3,336	3,093
Total hours worked (1,000 hours)	6,475	6,716	6,642	1,792	1,859
Hours worked per PRW (hours)	2,167	2,211	1,999	537	601
Wages paid (\$1,000)	240,109	271,828	291,948	75,838	79,187
Hourly wages (dollars per hour)	\$37.08	\$40.47	\$43.95	\$42.32	\$42.60
Productivity (short tons per 1,000 hours)	216.5	243.6	236.0	252.0	187.7
Unit labor costs (dollars per short ton)	\$171	\$166	\$186	\$168	\$227

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

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(...continued)

interim 2022. \*\*\* reported higher unit labor costs in interim 2023 than interim 2022.



## Financial experience of U.S. producers

### Background<sup>22</sup>

Three integrated U.S. producers, Cleveland-Cliffs, North American Stainless, and Outokumpu, provided usable financial results on their SSSS operations.<sup>23</sup> All of the firms reported their financial data on a calendar-year basis. Two of the firms provided their financial data on the basis of GAAP, and the remaining firm provided its data on the basis of International Financial Reporting Standards (“IFRS”).

Figure III-2 presents each responding firm’s share of the total reported net sales quantity in 2022. Net sales primarily reflect commercial sales, with transfers to related firms accounting for \*\*\* percent in 2022. Accordingly, the tables below present a combined revenue total.

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<sup>22</sup> The following abbreviations are 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 (“R&D”), and return on assets (“ROA”).

<sup>23</sup> During the third 5-year sunset reviews, four U.S. producers provided usable financial data: AK Steel, Advanced Technology International (“ATI”), North American Stainless, and Outokumpu. Third review publication.

Since the last reviews, AK Steel was acquired by Cleveland-Cliffs (March 2020), and ATI announced it was exiting the standard stainless sheet industry in December 2020. Cleveland-Cliff’s webpage, <https://www.clevelandcliffs.com/news/news-releases/detail/35/cleveland-cliffs-completes-acquisition-of-ak-steel>, retrieved July 12, 2023; ATI Exits Standard Stainless Sheet Products, <https://www.businesswire.com/news/home/20201202005550/en/ATI-Exits-Standard-Stainless-Sheet-Products-Redeploys-Capital-to-High-Return-Opportunities>, retrieved July 12, 2023.

**Figure III-2**

**SSSS: U.S. producers' share of net sales quantity in 2022, by firm**

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

\* \* \* \* \*

**Operations on SSSS**

Table III-11 presents aggregated data on U.S. producers' operations in relation to SSSS, while table III-12 presents corresponding changes in AUVs. Table III-13 presents selected company-specific financial data.

**Table III-11**  
**SSSS: U.S. producers' results of operations, by item and period**

Quantity in short tons; value in 1,000 dollars; ratios in percent

Item	Measure	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Total net sales	Quantity	***	***	***	***	***
Total net sales	Value	***	***	***	***	***
COGS: Raw materials	Value	***	***	***	***	***
COGS: Direct labor	Value	***	***	***	***	***
COGS: Other factory costs	Value	***	***	***	***	***
COGS: Total	Value	***	***	***	***	***
Gross profit or (loss)	Value	***	***	***	***	***
SG&A expenses	Value	***	***	***	***	***
Operating income or (loss)	Value	***	***	***	***	***
Other expenses/income, net	Value	***	***	***	***	***
Net income or (loss)	Value	***	***	***	***	***
Depreciation included above	Value	***	***	***	***	***
Cash flow	Value	***	***	***	***	***
COGS: Raw materials	Ratio to NS	49.9	52.1	54.7	52.6	47.4
COGS: Direct labor	Ratio to NS	7.3	5.4	5.4	4.7	6.5
COGS: Other factory costs	Ratio to NS	27.0	20.8	20.0	17.3	21.9
COGS: Total	Ratio to NS	84.2	78.3	80.2	74.5	75.8
Gross profit or (loss)	Ratio to NS	15.8	21.7	19.8	25.5	24.2
SG&A expenses	Ratio to NS	2.0	1.4	1.1	1.1	1.3
Operating income or (loss)	Ratio to NS	13.8	20.3	18.7	24.4	22.8
Net income or (loss)	Ratio to NS	***	***	***	***	***

Table continued.

**Table III-11 Continued**  
**SSSS: U.S. producers' results of operations, by item and period**

Shares in percent; unit values in dollars per short ton; count in number of firms reporting

Item	Measure	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
COGS: Raw materials	Share	59.2	66.5	68.2	70.6	62.5
COGS: Direct labor	Share	8.7	6.9	6.8	6.3	8.6
COGS: Other factory costs	Share	32.1	26.6	25.0	23.2	28.9
COGS: Total	Share	100.0	100.0	100.0	100.0	100.0
Total net sales	Unit value	2,077	2,745	3,714	3,545	3,496
COGS: Raw materials	Unit value	1,036	1,429	2,032	1,863	1,658
COGS: Direct labor	Unit value	152	147	202	165	228
COGS: Other factory costs	Unit value	561	572	744	612	765
COGS: Total	Unit value	1,749	2,148	2,978	2,640	2,651
Gross profit or (loss)	Unit value	328	597	736	904	845
SG&A expenses	Unit value	42	38	43	38	47
Operating income or (loss)	Unit value	286	558	693	866	798
Net income or (loss)	Unit value	***	***	***	***	***
Operating losses	Count	***	***	***	***	***
Net losses	Count	***	***	***	***	***
Data	Count	3	3	3	3	3

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

Note: Shares represent the share of COGS. 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-12**  
**SSSS: Changes in AUVs between comparison periods**

Changes in percent

Item	2020-22	2020-21	2021-22	Jan-Mar 2022-23
Total net sales	▲78.8	▲32.2	▲35.3	▼(1.4)
COGS: Raw materials	▲96.0	▲37.9	▲42.1	▼(11.0)
COGS: Direct labor	▲33.2	▼(3.0)	▲37.3	▲38.0
COGS: Other factory costs	▲32.6	▲1.9	▲30.1	▲25.0
COGS: Total	▲70.2	▲22.8	▲38.6	▲0.4

Table continued.

**Table III-12 Continued**  
**SSSS: Changes in AUVs between comparison periods**

Changes in dollars per short ton

Item	2020-22	2020-21	2021-22	Jan-Mar 2022-23
Total net sales	▲1,637	▲668	▲969	▼(49)
COGS: Raw materials	▲995	▲393	▲602	▼(205)
COGS: Direct labor	▲50	▼(5)	▲55	▲63
COGS: Other factory costs	▲183	▲11	▲172	▲153
COGS: Total	▲1,229	▲399	▲830	▲11
Gross profit or (loss)	▲408	▲269	▲139	▼(60)
SG&A expenses	▲1	▼(4)	▲4	▲9
Operating income or (loss)	▲407	▲273	▲135	▼(68)
Net income or (loss)	***	***	***	***

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

Note: Percentages and unit values shown as “0.0” or “0.00” represent values greater than zero, but less than “0.05” or “0.005,” respectively. 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.

**Table III-13**  
**SSSS: U.S. producers' sales, costs/expenses, and profitability, by firm and period**

**Net sales quantity**

Quantity in short tons

Firm	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Cleveland-Cliffs	***	***	***	***	***
North American Stainless	***	***	***	***	***
Outokumpu	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

**Table III-13 Continued**  
**SSSS: U.S. producers' sales, costs/expenses, and profitability, by firm and period**

**Net sales value**

Value in 1,000 dollars

Firm	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Cleveland-Cliffs	***	***	***	***	***
North American Stainless	***	***	***	***	***
Outokumpu	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

**Table III-13 Continued**  
**SSSS: U.S. producers' sales, costs/expenses, and profitability, by firm and period**

**COGS**

Value in 1,000 dollars

Firm	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Cleveland-Cliffs	***	***	***	***	***
North American Stainless	***	***	***	***	***
Outokumpu	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

**Table III-13 Continued**  
**SSSS: U.S. producers' sales, costs/expenses, and profitability, by firm and period**

**Gross profit or (loss)**

Value in 1,000 dollars

Firm	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Cleveland-Cliffs	***	***	***	***	***
North American Stainless	***	***	***	***	***
Outokumpu	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

**Table III-13 Continued**  
**SSSS: U.S. producers' sales, costs/expenses, and profitability, by firm and period**

**SG&A expenses**

Value in 1,000 dollars

Firm	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Cleveland-Cliffs	***	***	***	***	***
North American Stainless	***	***	***	***	***
Outokumpu	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

**Table III-13 Continued**  
**SSSS: U.S. producers' sales, costs/expenses, and profitability, by firm and period**

**Operating income or (loss)**

Value in 1,000 dollars

Firm	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Cleveland-Cliffs	***	***	***	***	***
North American Stainless	***	***	***	***	***
Outokumpu	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

**Table III-13 Continued**  
**SSSS: U.S. producers' sales, costs/expenses, and profitability, by firm and period**

**Net income or (loss)**

Value in 1,000 dollars

Firm	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Cleveland-Cliffs	***	***	***	***	***
North American Stainless	***	***	***	***	***
Outokumpu	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

**Table III-13 Continued**  
**SSSS: U.S. producers' sales, costs/expenses, and profitability, by firm and period**

**COGS to net sales ratio**

Ratios in percent

Firm	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Cleveland-Cliffs	***	***	***	***	***
North American Stainless	***	***	***	***	***
Outokumpu	***	***	***	***	***
All firms	84.2	78.3	80.2	74.5	75.8

Table continued.

**Table III-13 Continued**  
**SSSS: U.S. producers' sales, costs/expenses, and profitability, by firm and period**

**Gross profit or (loss) to net sales ratio**

Ratios in percent

Firm	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Cleveland-Cliffs	***	***	***	***	***
North American Stainless	***	***	***	***	***
Outokumpu	***	***	***	***	***
All firms	15.8	21.7	19.8	25.5	24.2

Table continued.

**Table III-13 Continued**  
**SSSS: U.S. producers' sales, costs/expenses, and profitability, by firm and period**

**SG&A expenses to net sales ratio**

Ratios in percent

Firm	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Cleveland-Cliffs	***	***	***	***	***
North American Stainless	***	***	***	***	***
Outokumpu	***	***	***	***	***
All firms	2.0	1.4	1.1	1.1	1.3

Table continued.

**Table III-13 Continued**  
**SSSS: U.S. producers' sales, costs/expenses, and profitability, by firm and period**

**Operating income or (loss) to net sales ratio**

Ratios in percent

Firm	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Cleveland-Cliffs	***	***	***	***	***
North American Stainless	***	***	***	***	***
Outokumpu	***	***	***	***	***
All firms	13.8	20.3	18.7	24.4	22.8

Table continued.

**Table III-13 Continued**  
**SSSS: U.S. producers' sales, costs/expenses, and profitability, by firm and period**

**Net income or (loss) to net sales ratio**

Ratios in percent

Firm	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Cleveland-Cliffs	***	***	***	***	***
North American Stainless	***	***	***	***	***
Outokumpu	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.



**Table III-13 Continued**  
**SSSS: U.S. producers' sales, costs/expenses, and profitability, by firm and period**

**Unit net sales value**

Unit values in dollars per short ton

<b>Firm</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Jan-Mar 2022</b>	<b>Jan-Mar 2023</b>
Cleveland-Cliffs	***	***	***	***	***
North American Stainless	***	***	***	***	***
Outokumpu	***	***	***	***	***
All firms	2,077	2,745	3,714	3,545	3,496

Table continued.

**Table III-13 Continued**  
**SSSS: U.S. producers' sales, costs/expenses, and profitability, by firm and period**

**Unit raw material**

Unit values in dollars per short ton

<b>Firm</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Jan-Mar 2022</b>	<b>Jan-Mar 2023</b>
Cleveland-Cliffs	***	***	***	***	***
North American Stainless	***	***	***	***	***
Outokumpu	***	***	***	***	***
All firms	1,036	1,429	2,032	1,863	1,658

Table continued.

**Table III-13 Continued**  
**SSSS: U.S. producers' sales, costs/expenses, and profitability, by firm and period**

**Unit direct labor**

Unit values in dollars per short ton

<b>Firm</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Jan-Mar 2022</b>	<b>Jan-Mar 2023</b>
Cleveland-Cliffs	***	***	***	***	***
North American Stainless	***	***	***	***	***
Outokumpu	***	***	***	***	***
All firms	152	147	202	165	228

Table continued.

**Table III-13 Continued**  
**SSSS: U.S. producers' sales, costs/expenses, and profitability, by firm and period**

**Unit other factory costs**

Unit values in dollars per short ton

<b>Firm</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Jan-Mar 2022</b>	<b>Jan-Mar 2023</b>
Cleveland-Cliffs	***	***	***	***	***
North American Stainless	***	***	***	***	***
Outokumpu	***	***	***	***	***
All firms	561	572	744	612	765

Table continued.

**Table III-13 Continued**  
**SSSS: U.S. producers' sales, costs/expenses, and profitability, by firm and period**

**Unit COGS**

Unit values in dollars per short ton

Firm	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Cleveland-Cliffs	***	***	***	***	***
North American Stainless	***	***	***	***	***
Outokumpu	***	***	***	***	***
All firms	1,749	2,148	2,978	2,640	2,651

Table continued.

**Table III-13 Continued**  
**SSSS: U.S. producers' sales, costs/expenses, and profitability, by firm and period**

**Unit gross profit or (loss)**

Unit values in dollars per short ton

Firm	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Cleveland-Cliffs	***	***	***	***	***
North American Stainless	***	***	***	***	***
Outokumpu	***	***	***	***	***
All firms	328	597	736	904	845

Table continued.

**Table III-13 Continued**  
**SSSS: U.S. producers' sales, costs/expenses, and profitability, by firm and period**

**Unit SG&A expenses**

Unit values in dollars per short ton

Firm	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Cleveland-Cliffs	***	***	***	***	***
North American Stainless	***	***	***	***	***
Outokumpu	***	***	***	***	***
All firms	42	38	43	38	47

Table continued.

**Table III-13 Continued**  
**SSSS: U.S. producers' sales, costs/expenses, and profitability, by firm and period**

**Unit operating income or (loss)**

Unit values in dollars per short ton

Firm	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Cleveland-Cliffs	***	***	***	***	***
North American Stainless	***	***	***	***	***
Outokumpu	***	***	***	***	***
All firms	286	558	693	866	798

Table continued.

**Table III-13 Continued**  
**SSSS: U.S. producers' sales, costs/expenses, and profitability, by firm and period**

**Unit net income or (loss)**

Unit values in dollars per short ton

<b>Firm</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Jan-Mar 2022</b>	<b>Jan-Mar 2023</b>
Cleveland-Cliffs	***	***	***	***	***
North American Stainless	***	***	***	***	***
Outokumpu	***	***	***	***	***
All firms	***	***	***	***	***

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

Note: Shares represent the share of COGS. 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 "---".

**Net sales**

The industry's net sales quantity increased irregularly from 2020 to 2022 but was lower in interim 2023 than in interim 2022. Net sales value increased each year from 2020 to 2022 but was lower in interim 2023 than in interim 2022. As can be seen in table III-13, the directional trends of company-specific net sales were largely uniform, with \*\*\* companies reporting overall increases in net sales quantities and values between 2020 and 2022 but lower net sales quantities and values in interim 2023 than in interim 2022.

The industry's net sales AUV increased from \$2,077 per short ton in 2020 to \$3,714 per short ton in 2022 but was lower in interim 2023 (at \$3,496 per short ton) than in interim 2022 (at \$3,545 per short ton). \*\*\* U.S. producers experienced an increase in their net sales AUVs between 2020 and 2022, but \*\*\* of the three had a lower net sales AUV in interim 2023 than in interim 2022.

**Cost of goods sold and gross profit or loss**

As shown in table III-11, raw material costs accounted for the largest share of total COGS during the period examined, and this share increased from 59.2 percent in 2020 to 68.2 percent in 2022. It was lower in interim 2023, at 62.5 percent, than it was in interim 2022, at 70.6 percent.

Table III-14 presents raw materials, by type.<sup>24</sup> As shown in the table, scrap accounted for the majority of raw material costs in 2022, with chromium and nickel accounting for the second and third largest amounts. On a per-short ton basis, raw material costs increased 96.0 percent from 2020 to 2022 and were 11.0 percent lower during the first quarter of 2023 than they were during the first quarter of 2022. These directional trends are generally consistent with the trends found in published price indices for these periods (see Part V).

**Table III-14**  
**SSSS: U.S. producers' raw material costs in 2022**

Value in 1,000 dollars; unit values in dollars per short ton; share of value in percent

Item	Value	Unit value	Share of value
Scrap	***	***	***
Chromium	***	***	***
Nickel	***	***	***
Iron	***	***	***
Molybdenum	***	***	***
Manganese	***	***	***
Other material inputs	***	***	***
All raw materials	***	2,032	100.0

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

Table III-13 shows that the company-specific directional trends of the raw material cost AUVs were mostly uniform. \*\*\* firms experienced an increase in their raw material cost AUVs each year from 2020 to 2022, and \*\*\* firms reported lower raw material cost AUVs in interim 2023 than in interim 2022.

Other factory costs were the second largest component of COGS, accounting for between 23.2 percent (interim 2022) and 32.1 percent (2020) of total COGS during the period examined. They increased from 2020 to 2022 but were slightly lower in interim 2023 than they were in interim 2022. On a per-short ton basis, other factory costs increased somewhat between 2020 and 2021, increased noticeably in 2022, and were higher in interim 2023 than in

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<sup>24</sup> \*\*\*. U.S. producers' questionnaire responses, section III-6 and III-7a.

interim 2022.<sup>25</sup> \*\*\* reported an increase in their other factory cost AUVs between 2020 and 2022, but \*\*\*.<sup>26</sup> Similarly, \*\*\* of the companies reported higher other factory cost AUVs in interim 2023 than in interim 2022, but \*\*\*.<sup>27 28</sup>

Direct labor, the smallest component of COGS, accounted for between 6.3 percent (interim 2022) and 8.7 percent (2020) of total COGS during the period examined. On a per-short ton basis, direct labor increased overall between 2020 and 2022, and was higher in interim 2023 than it was in interim 2022. \*\*\* reported an overall increase in their per-short ton direct labor costs from 2020 to 2022 and higher direct labor AUVs in interim 2023 than in interim 2022.

The industry's gross profit increased from \$\*\*\* in 2020 to \$\*\*\* in 2022 but was lower in the first quarter of 2023 (at \$\*\*\* ) than in the first quarter of 2022 (at \$\*\*\* ). The overall increase from 2020 to 2022 was from a combination of an increase in total sales volume, as well as the industry's sales AUVs increasing more than its COGS AUVs (see table III-12). Conversely, between the comparable interim-year periods, the lower gross profit was from lower sales volumes in interim 2023, along with the company's sales AUVs decreasing despite an increase in its COGS AUVs.

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<sup>25</sup> Conversely, as a ratio to net sales, these costs decreased from 2020 to 2022 and were higher in interim 2023 than in interim 2022. This differing directional trend is mostly the result of the increasing net sales AUVs between 2020 and 2022, which resulted in net sales values increasing at a faster pace than the increase in other factory costs.

<sup>26</sup> In response to questions from staff, \*\*\*. Email from \*\*\*.

<sup>27</sup> \*\*\*.

<sup>28</sup> \*\*\*. \*\*\* U.S. producers' questionnaire response, section III-10.

## **SG&A expenses and operating income or loss**

As shown in table III-11, the industry's SG&A expense ratio (i.e., total SG&A expenses divided by total revenue) fluctuated within a relatively narrow range (between 1.1 and 2.0 percent).<sup>29</sup>

The relatively low and steady SG&A expenses resulted in the industry's operating income displaying similar trends to its gross profit; it increased from \$\*\*\* in 2020 to \$\*\*\* in 2022 but was lower in interim 2023 (at \$\*\*\*) than in interim 2022 (at \$\*\*\*).

## **All other expenses and net income or loss**

Classified below the operating income level are interest expense, other expense, and other income, which are usually allocated to the product line from high levels in a corporation. These are combined and the net amount is shown in table III-11. Other expenses/income decreased from 2020 to 2022 and was lower in interim 2023 than in interim 2022 \*\*\*. The \*\*\* in all other expenses/income between the comparable interim periods was mostly attributable to \*\*\*. The company reported \*\*\*.<sup>30</sup>

The industry's net income followed a similar trend to its operating income, but the decrease in other expenses/income from 2020 to 2022 and between the comparable interim periods resulted in the difference between operating and net income narrowing during the period examined and \*\*\* (i.e., \*\*\*).

U.S. producers were asked to describe any effects the COVID-19 pandemic had on their financial performance. Table III-15 contains the firms' narrative responses.

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<sup>29</sup> \*\*\*. \*\*\* U.S. producers' questionnaire, section III-10.

<sup>30</sup> \*\*\*. Email from \*\*\*.

**Table III-15**

**SSSS: U.S. producers' narratives explaining the impact of the COVID-19 pandemic on their financial performance**

Firm	Narrative on COVID-19 impacts
Cleveland-Cliffs	***
North American Stainless	***
Outokumpu	***

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

## Variance analysis

A variance analysis for the SSSS operations of U.S. producers is presented in table III-16.<sup>31</sup> The information for this variance analysis is derived from table III-11. The analysis shows that the \$\*\*\* increase in operating income from 2020 to 2022 was mostly attributable to a positive price variance that was larger than the negative cost variance (i.e., average sales values increased more than costs and expenses). The \$\*\*\* decrease in operating income between interim 2022 and interim 2023 was mostly attributable to a negative volume variance (i.e., sales volume decreased), but negative price and cost variances were also contributing factors.

**Table III-16**  
**SSSS: Variance analysis on the operations of U.S. producers between comparison periods**

Value in 1,000 dollars

Item	2020-22	2020-21	2021-22	Jan-Mar 2022-23
Net sales price variance	***	***	***	***
Net sales volume variance	***	***	***	***
Net sales total variance	***	***	***	***
COGS cost variance	***	***	***	***
COGS volume variance	***	***	***	***
COGS total variance	***	***	***	***
Gross profit variance	***	***	***	***
SG&A cost variance	***	***	***	***
SG&A volume variance	***	***	***	***
SG&A total variance	***	***	***	***
Operating income price variance	***	***	***	***
Operating income cost variance	***	***	***	***
Operating income volume variance	***	***	***	***
Operating income total variance	***	***	***	***

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

Note: Unfavorable variances (negative) are shown in parentheses, all others are favorable (positive).

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<sup>31</sup> The Commission's variance analysis is calculated in three parts: Sales variance, COGS variance, and SG&A expense variance. Each part consists of a price variance (in the case of the sales variance) or a cost variance (in the case of the COGS and SG&A expense variances), and a volume variance. The sales or cost/expense variance is calculated as the change in unit price or per-unit cost/expense times the new volume, while the volume variance is calculated as the change in volume times the old unit price or per-unit cost/expense. Summarized at the bottom of the table, the price variance is from sales; the cost/expense variance is the sum of those items from COGS and SG&A variances, and the volume variance is the sum of the volume components of net sales, COGS, and SG&A expense variances.



## Capital expenditures and research and development expenses

Table III-17 presents capital expenditures, by firm, and table III-19 presents R&D expenses, by firm. Tables III-18 and III-20 present the firms' narrative explanations of the nature, focus, and significance of their capital expenditures and R&D expenses, respectively.

The industry's capital expenditures increased (\*\*\*) between 2020 and 2022. This was mostly attributable to \*\*\*, which indicated that it \*\*. Capital expenditures were \*\*\* higher in interim 2023 than they were in interim 2022.

As shown in table III-19, R&D expenses increased from 2020 to 2022 and were higher in interim 2023 than in interim 2022. \*\*\* U.S. producer to report R&D expenses during the period examined.

**Table III-17**  
**SSSS: U.S. producers' capital expenditures, by firm and period**

Value in 1,000 dollars

Firm	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Cleveland-Cliffs	***	***	***	***	***
North American Stainless	***	***	***	***	***
Outokumpu	***	***	***	***	***
All firms	***	***	***	***	***

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

**Table III-18**  
**SSSS: U.S. producers' narrative descriptions of their capital expenditures, by firm**

Firm	Narrative on capital expenditures
Cleveland-Cliffs	***
North American Stainless	***
Outokumpu	***

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

**Table III-19**  
**SSSS: U.S. producers' R&D expenses, by firm and period**

Value in 1,000 dollars

Firm	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Cleveland-Cliffs	***	***	***	***	***
North American Stainless	***	***	***	***	***
Outokumpu	***	***	***	***	***
All firms	***	***	***	***	***

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

**Table III-20**  
**SSSS: U.S. producers' narrative descriptions of their R&D expenses, by firm**

Firm	Narrative on R&D expenses
Cleveland-Cliffs	***
North American Stainless	***
Outokumpu	***

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

## Assets and return on assets

Table III-21 presents data on the U.S. producers' total net assets, while table III-22 presents their operating ROA ratio.<sup>32</sup> Table III-23 presents U.S. producers' narrative responses explaining their major asset categories and any significant changes in asset levels over time.

The industry's total net assets increased between 2020 and 2022, mostly because of an increase in assets reported by \*\*\*. The company reported that this increase was mainly attributable to an increase in its \*\*\*. The industry's operating ROA increased from \*\*\* percent in 2020 to \*\*\* percent in 2022. Since total net assets increased during this time, the increase in the operating ROA is fully attributable to the increase in operating income.<sup>33</sup>

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<sup>32</sup> The operating ROA is calculated as operating income divided by total assets. With respect to a firm's overall operations, the total asset value reflects an aggregation of a number of assets which are generally not product specific. Thus, high-level allocations are generally required in order to report a total asset value on a product-specific basis.

<sup>33</sup> Since total assets is the denominator of the operating ROA ratio, an increase in assets results in a decrease to the operating ROA ratio if income remains unchanged.

**Table III-21**  
**SSSS: U.S. producers' total net assets, by firm and period**

Value in 1,000 dollars

<b>Firm</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Cleveland-Cliffs	***	***	***
North American Stainless	***	***	***
Outokumpu	***	***	***
All firms	2,352,845	2,795,488	2,847,148

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

**Table III-22**  
**SSSS: U.S. producers' ROA, by firm and period**

Ratio in percent

<b>Firm</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Cleveland-Cliffs	***	***	***
North American Stainless	***	***	***
Outokumpu	***	***	***
All firms	***	***	***

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

**Table III-23**  
**SSSS: U.S. producers' narrative descriptions of their total net assets, by firm**

<b>Firm</b>	<b>Narrative on assets</b>
Cleveland-Cliffs	***
North American Stainless	***
Outokumpu	***

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



# Part IV: U.S. imports and the foreign industries

## U.S. imports

### Overview

The Commission issued questionnaires to 41 potential importers of SSSS between 2017 to 2022. Sixteen firms provided data and information in response to the questionnaires, while three firms indicated that they had not imported SSSS during the period for which data were collected.<sup>1 2</sup> Based on official Commerce statistics for imports of SSSS, importers' questionnaire data accounted for \*\*\* percent of total U.S. imports during 2022 and \*\*\* percent of total subject imports during 2022. Firms responding to the Commission's questionnaire accounted for the following shares of individual subject country's subject imports (as a share of official import statistics, by value) during 2022.<sup>3</sup>

- \*\*\* percent of the subject imports from Japan during 2022
- \*\*\* percent of the subject imports from South Korea during 2022
- \*\*\* percent of the subject imports from Taiwan during 2022

In light of less-than-complete coverage of data from certain subject countries in the Commission's questionnaires, import data in this report, unless otherwise noted, are based on official Commerce statistics for SSSS, adjusted in the cases of South Korea and Taiwan subject and nonsubject imports to account for data collected separately in questionnaire responses to Commission questionnaires.<sup>4</sup>

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<sup>1</sup> The following firms certified that they did not import SSSS from any source at any time since January 1, 2017: \*\*\*

<sup>2</sup> The Commission received a partial importer questionnaire response from \*\*\*, an importer of SSSS from South Korea, which did not include pricing data.

<sup>3</sup> \*\*\* importers reported imports of SSSS from Japan, \*\*\* importers reported imports of SSSS from subject sources in South Korea, and \*\*\* importer reported imports of SSSS from subject sources in Taiwan.

<sup>4</sup> The coverage estimates presented for imports in this section of the report are based on official U.S. import statistics of the U. S. Department of Commerce for the following HTS statistical reporting numbers: 7219.13.00.31, 7219.13.00.51, 7219.13.00.71, 7219.13.00.81, 7219.14.00.30, 7219.14.00.65, 7219.14.00.90, 7219.32.00.05, 7219.32.00.20, 7219.32.00.25, 7219.32.00.35, 7219.32.00.36, 7219.32.00.38, 7219.32.00.42, 7219.32.00.44, 7219.33.00.05, 7219.33.00.20, 7219.33.00.25, 7219.33.00.35, 7219.33.00.36, 7219.33.00.38, 7219.33.00.42, 7219.33.00.44, 7219.34.00.05, 7219.34.00.20, 7219.34.00.25, 7219.34.00.30, 7219.34.00.35, 7219.35.00.05, 7219.35.00.15, 7219.35.00.30, 7219.35.00.35, 7219.90.00.10, 7219.90.00.20, 7219.90.00.25, 7219.90.00.60, 7219.90.00.80, 7220.12.10.00, 7220.12.50.00, 7220.20.10.10, 7220.20.10.15, 7220.20.10.60, 7220.20.10.80, 7220.20.60.05, 7220.20.60.10, 7220.20.60.15, 7220.20.60.60, 7220.20.60.80,

(continued...)

## Imports from subject and nonsubject countries

Table IV-1 and figure IV-1 present information on U.S. imports of SSSS from Japan, South Korea, and Taiwan, and all other sources over the period examined. In terms of quantity, U.S. imports of SSSS from all import sources increased annually during 2020-22, for a two-year increase of 158.9 percent. This overall 2020-22 increase was due to growth in imports from both subject and nonsubject sources, which rose \*\*\* percent and \*\*\* percent, respectively, over the same period. Among subject sources, imports from South Korea were the only imports from any subject source which declined from 2020-22, as imports from Japan and Taiwan rose \*\*\* percent and \*\*\* percent, respectively, during the same period. Imports from Taiwan comprised \*\*\* of total subject imports for all periods reported, with subject imports from Taiwan rising \*\*\* percentage points as a share of all subject imports from 2020-22, accounting for \*\*\* percent of 2022 subject imports. As the growth of nonsubject imports matched that of subject imports during 2020-22, nonsubject imports as a share of total imports remained flat, despite an increase in the quantity of subject imports over the same period. Nonsubject imports were comprised \*\*\* of imports from all other sources, with the remainder comprised of nonsubject imports from both South Korea and Taiwan. Nonsubject imports from Taiwan increased by \*\*\* percent from 2020-22, although never exceeding \*\*\* percent of total imports in any period, while nonsubject imports from South Korea increased by \*\*\* percent over the same period.<sup>5</sup> In interim 2023, imports from all sources were 53.6 percent lower, by quantity, than in interim 2022. This aggregate trend was reflected in both subject and nonsubject imports, with imports from subject sources \*\*\* percent lower in interim 2023 and imports from nonsubject sources \*\*\* percent lower, compared to interim 2022. Nonetheless, nonsubject imports' market share was \*\*\* percentage points higher in interim 2023 compared to interim 2022, the highest for any period reported.

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(...continued)

7220.20.70.05, 7220.20.70.10, 7220.20.70.15, 7220.20.70.60, 7220.20.70.80, 7220.20.80.00, 7220.20.90.30, 7220.20.90.60, 7220.90.00.10, 7220.90.00.15, 7220.90.00.60, and 7220.90.00.80.

Imports for SSSS under these HTS numbers have been adjusted to account for foreign producers/exporters that are excluded from the orders, using import data reported in response to the Commission's questionnaires.

<sup>5</sup> Although nonsubject imports from Taiwan increased by \*\*\* percent from 2020-22, the majority of imports from Taiwan in all periods reported were from subject sources, with imports from nonsubject sources in Taiwan never accounting for more than 16.0 percent of total imports of SSSS from Taiwan.

As with imports as measured by quantity, imports from all sources, in terms of value, increased steadily throughout 2020-22, for a two-year rise of 296.8 percent. Imports from subject and nonsubject sources alike grew annually over the same period, for increases of \*\*\* percent and \*\*\* percent, respectively. Subject imports from Taiwan and Japan both increased annually from 2020-22, for increases of \*\*\* percent and \*\*\* percent, respectively, while subject imports from South Korea increased irregularly by \*\*\* percent over the same period. With nonsubject sources' growth outpacing that of subject sources over the two-year period, nonsubject imports' market share grew \*\*\* percentage points. The value of total imports in interim 2023 was 54.4 percent lower than in interim 2022, with imports from subject and nonsubject sources reporting interim 2023 imports \*\*\* percent and \*\*\* percent lower than in interim 2022, respectively. Among subject sources, only imports from Japan were higher in interim 2023 compared to interim 2022, a difference of \*\*\* percent, and consequently the market share of imports from Japan was \*\*\* percentage points higher in interim 2023 compared to interim 2022. However, subject imports as a whole had a market share \*\*\* percentage points lower in interim 2023 compared to interim 2022.

As the 2020-22 increase in the value of imports from all sources outpaced the simultaneous increase in the quantity of imports, the unit value of imports from all sources thereby increased annually across 2020-22, for a two-year rise of 53.3 percent. Among subject sources, the unit value of imports from Japan was the only subject source which saw a decline in unit value over the 2020-22 period, with a decline of \*\*\* percent. Thus, the increase in the unit value of imports from subject sources during 2020-22 was driven by increases of \*\*\* percent and \*\*\* percent in the unit value of subject imports from South Korea and Taiwan. The unit value of imports from nonsubject sources rose \*\*\* percent from 2020-22, driven primarily by increases in the unit value of imports from all other sources (\*\*\* percent).<sup>6</sup> As both the quantity and value of total imports in interim 2023 were lower than in interim 2022, total imports' unit value was correspondingly 1.7 percent lower across the two interim periods. Among all sources of imports, only imports from all other sources, aggregate nonsubject sources, Japan, and subject sources in South Korea posted higher unit values in interim 2023 compared interim 2022, differences of \*\*\* percent, \*\*\* percent, \*\*\* percent, and \*\*\* percent, respectively.

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<sup>6</sup> The unit value of imports from nonsubject sources in Taiwan also increased by \*\*\* percent from 2020-22, but only accounted for \*\*\* percent of total nonsubject imports in 2022 by quantity, and \*\*\* percent by value.

As a ratio to production, imports from subject sources rose \*\*\* percentage points across 2020-22, while imports from nonsubject sources rose \*\*\* percentage points. This led to an aggregate increase in all imports as a ratio to U.S. production of 15.7 percentage points, with total imports representing just over one-quarter of U.S. production in 2022. The ratio of subject and nonsubject imports to U.S. production was highest in interim 2022 and calendar year 2022, respectively. The ratio of subject sources to U.S. production in interim 2023 was \*\*\* percentage points lower than interim 2022, and the ratio of nonsubject imports to U.S. production was \*\*\* percentage points lower in interim 2023 compared to calendar year 2022.



**Table IV-1**  
**SSSS: U.S. imports by source and period**

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

Source	Measure	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Japan	Quantity	2,251	2,934	3,107	632	695
South Korea, subject	Quantity	***	***	***	***	***
Taiwan, subject	Quantity	***	***	***	***	***
Subject sources	Quantity	***	***	***	***	***
South Korea, nonsubject	Quantity	***	***	***	***	***
Taiwan, nonsubject	Quantity	***	***	***	***	***
All other sources	Quantity	119,891	216,279	312,030	84,776	47,008
Nonsubject sources	Quantity	***	***	***	***	***
All import sources	Quantity	167,384	316,803	433,294	124,984	57,943
Japan	Value	16,218	17,746	18,561	3,953	4,356
South Korea, subject	Value	***	***	***	***	***
Taiwan, subject	Value	***	***	***	***	***
Subject sources	Value	***	***	***	***	***
South Korea, nonsubject	Value	***	***	***	***	***
Taiwan, nonsubject	Value	***	***	***	***	***
All other sources	Value	320,789	702,130	1,285,506	318,767	178,842
Nonsubject sources	Value	***	***	***	***	***
All import sources	Value	435,978	1,007,503	1,730,040	468,364	213,507
Japan	Unit value	7,206	6,048	5,973	6,260	6,267
South Korea, subject	Unit value	***	***	***	***	***
Taiwan, subject	Unit value	***	***	***	***	***
Subject sources	Unit value	***	***	***	***	***
South Korea, nonsubject	Unit value	***	***	***	***	***
Taiwan, nonsubject	Unit value	***	***	***	***	***
All other sources	Unit value	2,676	3,246	4,120	3,760	3,804
Nonsubject sources	Unit value	***	***	***	***	***
All import sources	Unit value	2,605	3,180	3,993	3,747	3,685
Japan	Share of quantity	1.3	0.9	0.7	0.5	1.2
South Korea, subject	Share of quantity	***	***	***	***	***
Taiwan, subject	Share of quantity	***	***	***	***	***
Subject sources	Share of quantity	***	***	***	***	***
South Korea, nonsubject	Share of quantity	***	***	***	***	***
Taiwan, nonsubject	Share of quantity	***	***	***	***	***
All other sources	Share of quantity	71.6	68.3	72.0	67.8	81.1
Nonsubject sources	Share of quantity	***	***	***	***	***
All import sources	Share of quantity	100.0	100.0	100.0	100.0	100.0

Table continued.

**Table IV-1 Continued**  
**SSSS: Share of U.S. imports by source and period**

Shares in percent

Source	Measure	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Japan	Share of value	3.7	1.8	1.1	0.8	2.0
South Korea, subject	Share of value	***	***	***	***	***
Taiwan, subject	Share of value	***	***	***	***	***
Subject sources	Share of value	***	***	***	***	***
South Korea, nonsubject	Share of value	***	***	***	***	***
Taiwan, nonsubject	Share of value	***	***	***	***	***
All other sources	Share of value	73.6	69.7	74.3	68.1	83.8
Nonsubject sources	Share of value	***	***	***	***	***
All import sources	Share of value	100.0	100.0	100.0	100.0	100.0
Japan	Ratio	0.2	0.2	0.2	0.1	0.2
South Korea, subject	Ratio	***	***	***	***	***
Taiwan, subject	Ratio	***	***	***	***	***
Subject sources	Ratio	***	***	***	***	***
South Korea, nonsubject	Ratio	***	***	***	***	***
Taiwan, nonsubject	Ratio	***	***	***	***	***
All other sources	Ratio	8.6	13.2	19.9	18.8	13.5
Nonsubject sources	Ratio	***	***	***	***	***
All import sources	Ratio	11.9	19.4	27.6	27.7	16.6

Source: Official U.S. import statistics of the U.S. Department of Commerce Census Bureau, using HTS statistical reporting numbers 7219.13.00.31, 7219.13.00.51, 7219.13.00.71, 7219.13.00.81, 7219.14.00.30, 7219.14.00.65, 7219.14.00.90, 7219.32.00.05, 7219.32.00.20, 7219.32.00.25, 7219.32.00.35, 7219.32.00.36, 7219.32.00.38, 7219.32.00.42, 7219.32.00.44, 7219.33.00.05, 7219.33.00.20, 7219.33.00.25, 7219.33.00.35, 7219.33.00.36, 7219.33.00.38, 7219.33.00.42, 7219.33.00.44, 7219.34.00.05, 7219.34.00.20, 7219.34.00.25, 7219.34.00.30, 7219.34.00.35, 7219.35.00.05, 7219.35.00.15, 7219.35.00.30, 7219.35.00.35, 7219.90.00.10, 7219.90.00.20, 7219.90.00.25, 7219.90.00.60, 7219.90.00.80, 7220.12.10.00, 7220.12.50.00, 7220.20.10.10, 7220.20.10.15, 7220.20.10.60, 7220.20.10.80, 7220.20.60.05, 7220.20.60.10, 7220.20.60.15, 7220.20.60.60, 7220.20.60.80, 7220.20.70.05, 7220.20.70.10, 7220.20.70.15, 7220.20.70.60, 7220.20.70.80, 7220.20.80.00, 7220.20.90.30, 7220.20.90.60, 7220.90.00.10, 7220.90.00.15, 7220.90.00.60, and 7220.90.00.80, accessed July 5, 2023, adjusted using data submitted in response to Commission questionnaires to allocate South Korea and Taiwan subject vs. nonsubject data. Imports are based on the imports for consumption data series. Value data reflect landed duty-paid values.

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**

**SSSS: U.S. import quantities, values, and unit values between comparison periods**

\* \* \* \* \*

Source: Official U.S. import statistics of the U.S. Department of Commerce Census Bureau, using HTS statistical reporting numbers 7219.13.00.31, 7219.13.00.51, 7219.13.00.71, 7219.13.00.81, 7219.14.00.30, 7219.14.00.65, 7219.14.00.90, 7219.32.00.05, 7219.32.00.20, 7219.32.00.25, 7219.32.00.35, 7219.32.00.36, 7219.32.00.38, 7219.32.00.42, 7219.32.00.44, 7219.33.00.05, 7219.33.00.20, 7219.33.00.25, 7219.33.00.35, 7219.33.00.36, 7219.33.00.38, 7219.33.00.42, 7219.33.00.44, 7219.34.00.05, 7219.34.00.20, 7219.34.00.25, 7219.34.00.30, 7219.34.00.35, 7219.35.00.05, 7219.35.00.15, 7219.35.00.30, 7219.35.00.35, 7219.90.00.10, 7219.90.00.20, 7219.90.00.25, 7219.90.00.60, 7219.90.00.80, 7220.12.10.00, 7220.12.50.00, 7220.20.10.10, 7220.20.10.15, 7220.20.10.60, 7220.20.10.80, 7220.20.60.05, 7220.20.60.10, 7220.20.60.15, 7220.20.60.60, 7220.20.60.80, 7220.20.70.05, 7220.20.70.10, 7220.20.70.15, 7220.20.70.60, 7220.20.70.80, 7220.20.80.00, 7220.20.90.30, 7220.20.90.60, 7220.90.00.10, 7220.90.00.15, 7220.90.00.60, and 7220.90.00.80, accessed July 5, 2023, adjusted using data submitted in response to Commission questionnaires to allocate South Korea and Taiwan subject vs. nonsubject data. Imports are based on the imports for consumption data series. Value data reflect landed duty-paid values.

**Cumulation considerations**

In assessing whether U.S. imports from the subject countries are likely to compete with each other and with the domestic like product, the Commission 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<sup>7</sup>

Table IV-2 and figure IV-2 present U.S. producers' and U.S. importers' U.S. shipments of SSSS by source and by class (e.g., austenitic, ferritic, and all other classes) in 2022. U.S. producers accounted for \*\*\* percent of all shipments of austenitic SSSS, \*\*\* percent of shipments of ferritic SSSS, and \*\*\* percent of shipments of all other classes of SSSS in 2022.<sup>8</sup> The only subject source which reported shipments of austenitic SSSS was \*\*\*, comprising \*\*\* percent of total shipments of austenitic SSSS in 2022.<sup>9</sup> U.S. importers reported nonsubject shipments of austenitic SSSS from \*\*\*, with austenitic SSSS from all \*\*\* comprising \*\*\* of shipments of austenitic SSSS from nonsubject sources.<sup>10</sup> U.S. importers reported shipments of ferritic SSSS from all sources, with \*\*\* percent of all shipments of ferritic SSSS from subject sources coming from \*\*\*.<sup>11</sup> For classes of SSSS other than austenitic and ferritic, U.S. importers reported \*\*\* as the only import source in 2022.<sup>12</sup> Ferritic SSSS comprised \*\*\* percent of U.S. importers' shipments of SSSS from subject sources in 2022, while SSSS from nonsubject sources was split \*\*\* percent austenitic and \*\*\* percent ferritic. However, ferritic SSSS comprised just \*\*\* percent of total imports in 2022, despite its outsize portion of subject imports, due to the larger quantity of nonsubject imports. U.S. producers' shipments also included both austenitic and ferritic SSSS in 2022, with \*\*\* percent austenitic and \*\*\* percent ferritic SSSS.

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<sup>7</sup> For a description of the classes, grades, and the various production processes involved in the manufacturing of SSSS, please see Part I of this report.

<sup>8</sup> \*\*\* accounted for the majority (\*\*\*) percent) of U.S. producers' shipments of austenitic SSSS, while \*\*\* accounted for the majority (\*\*\*) percent) of U.S. producers' shipments of ferritic SSSS and \*\*\* shipments of SSSS in all other classes. U.S. producer questionnaire, section II-8a.

<sup>9</sup> While \*\*\* percent of SSSS imported from Japan in 2022 was ferritic grade SSSS, table F-1 in appendix F indicates that producers in Japan produced and shipped both ferritic and austenitic grades of SSSS in 2022.

<sup>10</sup> Importer \*\*\* accounted for \*\*\* imports of nonsubject SSSS from Taiwan, regardless of class, in 2022. Importer \*\*\* accounted for \*\*\* imports of nonsubject SSSS from South Korea, regardless of class, in 2022.

<sup>11</sup> Importer \*\*\* accounted for the majority (\*\*\*) percent) of imports of ferritic SSSS from subject sources, in 2022.

<sup>12</sup> \*\*\* was the only importer which reported imports of SSSS in classes other than austenitic or ferritic, from any source, in 2022.

**Table IV-2**  
**SSSS: U.S. producers' and U.S. importers' U.S. shipments by source and class, 2022**

Quantity in short tons

Source	Austenitic	Ferritic	All other classes	All classes
U.S. producers	***	***	***	1,455,375
Japan	***	***	***	***
South Korea, subject	***	***	***	***
Taiwan, subject	***	***	***	***
Subject sources	***	***	***	***
South Korea, nonsubject	***	***	***	***
Taiwan, nonsubject	***	***	***	***
All other sources	***	***	***	***
Nonsubject sources	***	***	***	***
All import sources	***	***	***	92,959
All sources	***	***	***	1,548,334

Table continued.

**Table IV-2 Continued**  
**SSSS: U.S. producers' and U.S. importers' U.S. shipments by source and class, 2022**

Shares across in percent

Source	Austenitic	Ferritic	All other classes	All classes
U.S. producers	***	***	***	100.0
Japan	***	***	***	100.0
South Korea, subject	***	***	***	100.0
Taiwan, subject	***	***	***	100.0
Subject Sources	***	***	***	100.0
South Korea, nonsubject	***	***	***	100.0
Taiwan, nonsubject	***	***	***	100.0
All other sources	***	***	***	100.0
Nonsubject sources	***	***	***	100.0
All import sources	***	***	***	100.0
All sources	***	***	***	100.0

Table continued.

**Table IV-2 Continued**  
**SSSS: U.S. producers' and U.S. importers' U.S. shipments by source and class, 2022**

Shares down in percent

Source	Austenitic	Ferritic	All other classes	All classes
U.S. producers	***	***	***	94.0
Japan	***	***	***	***
South Korea, subject	***	***	***	***
Taiwan, subject	***	***	***	***
Subject Sources	***	***	***	***
South Korea, nonsubject	***	***	***	***
Taiwan, nonsubject	***	***	***	***
All other sources	***	***	***	***
Nonsubject sources	***	***	***	***
All import sources	***	***	***	6.0
All sources	100.0	100.0	100.0	100.0

Source: Compiled from data submitted in response to Commission questionnaires

**Figure IV-2**  
**SSSS: U.S. producers' and U.S. importers' U.S. shipments, by source and class, 2022**

\* \* \* \* \*

Source: Compiled from data submitted in response to Commission questionnaires

Table IV-3 and figure IV-3 present U.S. producers' and U.S. importers' U.S. shipments by source, class, and grade in 2022. U.S. producers reported shipments of \*\*\* in 2022, accounting for \*\*\* of total shipments of all requested grades of SSSS. Austenitic SSSS grade 304 accounted for the \*\*\* portion of U.S. producers' total shipments, accounting for \*\*\* percent of U.S. producers' total shipments of SSSS and comprising \*\*\* percent of shipments of SSSS from any source and grade in 2022.

Whereas subject imports never accounted for more than \*\*\* percent of imports of a given grade of SSSS, and included only \*\*\*,<sup>13</sup> nonsubject imports of SSSS were reported for \*\*\* and comprised \*\*\* imports of SSSS in 2022. Within nonsubject imports, shipments from all other sources were reported \*\*\* and accounted for \*\*\* in 2022. Nonsubject sources of SSSS in 2022 included \*\*\*, with nonsubject sources in \*\*\* comprising \*\*\* percent and \*\*\* percent of shipments of austenitic grade 304 SSSS and ferritic grade 430 SSSS in 2022, respectively. Imports from nonsubject sources in \*\*\* covered austenitic grade 304 and all ferritic grades, never accounting for more than \*\*\* percent of any category.

Aggregating shipments from all sources, the most commonly shipped grade of SSSS was austenitic grade 304, at \*\*\* percent of total shipments in 2022, followed by ferritic all other grades, at \*\*\* percent. While ferritic all other grades was the second-most commonly shipped grade of SSSS by quantity, ferritic grade 430 was shipped by more sources than any other grade of SSSS, with \*\*\* reporting shipments of ferritic grade 430 SSSS in 2022.

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<sup>13</sup> \*\*\* was the only subject source of austenitic grade 316 or austenitic all other grades SSSS in 2022, with subject imports from \*\*\* also including ferritic grade 430 SSSS.

**Table IV-3**  
**SSSS: U.S. producers' and U.S. importers' U.S. shipments by source, class, and grade, 2022**

Quantity in short tons

Source	A: 201 <sup>1</sup>	A: 304	A: 316	A: All other	F: 409 <sup>2</sup>	F: 430	F: All other	All other classes and grades	All grades
U.S. producers	***	***	***	***	***	***	***	***	1,455,375
Japan	***	***	***	***	***	***	***	***	***
South Korea, subject	***	***	***	***	***	***	***	***	***
Taiwan, subject	***	***	***	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***	***	***	***
South Korea, nonsubject	***	***	***	***	***	***	***	***	***
Taiwan, nonsubject	***	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***	***	***	***
All import sources	***	***	***	***	***	***	***	***	92,959
All sources	***	***	***	***	***	***	***	***	1,548,334

Table continued.



**Table IV-3 Continued**  
**SSSS: U.S. producers' and U.S. importers' U.S. shipments by source, class, and grade, 2022**

Shares across in percent

Source	A: 201 <sup>1</sup>	A: 304	A: 316	A: All other	F: 409 <sup>2</sup>	F: 430	F: All other	All other classes and grades	All grades
U.S. producers	***	***	***	***	***	***	***	***	100.0
Japan	***	***	***	***	***	***	***	***	100.0
South Korea, subject	***	***	***	***	***	***	***	***	100.0
Taiwan, subject	***	***	***	***	***	***	***	***	100.0
Subject sources	***	***	***	***	***	***	***	***	100.0
South Korea, nonsubject	***	***	***	***	***	***	***	***	100.0
Taiwan, nonsubject	***	***	***	***	***	***	***	***	100.0
Nonsubject sources	***	***	***	***	***	***	***	***	100.0
All other sources	***	***	***	***	***	***	***	***	100.0
All import sources	***	***	***	***	***	***	***	***	100.0
All sources	***	***	***	***	***	***	***	***	100.0

Table continued.

**Table IV-3 Continued**  
**SSSS: U.S. producers' and U.S. importers' U.S. shipments by source, class, and grade, 2022**

Shares down in percent

Source	A: 201 <sup>1</sup>	A: 304	A: 316	A: All other	F: 409 <sup>2</sup>	F: 430	F: All other	All other classes and grades	All grades
U.S. producers	***	***	***	***	***	***	***	***	94.0
Japan	***	***	***	***	***	***	***	***	***
South Korea, subject	***	***	***	***	***	***	***	***	***
Taiwan, subject	***	***	***	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***	***	***	***
South Korea, nonsubject	***	***	***	***	***	***	***	***	***
Taiwan, nonsubject	***	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***	***	***	***
All import sources	***	***	***	***	***	***	***	***	6.0
All sources	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

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

<sup>1</sup> "A" refers to SSSS classified as austenitic.

<sup>2</sup> "F" refers to SSSS classified as ferritic.

**Figure IV-3**

**SSSS: U.S. producers' and U.S. importers' U.S. shipments by source, class, and grade, 2022**

\* \* \* \* \*

Source: Compiled from data submitted in response to Commission questionnaires

Table IV-4 and figure IV-4 present U.S. producers' and U.S. importers' U.S. shipments by source and production process (i.e., SSSS that has only been hot-rolled, annealed, and pickled ("HRAP"), or SSSS that has undergone cold-rolling or further processing ("CR")) in 2022. CR SSSS comprised \*\*\* percent of shipments of SSSS from all sources in 2022, with U.S. producers accounting for \*\*\* percent of all CR SSSS shipments.<sup>14</sup> The remainder of CR SSSS shipments was \*\*\* percent subject sources and \*\*\* percent nonsubject sources. U.S. importers' U.S. shipments of CR SSSS from subject sources were comprised \*\*\* percent by CR SSSS from Japan, with the remainder coming from subject sources in South Korea. All other sources accounted for \*\*\* of U.S. importers' U.S. shipments of CR SSSS from nonsubject sources, with the remainder coming from nonsubject sources in Taiwan and South Korea.<sup>15</sup> HRAP SSSS made up \*\*\* percent of U.S. shipments of SSSS in 2022, with U.S. producers accounting for \*\*\* percent of the total. Subject sources, consisting of HRAP SSSS from subject sources in South Korea and Taiwan, comprised \*\*\* percent of all imports of HRAP SSSS, with the remainder comprised \*\*\* by imports from all other sources. Among subject sources, HRAP SSSS consisted of \*\*\* percent of shipments of SSSS from subject sources in Taiwan in 2022, and \*\*\* percent of U.S. shipments of SSSS coming from subject sources in South Korea in 2022. U.S. producers as a whole shipped \*\*\* percent HRAP SSSS and \*\*\* percent CR SSSS in 2022, while U.S. importers reported \*\*\* percent of their U.S. shipments from subject sources as HRAP SSSS and \*\*\* percent as CR SSSS. U.S. shipments of imports from nonsubject sources were similarly split, with \*\*\* percent coming in as HRAP SSSS and \*\*\* percent coming in as CR SSSS.

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<sup>14</sup> \*\*\* reported U.S. shipments of HRAP and CR SSSS in 2022. \*\*\* accounted for \*\*\* percent of U.S. producers' U.S. shipments of HRAP SSSS in 2022, the most of any responding firm, but reported the fewest U.S. shipments of CR SSSS in 2022 of any responding U.S. producer, at \*\*\* percent of the total. \*\*\* accounted for \*\*\* percent, respectively, of U.S. producers' 2022 shipments of CR SSSS. U.S. producer questionnaire, section II-8b.

<sup>15</sup> U.S. importers' shipments of CR SSSS from all other sources accounted for \*\*\* percent of total imports of SSSS in 2022, regardless of production process, with \*\*\* accounting for \*\*\* percent of imports of CR SSSS from all other sources in 2022. These imports by \*\*\* were sourced from sources \*\*\*, and also include \*\*\*. \*\*\* U.S. producer questionnaire, section II-10a.

**Table IV-4**  
**SSSS: U.S. producers' and U.S. importers' U.S. shipments by source and production process, 2022**

Quantity in short tons

Source	Hot-rolled annealed and pickled (HRAP)	Cold-rolled (CR) or further processed	All production processes
U.S. producers	***	***	1,455,374
Japan	***	***	***
South Korea, subject	***	***	***
Taiwan, subject	***	***	***
Subject sources	***	***	***
South Korea, nonsubject	***	***	***
Taiwan, nonsubject	***	***	***
All other sources	***	***	***
Nonsubject sources	***	***	***
All import sources	***	***	92,959
All sources	***	***	1,548,333

Table continued.

**Table IV-4 Continued**  
**SSSS: U.S. producers' and U.S. importers' U.S. shipments by source and production process, 2022**

Shares across in percent

Source	Hot-rolled annealed and pickled (HRAP)	Cold-rolled (CR) or further processed	All production processes
U.S. producers	***	***	100.0
Japan	***	***	100.0
South Korea, subject	***	***	100.0
Taiwan, subject	***	***	100.0
Subject Sources	***	***	100.0
South Korea, nonsubject	***	***	100.0
Taiwan, nonsubject	***	***	100.0
All other sources	***	***	100.0
Nonsubject sources	***	***	100.0
All import sources	***	***	100.0
All sources	***	***	100.0

Table continued.

**Table IV-4 Continued**  
**SSSS: U.S. producers' and U.S. importers' U.S. shipments by source and production process, 2022**

Shares down in percent

<b>Source</b>	<b>Hot-rolled annealed and pickled (HRAP)</b>	<b>Cold-rolled (CR) or further processed</b>	<b>All production processes</b>
U.S. producers	***	***	94.0
Japan	***	***	***
South Korea, subject	***	***	***
Taiwan, subject	***	***	***
Subject Sources	***	***	***
South Korea, nonsubject	***	***	***
Taiwan, nonsubject	***	***	***
All other sources	***	***	***
Nonsubject sources	***	***	***
All import sources	***	***	6.0
All sources	100.0	100.0	100.0

Source: Compiled from data submitted in response to Commission questionnaires

**Figure IV-4**  
**SSSS: U.S. producers' and U.S. importers' U.S. shipments by source and production process, 2022**

\* \* \* \* \*

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

## **Geographical markets**

Table IV-5 presents data on U.S. imports of SSSS by border of entry in 2022, based on official Commerce import statistics. While imports of SSSS from each subject country entered through all borders of entry in 2022, western borders of entry accounted for approximately half of all subject imports, while northern borders of entry accounted for just 2.5 percent of subject imports.

Nonsubject imports also entered through each border of entry in 2022. Unlike subject imports, however, nonsubject imports entered primarily through eastern borders of entry, with just over two-thirds of all nonsubject imports entering through eastern borders of entry.

**Table IV-5**  
**SSSS: U.S. imports by source and border of entry, 2022**

Quantity in short tons

Source	East	North	South	West	All borders
Japan	2,188	169	376	374	3,107
South Korea	1,798	98	10,514	999	13,408
Taiwan	31,060	2,730	16,801	54,159	104,749
Subject sources	35,046	2,996	27,691	55,532	121,264
Nonsubject sources	206,707	22,329	66,802	16,192	312,030
All import sources	241,752	25,326	94,492	71,724	433,294

Table continued.

**Table IV-5 Continued**  
**SSSS: U.S. imports by source and border of entry, 2022**

Share across in percent

Source	East	North	South	West	All borders
Japan	70.4	5.4	12.1	12.0	100.0
South Korea	13.4	0.7	78.4	7.5	100.0
Taiwan	29.7	2.6	16.0	51.7	100.0
Subject sources	28.9	2.5	22.8	45.8	100.0
Nonsubject sources	66.2	7.2	21.4	5.2	100.0
All import sources	55.8	5.8	21.8	16.6	100.0

Table continued.

**Table IV-5 Continued**  
**SSSS: U.S. imports by source and border of entry, 2022**

Share down in percent

Source	East	North	South	West	All borders
Japan	0.9	0.7	0.4	0.5	0.7
South Korea	0.7	0.4	11.1	1.4	3.1
Taiwan	12.8	10.8	17.8	75.5	24.2
Subject sources	14.5	11.8	29.3	77.4	28.0
Nonsubject sources	85.5	88.2	70.7	22.6	72.0
All import sources	100.0	100.0	100.0	100.0	100.0

Source: Official U.S. import statistics of the U.S. Department of Commerce Census Bureau, using HTS statistical reporting numbers 7219.13.00.31, 7219.13.00.51, 7219.13.00.71, 7219.13.00.81, 7219.14.00.30, 7219.14.00.65, 7219.14.00.90, 7219.32.00.05, 7219.32.00.20, 7219.32.00.25, 7219.32.00.35, 7219.32.00.36, 7219.32.00.38, 7219.32.00.42, 7219.32.00.44, 7219.33.00.05, 7219.33.00.20, 7219.33.00.25, 7219.33.00.35, 7219.33.00.36, 7219.33.00.38, 7219.33.00.42, 7219.33.00.44, 7219.34.00.05, 7219.34.00.20, 7219.34.00.25, 7219.34.00.30, 7219.34.00.35, 7219.35.00.05, 7219.35.00.15, 7219.35.00.30, 7219.35.00.35, 7219.90.00.10, 7219.90.00.20, 7219.90.00.25, 7219.90.00.60, 7219.90.00.80, 7220.12.10.00, 7220.12.50.00, 7220.20.10.10, 7220.20.10.15, 7220.20.10.60, 7220.20.10.80, 7220.20.60.05, 7220.20.60.10, 7220.20.60.15, 7220.20.60.60, 7220.20.60.80, 7220.20.70.05, 7220.20.70.10, 7220.20.70.15, 7220.20.70.60, 7220.20.70.80, 7220.20.80.00, 7220.20.90.30, 7220.20.90.60, 7220.90.00.10, 7220.90.00.15, 7220.90.00.60, and 7220.90.00.80, accessed May 15, 2023. 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 "---".

Note: Data presented are official U.S. import statistics without subject vs. nonsubject adjustments for South Korea and Taiwan. Therefore, subject imports are overstated and nonsubject imports are understated.

## Presence in the market

Table IV-6 and figure IV-5 present monthly U.S. imports of SSSS from January 2020 through March 2023, based on official Commerce import statistics. Imports from Japan, South Korea, and Taiwan were present in all 39 months, as were nonsubject imports.



**Table IV-6**  
**SSSS: Quantity of U.S. imports, by source and month**

Quantity in short tons

Year	Month	Japan	South Korea	Taiwan	Subject sources	Nonsubject sources	All import sources
2020	January	279	3,627	3,605	7,511	13,279	20,790
2020	February	265	432	1,771	2,468	10,414	12,882
2020	March	236	407	3,619	4,262	11,538	15,800
2020	April	292	1,746	3,387	5,424	10,871	16,295
2020	May	170	1,887	2,112	4,169	8,875	13,045
2020	June	161	833	2,641	3,635	9,583	13,217
2020	July	87	1,146	1,892	3,126	10,492	13,617
2020	August	90	1,911	1,714	3,715	8,139	11,854
2020	September	98	481	2,397	2,977	7,558	10,534
2020	October	107	994	1,966	3,067	8,846	11,912
2020	November	166	674	1,750	2,590	9,717	12,308
2020	December	299	2,024	2,228	4,550	10,579	15,129
2021	January	232	541	2,736	3,509	10,183	13,693
2021	February	161	1,132	2,742	4,035	10,984	15,019
2021	March	196	1,925	4,038	6,160	13,055	19,214
2021	April	261	1,428	3,923	5,611	13,433	19,044
2021	May	113	1,964	5,035	7,112	13,323	20,435
2021	June	339	1,336	5,413	7,088	16,276	23,364
2021	July	197	2,254	9,405	11,856	17,398	29,254
2021	August	211	1,854	6,121	8,186	21,418	29,604
2021	September	164	773	7,927	8,864	18,637	27,500
2021	October	175	2,393	10,498	13,066	20,860	33,926
2021	November	279	663	10,863	11,805	25,342	37,147
2021	December	607	589	12,036	13,232	35,370	48,602

Table continued.

**Table IV-6 Continued**  
**SSSS: Quantity of U.S. imports, by source and month**

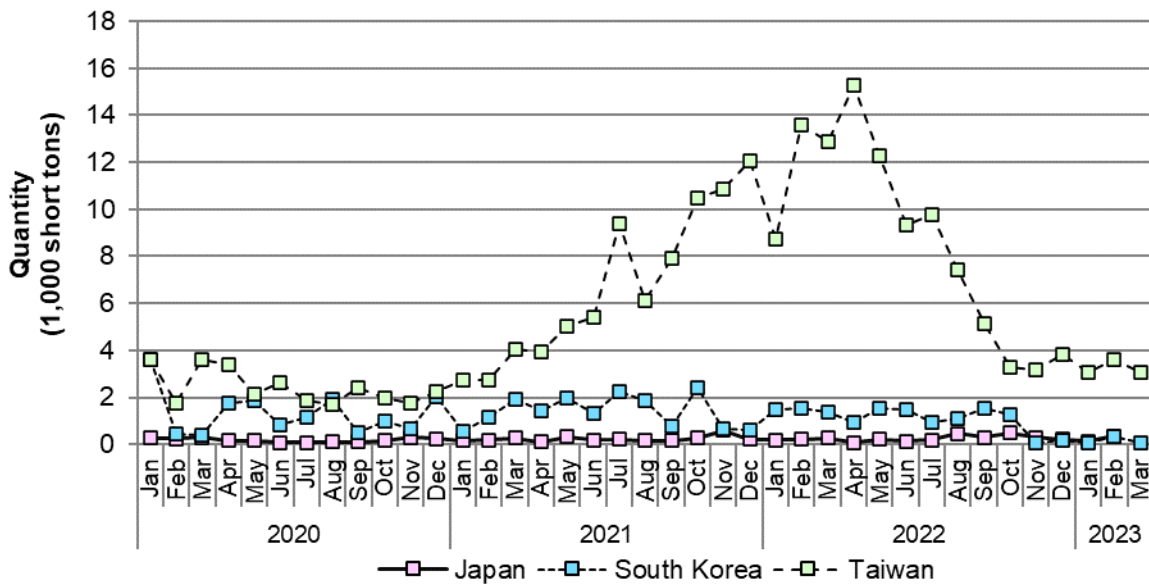
Quantity in short tons

Year	Month	Japan	South Korea	Taiwan	Subject sources	Nonsubject sources	All import sources
2022	January	229	1,460	8,759	10,448	25,274	35,722
2022	February	175	1,531	13,609	15,315	27,237	42,552
2022	March	228	1,366	12,851	14,445	32,266	46,711
2022	April	273	917	15,277	16,467	35,153	51,620
2022	May	93	1,532	12,278	13,903	30,887	44,790
2022	June	225	1,486	9,324	11,034	38,870	49,904
2022	July	140	952	9,766	10,859	28,571	39,430
2022	August	196	1,113	7,438	8,748	25,081	33,828
2022	September	465	1,550	5,163	7,178	29,000	36,178
2022	October	295	1,244	3,288	4,827	15,319	20,145
2022	November	480	81	3,172	3,734	13,110	16,844
2022	December	309	175	3,823	4,307	11,262	15,569
2023	January	214	93	3,076	3,383	16,405	19,789
2023	February	142	316	3,612	4,069	13,137	17,206
2023	March	339	68	3,076	3,483	17,466	20,949

Source: Official U.S. import statistics of the U.S. Department of Commerce Census Bureau, using HTS statistical reporting numbers 7219.13.00.31, 7219.13.00.51, 7219.13.00.71, 7219.13.00.81, 7219.14.00.30, 7219.14.00.65, 7219.14.00.90, 7219.32.00.05, 7219.32.00.20, 7219.32.00.25, 7219.32.00.35, 7219.32.00.36, 7219.32.00.38, 7219.32.00.42, 7219.32.00.44, 7219.33.00.05, 7219.33.00.20, 7219.33.00.25, 7219.33.00.35, 7219.33.00.36, 7219.33.00.38, 7219.33.00.42, 7219.33.00.44, 7219.34.00.05, 7219.34.00.20, 7219.34.00.25, 7219.34.00.30, 7219.34.00.35, 7219.35.00.05, 7219.35.00.15, 7219.35.00.30, 7219.35.00.35, 7219.90.00.10, 7219.90.00.20, 7219.90.00.25, 7219.90.00.60, 7219.90.00.80, 7220.12.10.00, 7220.12.50.00, 7220.20.10.10, 7220.20.10.15, 7220.20.10.60, 7220.20.10.80, 7220.20.60.05, 7220.20.60.10, 7220.20.60.15, 7220.20.60.60, 7220.20.60.80, 7220.20.70.05, 7220.20.70.10, 7220.20.70.15, 7220.20.70.60, 7220.20.70.80, 7220.20.80.00, 7220.20.90.30, 7220.20.90.60, 7220.90.00.10, 7220.90.00.15, 7220.90.00.60, and 7220.90.00.80, accessed May 15, 2023. Imports are based on the imports for consumption data series.

Note: Data presented are official U.S. import statistics without subject vs. nonsubject adjustments for South Korea and Taiwan. Therefore, subject imports are overstated and nonsubject imports are understated.

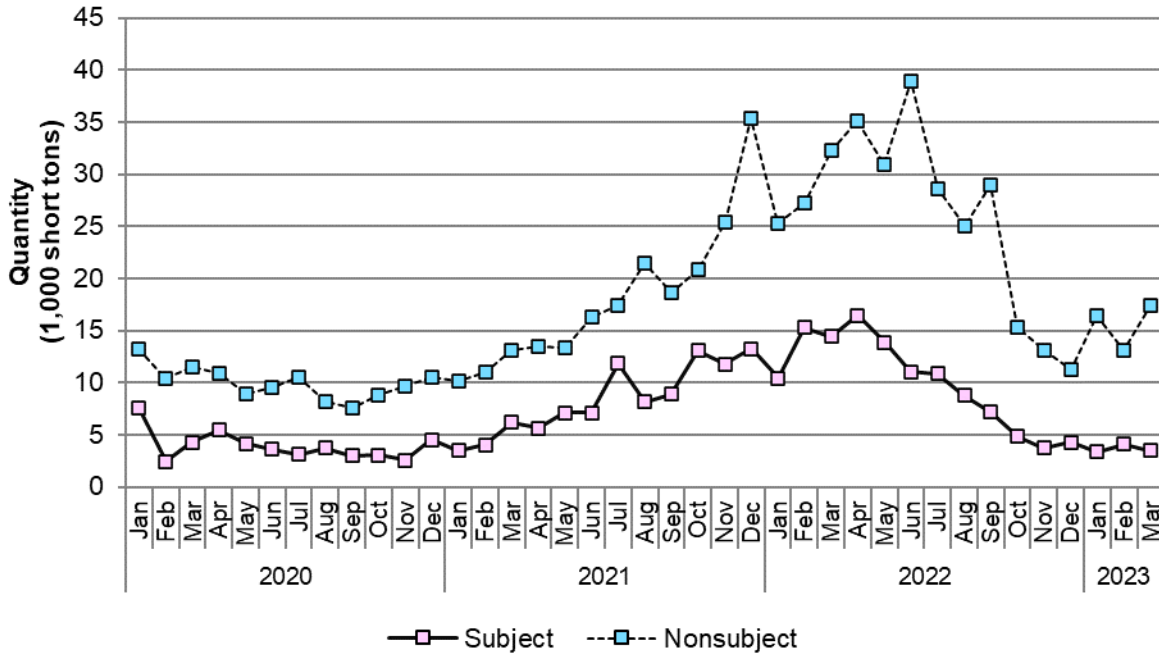
**Figure IV-5**  
**SSSS: U.S. imports from individual subject sources, by month**



Source: Official U.S. import statistics of the U.S. Department of Commerce Census Bureau, using HTS statistical reporting numbers 7219.13.00.31, 7219.13.00.51, 7219.13.00.71, 7219.13.00.81, 7219.14.00.30, 7219.14.00.65, 7219.14.00.90, 7219.32.00.05, 7219.32.00.20, 7219.32.00.25, 7219.32.00.35, 7219.32.00.36, 7219.32.00.38, 7219.32.00.42, 7219.32.00.44, 7219.33.00.05, 7219.33.00.20, 7219.33.00.25, 7219.33.00.35, 7219.33.00.36, 7219.33.00.38, 7219.33.00.42, 7219.33.00.44, 7219.34.00.05, 7219.34.00.20, 7219.34.00.25, 7219.34.00.30, 7219.34.00.35, 7219.35.00.05, 7219.35.00.15, 7219.35.00.30, 7219.35.00.35, 7219.90.00.10, 7219.90.00.20, 7219.90.00.25, 7219.90.00.60, 7219.90.00.80, 7220.12.10.00, 7220.12.50.00, 7220.20.10.10, 7220.20.10.15, 7220.20.10.60, 7220.20.10.80, 7220.20.60.05, 7220.20.60.10, 7220.20.60.15, 7220.20.60.60, 7220.20.60.80, 7220.20.70.05, 7220.20.70.10, 7220.20.70.15, 7220.20.70.60, 7220.20.70.80, 7220.20.80.00, 7220.20.90.30, 7220.20.90.60, 7220.90.00.10, 7220.90.00.15, 7220.90.00.60, and 7220.90.00.80, accessed May 15, 2023. Imports are based on the imports for consumption data series.

Note: Data presented are official U.S. import statistics without subject vs. nonsubject adjustments for South Korea and Taiwan. Therefore, subject imports are overstated and nonsubject imports are understated.

**Figure IV-6**  
**SSSS: U.S. imports from aggregated subject and nonsubject sources, by month**



Source: Official U.S. import statistics of the U.S. Department of Commerce Census Bureau, using HTS statistical reporting numbers 7219.13.00.31, 7219.13.00.51, 7219.13.00.71, 7219.13.00.81, 7219.14.00.30, 7219.14.00.65, 7219.14.00.90, 7219.32.00.05, 7219.32.00.20, 7219.32.00.25, 7219.32.00.35, 7219.32.00.36, 7219.32.00.38, 7219.32.00.42, 7219.32.00.44, 7219.33.00.05, 7219.33.00.20, 7219.33.00.25, 7219.33.00.35, 7219.33.00.36, 7219.33.00.38, 7219.33.00.42, 7219.33.00.44, 7219.34.00.05, 7219.34.00.20, 7219.34.00.25, 7219.34.00.30, 7219.34.00.35, 7219.35.00.05, 7219.35.00.15, 7219.35.00.30, 7219.35.00.35, 7219.90.00.10, 7219.90.00.20, 7219.90.00.25, 7219.90.00.60, 7219.90.00.80, 7220.12.10.00, 7220.12.50.00, 7220.20.10.10, 7220.20.10.15, 7220.20.10.60, 7220.20.10.80, 7220.20.60.05, 7220.20.60.10, 7220.20.60.15, 7220.20.60.60, 7220.20.60.80, 7220.20.70.05, 7220.20.70.10, 7220.20.70.15, 7220.20.70.60, 7220.20.70.80, 7220.20.80.00, 7220.20.90.30, 7220.20.90.60, 7220.90.00.10, 7220.90.00.15, 7220.90.00.60, and 7220.90.00.80, accessed May 15, 2023. Imports are based on the imports for consumption data series.

Note: Data presented are official U.S. import statistics without subject vs. nonsubject adjustments for South Korea and Taiwan. Therefore, subject imports are overstated and nonsubject imports are understated.

## U.S. inventories of imported merchandise

Table IV-7 presents data for inventories of U.S. imports of SSSS from Japan, South Korea, and Taiwan, and all other sources held in the United States. Inventories of SSSS from all sources increased annually during 2020-22, for a two-year rise of \*\*\* percent, and inventories in interim 2023 were \*\*\* percent higher than interim 2022. As a whole, inventories from all subject sources increased annually from 2020-22, for a two-year increase of \*\*\* percent. This increase in inventories of subject imports led to a simultaneous rise in the ratio of inventories of subject imports to total subject imports, a rise of \*\*\* percentage points from 2020-22. Subject inventories were reported from Japan and South Korea, with inventories of subject imports from Japan accounting for between \*\*\* and \*\*\* percent of total subject imports during the periods reported. \*\*\* accounted for the entirety of inventories of imports from Japan, with \*\*\* inventories increasing from \*\*\* short tons in 2020 to \*\*\* in 2022, whereas \*\*\* inventories declined from \*\*\* short tons in 2020 to \*\*\* short tons in 2022.<sup>16</sup> \*\*\* was the only firm to report inventories from subject sources in South Korea, only holding between \*\*\* and \*\*\* short tons of SSSS from subject sources in South Korea in inventory for all periods reported.

The \*\*\* of inventories from 2020-22 was driven primarily by increases in inventories of SSSS from nonsubject sources, which \*\*\* from 2020-22 and accounted for \*\*\* percent of total inventories in 2022. Inventories of imports from nonsubject sources in Taiwan increased \*\*\* percent from 2020-22, and inventories of imports from all other sources \*\*\* over the same period. As inventories of imports from nonsubject sources in Taiwan rose from 2020-22, so did their share of total nonsubject sources, which increased from \*\*\* percent to \*\*\* percent during the 2020-22 period.<sup>17</sup> <sup>18</sup>

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<sup>16</sup> \*\*\* inventories from Japan decreased by \*\*\* short tons from 2020-22, with \*\*\* short tons of inventories from Japan in 2022. \*\*\* U.S. importer questionnaire, section II-5a.

<sup>17</sup> Inventories of SSSS from all other sources were reported by \*\*\*, with all firms other than \*\*\* reporting net increases in ending inventories from all other sources during 2020-22. Both \*\*\* and \*\*\* listed \*\*\* as a source of all other imports, with \*\*\* additionally listed \*\*\*. \*\*\* imports from all other sources is comprised of imports from \*\*\* and \*\*\*. U.S. importer questionnaire, sections II-4 and II-10a. \*\*\*, whose inventories from all other sources grew \*\*\* percent from 2020-22, and were \*\*\* higher in interim 2023 compared to interim 2022,

(continued...)

**Table IV-7**  
**SSSS: U.S. importers' inventories and their ratio to select items, by source and period**

Quantity in short tons; ratio in percent

Measure	Source	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Inventories quantity	Japan	***	***	***	***	***
Ratio to imports	Japan	***	***	***	***	***
Ratio to U.S. shipments of imports	Japan	***	***	***	***	***
Ratio to total shipments of imports	Japan	***	***	***	***	***
Inventories quantity	South Korea, subject	***	***	***	***	***
Ratio to imports	South Korea, subject	***	***	***	***	***
Ratio to U.S. shipments of imports	South Korea, subject	***	***	***	***	***
Ratio to total shipments of imports	South Korea, subject	***	***	***	***	***
Inventories quantity	Taiwan, subject	***	***	***	***	***
Ratio to imports	Taiwan, subject	***	***	***	***	***
Ratio to U.S. shipments of imports	Taiwan, subject	***	***	***	***	***
Ratio to total shipments of imports	Taiwan, subject	***	***	***	***	***
Inventories quantity	Subject sources	***	***	***	***	***
Ratio to imports	Subject sources	***	***	***	***	***
Ratio to U.S. shipments of imports	Subject sources	***	***	***	***	***
Ratio to total shipments of imports	Subject sources	***	***	***	***	***

Table continued.

(...continued)

sourced from \*\*\*. \*\*\* U.S. importer questionnaire, section II-10a.

<sup>18</sup> Only \*\*\* reported inventories of SSSS from nonsubject sources in Taiwan, \*\*\* of which were sourced from \*\*\*. \*\*\* foreign producer questionnaire, section II-9a.

**Table IV-7 Continued**  
**SSSS: U.S. importers' inventories and their ratio to select items, by source and period**

Quantity in short tons; ratio in percent

Measure	Source	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Inventories quantity	South Korea, nonsubject	***	***	***	***	***
Ratio to imports	South Korea, nonsubject	***	***	***	***	***
Ratio to U.S. shipments of imports	South Korea, nonsubject	***	***	***	***	***
Ratio to total shipments of imports	South Korea, nonsubject	***	***	***	***	***
Inventories quantity	Taiwan, nonsubject	***	***	***	***	***
Ratio to imports	Taiwan, nonsubject	***	***	***	***	***
Ratio to U.S. shipments of imports	Taiwan, nonsubject	***	***	***	***	***
Ratio to total shipments of imports	Taiwan, nonsubject	***	***	***	***	***
Inventories quantity	All other sources	***	***	***	***	***
Ratio to imports	All other sources	***	***	***	***	***
Ratio to U.S. shipments of imports	All other sources	***	***	***	***	***
Ratio to total shipments of imports	All other sources	***	***	***	***	***
Inventories quantity	Nonsubject sources	***	***	***	***	***
Ratio to imports	Nonsubject sources	***	***	***	***	***
Ratio to U.S. shipments of imports	Nonsubject sources	***	***	***	***	***
Ratio to total shipments of imports	Nonsubject sources	***	***	***	***	***
Inventories quantity	All sources	***	***	***	***	***
Ratio to imports	All sources	***	***	***	***	***
Ratio to U.S. shipments of imports	All sources	***	***	***	***	***
Ratio to total shipments of imports	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 "---".

## U.S. importers' imports subsequent to March 31, 2023

The Commission requested importers to indicate whether they had imported or arranged for the importation of SSSS from Japan, South Korea, and Taiwan for delivery after March 31, 2023. Twelve of sixteen responding importers reported arranged imports, with \*\*\* percent of total arranged imports coming from nonsubject sources.<sup>19</sup> The largest source of nonsubject imports was all other sources, which comprised \*\*\* percent of arranged nonsubject imports and \*\*\* percent of total arranged imports. Five firms reported arranged imports from subject sources.<sup>20</sup>

**Table IV-8**  
**SSSS: U.S. importers' arranged imports, by source and period**

Quantity in short tons

Source	Apr-Jun 2023	Jul-Sept 2023	Oct-Dec 2023	Jan-Mar 2024	Total
Japan	***	***	***	***	***
South Korea, subject	***	***	***	***	***
Taiwan, subject	***	***	***	***	***
Subject sources	***	***	***	***	***
South Korea, nonsubject	***	***	***	***	***
Taiwan, nonsubject	***	***	***	***	***
All other sources	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All sources	***	***	***	***	***

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

<sup>19</sup> \*\*\*.

<sup>20</sup> Only \*\*\* reported arranged subject imports from South Korea. \*\*\* reported arranged subject imports from Japan. U.S. importer questionnaire, section II-3.



# The industry in Japan

## Overview

During the final phase of the original investigations, the Commission received questionnaire responses from 11 firms, comprising the entirety of Japan's SSSS industry.<sup>21</sup> During the first five-year reviews, the Commission received foreign producer/exporter questionnaires from two firms, however questionnaire data for the industry as a whole was substantially understated and therefore not summarized.<sup>22</sup> During the second five-year reviews, the Commission received foreign producer/exporter questionnaires from two firms, Nippon Steel Trading Co., Ltd., and Hitachi Metals, Inc.<sup>23</sup> During the third five-year reviews, the Commission received a foreign producer/exporter questionnaire from one firm, Hitachi Metals, Inc.<sup>24</sup>

In this fourth five-year review, the Commission issued questionnaires to eight firms believed to produce and/or export SSSS in Japan. Usable responses to the Commission's questionnaire were received from six firms: JFE Steel Corporation ("JFE Steel"), Proterial, Ltd. ("Proterial"), NAS Stainless Steel Strip Mfg Co., Ltd. ("NAS"), Nippon Steel Stainless Steel Corporation ("Nippon Steel"), Nippon Yakin Kogyo Co., Ltd. ("Yakin Kogyo"), and Sasano Max, Ltd ("Sasano").<sup>25</sup> These firms' exports to the United States accounted for 33.6 percent of U.S.

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<sup>21</sup> *Certain Stainless Steel Sheet and Strip from France, Germany, Italy, Japan, The Republic of Korea, Mexico, Taiwan, and The United Kingdom, Inv. Nos. 701-TA-380-382 and 731-TA-797-804 (Final)*, USITC Publication 3208, July 1999 ("Original publication"), p. VII-3.

<sup>22</sup> *Stainless Steel Sheet and Strip from France, Germany, Italy, Japan, Korea, Mexico, Taiwan, and the United Kingdom, Inv. Nos. 701-TA-381-382 and 731-TA-979-805 (Review)*, USITC Publication 3788, July 2005 ("First review publication"), p. IV-14.

<sup>23</sup> Nippon Steel Trading Co. Ltd., did not produce SSSS but instead was a trading company which exported the product. *Stainless Steel Sheet and Strip from Germany, Mexico, Japan, Korea, Mexico, and Taiwan, Inv. Nos. 701-TA-382 and 731-TA-798-803 (Second Review)*, USITC Publication 4244, July 2011 ("Second review publication"), p. IV-12.

<sup>24</sup> *Stainless Steel Sheet and Strip from Japan, Korea, and Taiwan, Inv. Nos. 701-TA-382 and 731-TA-800, 801, 803 (Third Review)*, USITC Publication 4725, September 2017 ("Third review publication"), p. IV-12.

<sup>25</sup> Hitachi Metals, Ltd., which participated in prior reviews of these orders, was sold to a consortium led by Bain Capital Private Equity, LP and subsequently changed its name to Proterial, Ltd., effective January 4, 2023. Proterial's foreign producer questionnaire, section II-2a. "Hitachi Metals has now become Proterial," <https://www.bbc.com/storyworks/advertiser-content/making-a-material-difference/hitachi-metals-has-now-become-proterial>, retrieved July 10, 2023. [Bain Capital webpage, https://www.baincapital.com/news/bain-capital-led-consortium-announces-successful-close-tender-offer-hitachi-metals%E2%80%99-common](https://www.baincapital.com/news/bain-capital-led-consortium-announces-successful-close-tender-offer-hitachi-metals%E2%80%99-common), retrieved July 10, 2023.

imports, by quantity, of SSSS from Japan in 2022.<sup>26 27</sup> Table IV-9 presents information on the SSSS operations of the responding producers in Japan.

**Table IV-9**  
**SSSS: Summary data for producers in Japan, 2022**

Quantity in short tons

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)
JFE Steel	***	***	***	***	***	***
NAS Stainless Steel	***	***	***	***	***	***
Nippon Steel	***	***	***	***	***	***
Nippon Yakin Kogyo	***	***	***	***	***	***
Proterial	***	***	***	***	***	***
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 "--".

<sup>26</sup> Japanese producers and resellers collectively reported exporting \*\*\* short tons of SSSS, at a value of \*\*\* dollars, to the United States in 2022. Foreign producer questionnaire, section II-13 and II-14. According to official Commerce statistics, U.S. imports of SSSS from Japan equaled 3,107 short tons, at a value of 18.6 million dollars, during the same period. Staff contacted Toyota Tsusho Corporation, which confirmed its status as a reseller of SSSS, but could not obtain trade data prior to the issuance of this report. Based on the information on the record, staff believes that the only Japanese producer of SSSS not included in the dataset is Nippon Kinzoku Co. Ltd., whom staff attempted to contact via one of Nippon Kinzoku's Japanese resellers (\*\*\*), but was unable to obtain data on exports of SSSS to the U.S. prior to the issuance of this report.

<sup>27</sup> Japanese producers collectively estimate that they comprise approximately 96.9 percent of production of cold-rolled or further processed SSSS and approximately all production of hot-rolled annealed and pickled ("HRAP") SSSS in Japan during 2022. Foreign producer questionnaire, sections II-7 and II-8.

Table IV-10 presents data on resales of SSSS in Japan's industry in 2022. \*\*\*.

**Table IV-10**  
**SSSS: Summary data for resellers in Japan, 2022**

Firm	Resales exported to the United States (short tons)	Share of resales exported to the United States (percent)
***	***	***
All firms	***	***

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

Table IV-11 presents events in Japan's industry since January 1, 2017.

**Table IV-11**  
**SSSS: Developments in Japan's industry since 2017**

Item	Firm	Event
Production curtailment	Nippon Steel	September and October 2020: Curtailment of the hot strip mill/dedicated facility for production of precision products at the Kinuura Works.
Plant closing	Nippon Steel	March 2022: Shutdown of all production lines at the Kinuura Works.
Production curtailment	Nippon Steel	June 2021: Curtailment of some annealing lines at the Kashima Works.
Acquisition	Proterial	September 2022: Hitachi Metals Group was purchased by a consortium of companies led by Bain Capital and renamed Proterial, Ltd., in January 2023.

Source: Nippon Steel, Nippon Steel Integrated Report 2022, undated, p. 16, [https://www.nipponsteel.com/en/ir/library/pdf/nsc\\_en\\_ir\\_2022\\_a3.pdf](https://www.nipponsteel.com/en/ir/library/pdf/nsc_en_ir_2022_a3.pdf). Hitachi Metals, The Hitachi Metals Group Report 2022: Integrated Report, undated, 5, [https://www.proterial.com/e/ir/pdf/ar/2022/2022\\_all\\_a4.pdf](https://www.proterial.com/e/ir/pdf/ar/2022/2022_all_a4.pdf).

## Changes in operations

Producers in Japan were asked to report any change in the character of their operations or organization relating to the production of SSSS since 2017. Three of five producers indicated in their questionnaires that they had experienced such changes. Table IV-12 presents the changes identified by these producers.<sup>28</sup>

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\*\*\*. Nippon Steel's foreign producer questionnaire, section II-2c.

**Table IV-12**

**SSSS: Reported changes in operations in Japan, since January 1, 2017, by firm**

<b>Item</b>	<b>Firm name and narrative on changes in operations</b>
Plant closings	***
Production curtailments	***
Other	***

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

## **Operations on SSSS**

Table IV-13 presents data on Japanese producers' installed capacity, practical capacity, and production on the same equipment. Japanese producers' installed overall capacity decreased annually from 2020-22 for a two-year decrease of \*\*\* percent. Installed overall capacity was also \*\*\* percent lower in interim 2023 compared to interim 2022. Never comprising less than \*\*\* percent of total installed overall capacity for any period reported, \*\*\* accounted for virtually all of the decline in installed overall capacity from 2020-22.<sup>29</sup> Practical overall capacity also declined during the period 2020-22, for a two-year decline of \*\*\* percent, but not before peaking in 2021, which represented a \*\*\* percent year-on-year increase from 2020. As with installed overall capacity, the vast majority of the decline in practical overall capacity was due to the decline reported by \*\*\*. However, whereas \*\*\*, the \*\*\* Japanese producer by all capacity measures reported a net decline of \*\*\* percent for installed overall capacity from 2020-22, it reported a net increase of \*\*\* percent in practical overall capacity.

Japanese producers' practical overall production increased irregularly from 2020-22, for a two-year increase of \*\*\* percent. With the exception of \*\*\*, for whom production

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<sup>29</sup> \*\*\*. \*\*\* foreign producer questionnaire, section II-3a and II-3c.

remained flat, \*\*\* reported a rise in practical overall production from 2020-21 followed by a decline in 2022, resulting in net increases from 2020-22.<sup>30</sup> \*\*\* and \*\*\* accounted for \*\*\* percent and \*\*\* percent, respectively, of the 2020-22 growth in practical overall production.<sup>31</sup> As a result of practical overall production increasing irregularly from 2020-22 while practical overall capacity decreased irregularly, practical overall capacity utilization rose \*\*\* percentage points from 2020-22, and was subsequently \*\*\* percentage points lower in interim 2023 compared to interim 2022.

**Table IV-13**  
**SSSS: Japanese producers' overall capacity and production on the same equipment as subject production, by period**

Item	Measure	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Installed overall	Capacity	***	***	***	***	***
Installed overall	Production	***	***	***	***	***
Installed overall	Utilization	***	***	***	***	***
Practical overall	Capacity	***	***	***	***	***
Practical overall	Production	***	***	***	***	***
Practical overall	Utilization	***	***	***	***	***
Practical SSSS	Capacity	***	***	***	***	***
Practical SSSS	Production	***	***	***	***	***
Practical SSSS	Utilization	***	***	***	***	***

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: Installed overall production capacity is the level of production that a firm's 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 account for other constraints to production such as existing workforce constraints, availability of raw

<sup>30</sup> Regarding the rise in production and capacity utilization from 2020-21 and subsequent decline from 2021-22, \*\*\*. \*\*\* foreign producer questionnaire, section II-2b.

<sup>31</sup> In the case of \*\*\*, the 2020-22 growth in practical overall production is comprised solely of growth in production of SSSS, where \*\*\* 2020-22 growth in practical overall production includes both SSSS and other products. \*\*\* foreign producer questionnaire, section II-3a.

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: Practical overall production capacity is the level of production that a firm's establishment(s) could reasonably have expected to attain, accounting for the firm's actual product mix over the period for which data were collected. 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. Importantly, this capacity measure is the maximum "practical" production a firm could have achieved without hiring new personnel or expanding the number of shifts operated in the period.

Note: Practical SSSS production capacity is the level of production of SSSS that a firm's establishment(s) could reasonably have expected to attain. The same assumptions apply to this capacity measure as for practical overall capacity, but only includes the portion of practical overall capacity allocated to the production of SSSS based on the actual product mix experienced over the period.

Table IV-14 presents Japanese producers' reported narratives regarding practical capacity constraints.

**Table IV-14**

**SSSS: Japanese producers' reported capacity constraints since January 1, 2017**

Item	Firm name and narrative on constraints to practical overall capacity
Production bottlenecks	***
Production bottlenecks	***
Production bottlenecks	***
Production bottlenecks	***
Existing labor force	***
Existing labor force	***
Other constraints	***

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

Table IV-15 provides an alternative source of information on overall stainless steel sheet and strip cold-rolled products (“SSSS CR”) capacity, production, exports, imports, and consumption in Japan. During 2020-22, capacity remained constant while production increased irregularly by \*\*\* percent, leading to a commensurate rise in capacity utilization from 2020-22 of \*\*\* percentage points. Home market consumption, inclusive of imports, and exports each increased irregularly by \*\*\* percent and \*\*\* percent, respectively, from 2020-22.<sup>32</sup>

**Table IV-15**  
**Stainless steel cold-rolled products: Capacity, production, exports, imports, and consumption in Japan, by item and period**

Quantity in short tons; ratio in percent

Destination market	Measure	2020	2021	2022	Projected 2023
Capacity	Quantity	***	***	***	***
Production	Quantity	***	***	***	***
Capacity Utilization	Ratio	***	***	***	***
Exports	Quantity	329,156	410,271	333,980	***
Exports as a ratio to production	Ratio	***	***	***	***
Production consumed in home market	Quantity	***	***	***	***
Imports	Quantity	147,318	195,139	195,449	***
Consumption in home market	Quantity	***	***	***	***

Source: \*\*\* for capacity and production based on cold-rolling machinery. Official exports and imports statistics under HS subheadings 7219.31, 7219.32, 7219.33, 7219.34, 7219.35, and 7220.20 reported by Japan Ministry of Finance in the Global Trade Atlas Suite database, accessed August 30, 2023.

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: \*\*\* data presented is both overinclusive (of excluded stainless steel flat products such as thick plates and cut-to-length sheets and strips, etc.) and underinclusive of the select hot-rolled products included in the SSSS product scope. In order to more closely align the product composition of the trade data in this table to the \*\*\* data presented for capacity and production, trade data in this table is comprised of a different group of HS subheadings compared to trade data elsewhere in this report, i.e., subheadings which do not include the select hot-rolled subheadings that are included in the SSSS scope and which include an additional cold-rolled subheading otherwise excluded from the SSSS scope. As such, the presentation of trade data in this table differs from trade data presented for Japan elsewhere in this report.

<sup>32</sup> Japanese respondents have supplied production data drawn from the Ministry of Economics, Trade, and Industry. Japanese respondents’ posthearing brief, exh. 1 at 35 and exh. 22.

Tables IV-16 and IV-17 present data on the SSSS operations of responding producers in Japan. Japanese producers' SSSS capacity rose \*\*\* percent from 2020-21 before declining \*\*\* percent from 2021-22, for a two-year irregular decline of 0.9 percent. Capacity in interim 2023 was likewise \*\*\* percent lower than capacity in interim 2022. Fluctuations in the capacity of \*\*\* and \*\*\*, the largest and second-largest Japanese producers by capacity, drove these trends. \*\*\* and \*\*\* reported \*\*\* percent and \*\*\* percent capacity growth from 2020-21, but only \*\*\* saw net growth across the period 2020-22, with a two-year increase of \*\*\* percent compared to a two-year decrease of \*\*\* percent for \*\*\*. Four of five responding firms reported lower capacity in interim 2023 compared to 2022, with the largest difference, an interim 2022-23 difference of \*\*\* percentage points, reported by \*\*\*.<sup>33</sup>

Production of SSSS by Japanese producers mirrored the trends in capacity, with a rise of \*\*\* percent from 2020-21, followed by a 2021-22 decline of \*\*\* percent, for a two-year increase of 6.1 percent. As with capacity, interim 2023 production was lower, by \*\*\* percent, than production in interim 2022. Unlike with capacity, where the two largest producers experienced opposite trends across the 2020-22 period, production for \*\*\* rose across the 2020-22 period, with the two-largest producers, \*\*\* and \*\*\*, reporting growth of \*\*\* percent and \*\*\* percent, respectively. Only \*\*\* reported higher production levels in interim 2023 compared to interim 2022, a difference of \*\*\* percent. \*\*\* reported net increases in capacity utilization across 2020-22 for an aggregate two-year increase of \*\*\* percentage points. \*\*\*'s 2020-22 production growth outpaced its capacity growth, leading to a \*\*\* percentage point rise in capacity utilization from 2020-22, with its \*\*\* 2022 capacity utilization rate marking the highest for any period among responding producers. \*\*\*, the largest producer by capacity and production, reported a \*\*\* percentage point increase to \*\*\* percent capacity utilization in 2022.

Japanese producers' total shipments of SSSS, by quantity, followed the same trends as capacity and production, first rising \*\*\* percent from 2020-21 and subsequently falling \*\*\* percent from in 2022, for a two-year irregular increase of \*\*\* percent. With the exception of \*\*\*, which never accounted for more than \*\*\* percent of aggregate total shipments in any period reported, \*\*\* followed the overall trend of a 2020-21 rise followed by a

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<sup>33</sup> \*\*\*, \*\*\* foreign producer questionnaire, section II-11.



decrease in 2021-22. \*\*\* accounted for \*\*\* percent of 2020-22 growth in total shipments, and \*\*\* accounted for \*\*\* percent.

While both total export shipments and commercial home market shipments, by quantity, grew from 2020-21 and declined from 2021-22, only home market shipments had net growth across 2020-22 (\*\*\* percent). Home market shipments comprised between \*\*\* percent and \*\*\* percent of total shipments through the periods reported, and consisted \*\*\* of commercial home shipments. \*\*\* reported net growth in home market shipments across 2020-22, with the largest relative growth reported by \*\*\*, at \*\*\* percent.

Shipments of exports accounted for between \*\*\* and \*\*\* percent of total shipments throughout the periods reported. Exports of SSSS from Japan to the United States,<sup>34</sup> the European Union (“EU”),<sup>35</sup> and markets other than the United States, EU, and Asia<sup>36</sup> all reported net growth from 2020-22, although each export destination never accounted for more than \*\*\* percent, \*\*\* percent, and \*\*\* percent of total shipments, respectively, throughout the periods reported. In addition to exports to the United States directly from producers of SSSS in Japan, exports by resellers of SSSS produced in Japan were reported across all periods.<sup>37</sup> Exports to the United States by resellers increased \*\*\* percent, by quantity, from 2020-22, accounting for \*\*\* percent of all exports, including exports by producers, in 2022.

The vast majority of exports by Japanese producers went to Asian markets, which accounted for \*\*\* percent of total exports in 2022. Exports to Asian markets decreased \*\*\*

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<sup>34</sup> Among responding producers, only \*\*\* reported exports of SSSS to the United States in any period, with aggregate export quantities not exceeding \*\*\* short tons in any period. Foreign producer questionnaire, section II-11.

<sup>35</sup> With the exception of \*\*\* which did not report exports to the EU, \*\*\* reported exports to the EU during each period. \*\*\*. Foreign producer questionnaire, section II-11.

<sup>36</sup> With the exception of \*\*\* and \*\*\*, \*\*\* reported exports to markets other than the United States, EU, and Asia. \*\*\*. Foreign producer questionnaire, section II-11. Both \*\*\* cited increasing sales to Mexico, due to growth in sales in the automotive sector. Foreign producer questionnaire, section II-10a.

<sup>37</sup> \*\*\*. \*\*\* foreign producer questionnaire.

percent from 2020-22 and were \*\*\* percentage points lower in interim 2023 compared to interim 2022. \*\*\*, the largest exporter by quantity, stated that their “\*\*\*.”<sup>38</sup> \*\*\*, the second-largest exporter by quantity, stated \*\*\*.<sup>39</sup> Several firms also reported trade barriers affecting their ability to export SSSS to third-country markets.<sup>40</sup> Both home market and export shipments, by quantity, were lower in interim 2023 compared to interim 2022, for differences of \*\*\* percent and \*\*\* percent, respectively.

The unit value of home market shipments, exports, and total shipments all experienced net increases from 2020-22, of \*\*\* percent, \*\*\* percent, and \*\*\* percent, respectively. In the case of home market shipments, the value of shipments from 2020-22 increased \*\*\* percent while the quantity increased \*\*\* percent. Regarding exports, the value of total exports increased \*\*\* percent from 2020-22 while the quantity decreased \*\*\* percent. Exports to the United States, by value, decreased irregularly by \*\*\* percent from 2020-22, and were then \*\*\* percent higher in interim 2023 than in interim 2022, with the volume of exports to

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<sup>38</sup> “\*\*\*.” \*\*\* foreign producer questionnaire, section III-3.

<sup>39</sup> \*\*\* foreign producer questionnaire, sections II-10a and II-10b.

<sup>40</sup> \*\*\* . Foreign producer questionnaire, section II-9.

the United States \*\*\* percent higher in interim 2023 compared to interim 2022, as well.<sup>41</sup> The unit value of exports to the United States declined by \*\*\* percent from 2020-22, and was \*\*\* percent lower in interim 2023 than in interim 2022. Resales exported to the United States increased in value by \*\*\* percent from 2020-22, and consequently the value of total exports to the United States, including resales, showed a slight increase of \*\*\* percent across the same period.

End-of-period inventories of SSSS increased steadily through 2020-22, for a two-year increase of \*\*\* percent, while inventories in interim 2023 were \*\*\* percent lower than interim 2022. As a ratio to production, inventories fluctuated between \*\*\* percent and \*\*\* percent, and as a ratio to total shipments, inventories fluctuated between \*\*\* percent and \*\*\* percent.

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<sup>41</sup> The higher value of exports to the U.S. in interim 2023 compared to interim 2022 by responding foreign producers is due almost entirely to the higher value of exports reported by \*\*\*. \*\*\* foreign producer questionnaire, section II-13.

**Table IV-16**  
**SSSS: Data on industry in Japan, by item and period**

Quantity in short tons; value in 1,000 dollars

Item	Measure	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Capacity	Quantity	***	***	***	***	***
Production	Quantity	***	***	***	***	***
End-of-period inventories	Quantity	***	***	***	***	***
Internal consumption and transfers	Quantity	***	***	***	***	***
Commercial home market shipments	Quantity	***	***	***	***	***
Home market shipments	Quantity	***	***	***	***	***
Exports to the United States	Quantity	***	***	***	***	***
Exports to all other markets	Quantity	***	***	***	***	***
Total shipments	Quantity	***	***	***	***	***
Resales exported to the United States	Quantity	***	***	***	***	***
Total exports to the United States	Quantity	***	***	***	***	***
Internal consumption and transfers	Value	***	***	***	***	***
Commercial home market shipments	Value	***	***	***	***	***
Home market shipments	Value	***	***	***	***	***
Exports to the United States	Value	***	***	***	***	***
Exports to all other markets	Value	***	***	***	***	***
Total shipments	Value	***	***	***	***	***
Resales exported to the United States	Value	***	***	***	***	***
Total exports to the United States	Value	***	***	***	***	***

Table continued.

**Table IV-16 Continued**  
**SSSS: Data on industry in Japan, by item and period**

Unit value in dollars per short ton; ratios and shares in percent

Item	Measure	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
Internal consumption and transfers	Unit value	***	***	***	***	***
Commercial home market shipments	Unit value	***	***	***	***	***
Home market shipments	Unit value	***	***	***	***	***
Exports to the United States	Unit value	***	***	***	***	***
Exports to all other markets	Unit value	***	***	***	***	***
Total shipments	Unit value	***	***	***	***	***
Resales exported to the United States	Unit value	***	***	***	***	***
Total exports to the United States	Unit value	***	***	***	***	***
Capacity utilization ratio	Ratio	***	***	***	***	***
Inventory ratio to production	Ratio	***	***	***	***	***
Inventory ratio to total shipments	Ratio	***	***	***	***	***
Internal consumption and transfers	Share	***	***	***	***	***
Commercial home market shipments	Share	***	***	***	***	***
Home market shipments	Share	***	***	***	***	***
Exports to the United States	Share	***	***	***	***	***
Exports to all other markets	Share	***	***	***	***	***
Total shipments	Share	100.0	100.0	100.0	100.0	100.0
Total exports to the United States by producers	Share	***	***	***	***	***
Total exports to the United States by resellers	Share	***	***	***	***	***
Adjusted total shipments exported to the United States	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 "--".

**Table IV-17**  
**SSSS: Producers' and resellers' exports from Japan, by destination market and period**

Quantity in short tons; shares and ratios in percent

Destination market	Measure	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
United States	Quantity	***	***	***	***	***
European Union	Quantity	***	***	***	***	***
Asia	Quantity	***	***	***	***	***
All other destination markets	Quantity	***	***	***	***	***
Non-U.S. destination markets	Quantity	***	***	***	***	***
All destination markets	Quantity	***	***	***	***	***
United States	Value	***	***	***	***	***
European Union	Value	***	***	***	***	***
Asia	Value	***	***	***	***	***
All other destination markets	Value	***	***	***	***	***
Non-U.S. destination markets	Value	***	***	***	***	***
All destination markets	Value	***	***	***	***	***
United States	Unit value	***	***	***	***	***
European Union	Unit value	***	***	***	***	***
Asia	Unit value	***	***	***	***	***
All other destination markets	Unit value	***	***	***	***	***
Non-U.S. destination markets	Unit value	***	***	***	***	***
All destination markets	Unit value	***	***	***	***	***
United States	Share of quantity	***	***	***	***	***
European Union	Share of quantity	***	***	***	***	***
Asia	Share of quantity	***	***	***	***	***
All other destination markets	Share of quantity	***	***	***	***	***
Non-U.S. destination markets	Share of quantity	***	***	***	***	***
All destination markets	Share of quantity	***	***	***	***	***
United States	Ratio	***	***	***	***	***
European Union	Ratio	***	***	***	***	***
Asia	Ratio	***	***	***	***	***
All other destination markets	Ratio	***	***	***	***	***
Non-U.S. destination markets	Ratio	***	***	***	***	***
All destination markets	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 "--". Ratios represent the portion of the producers' total shipments that are exported by producers and resellers.

## Alternative products

Table IV-18 presents the overall production of responding producers in Japan on the same equipment as subject production. Four of five responding firms produced other products on the same equipment and machinery used to produce SSSS.<sup>42</sup> The growth in production of other products outpaced the irregular growth of total production from 2020-22, leading to a \*\*\* percentage point rise in other products as a share of total production. Aggregate production of other products by responding Japanese producers grew annually from 2020-22, for a two-year increase of 27.9 percent. Production of other products in interim 2023 was \*\*\* percent lower than interim 2022, with all firms reporting lower levels of production of other products in interim 2023 compared to interim 2022.

With the exception of \*\*\*, all firms which reported production of other products experienced annual growth in this production from 2020-22.<sup>43 44 45 46</sup> However, 94.5 percent of the aggregate 2020-22 growth in production of other products was driven by \*\*\*, which was the largest producer of other products for all periods reported, never accounting for less than \*\*\* percent of total production of other products.

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<sup>42</sup> \*\*\* was the only responding Japanese producer/exporter which did not report production of other products on the same equipment and machinery used to produce SSSS. \*\*\* foreign producer/exporter questionnaire, section II-3a.

<sup>43</sup> \*\*\* . \*\*\* foreign producer questionnaire, sections II-3a, II-4a, and II-4b.

<sup>44</sup> \*\*\* . \*\*\* foreign producer questionnaire, sections II-3a, II-4a and II-4b.

<sup>45</sup> \*\*\* . \*\*\* foreign producer questionnaire, sections II-4a and II-4b.

<sup>46</sup> \*\*\* . \*\*\* foreign producer questionnaire, sections II-3a, II-4a, and II-4b.

**Table IV-18****SSSS: Japanese producers' overall production on the same equipment as subject production, by product category and period**

Quantity in short tons; share and ratio in percent

Product Type	Measure	2020	2021	2022	Jan-Mar 2022	Jan-Mar 2023
SSSS	Quantity	***	***	***	***	***
Other products	Quantity	134,194	150,015	171,682	***	***
All products	Quantity	***	***	***	***	***
SSSS	Share	***	***	***	***	***
Other products	Share	***	***	***	***	***
All products	Share	100.0	100.0	100.0	100.0	100.0

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

## Exports

According to GTA, the leading export markets for SSSS from Japan are China, Thailand, and India (table IV-19), accounting for 17.6 percent, 14.7 percent, and 13.0 percent of total exports of SSSS from Japan, respectively, during 2022. The United States was not among the top export markets for SSSS from Japan, never accounting for more than 2.2 percent of total exports in each year from 2020-22.



**Table IV-19**  
**SSSS Exports from Japan, by destination market and period**

Quantity in short tons; value in 1,000 dollars

<b>Destination market</b>	<b>Measure</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
United States	Quantity	8,619	9,529	9,151
China	Quantity	91,113	92,439	72,789
Thailand	Quantity	46,648	74,700	60,878
India	Quantity	46,149	61,202	53,849
Indonesia	Quantity	21,998	48,124	43,274
South Korea	Quantity	56,820	62,152	37,762
Mexico	Quantity	31,973	41,557	32,208
Vietnam	Quantity	29,889	32,295	29,668
Taiwan	Quantity	36,301	32,170	22,464
All other destination markets	Quantity	56,941	60,671	50,759
Non-U.S. destination markets	Quantity	417,831	505,310	403,652
All destination markets	Quantity	426,450	514,839	412,803
United States	Value	29,656	33,601	39,869
China	Value	260,245	280,965	269,131
Thailand	Value	117,055	179,118	174,345
India	Value	89,205	124,480	144,940
Indonesia	Value	51,877	94,394	99,978
South Korea	Value	93,799	104,483	92,109
Mexico	Value	72,237	101,630	105,589
Vietnam	Value	41,867	56,599	59,478
Taiwan	Value	68,717	79,191	66,425
All other destination markets	Value	184,803	204,382	227,422
Non-U.S. destination markets	Value	979,805	1,225,241	1,239,417
All destination markets	Value	1,009,461	1,258,843	1,279,286

Table continued.

**Table IV-19 Continued**  
**SSSS: Exports from Japan, by destination market and period**

Unit value in dollars per short ton; shares in percent

<b>Destination market</b>	<b>Measure</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
United States	Unit value	3,441	3,526	4,357
China	Unit value	2,856	3,039	3,697
Thailand	Unit value	2,509	2,398	2,864
India	Unit value	1,933	2,034	2,692
Indonesia	Unit value	2,358	1,961	2,310
South Korea	Unit value	1,651	1,681	2,439
Mexico	Unit value	2,259	2,446	3,278
Vietnam	Unit value	1,401	1,753	2,005
Taiwan	Unit value	1,893	2,462	2,957
All other destination markets	Unit value	3,246	3,369	4,480
Non-U.S. destination markets	Unit value	2,345	2,425	3,071
All destination markets	Unit value	2,367	2,445	3,099
United States	Share of quantity	2.0	1.9	2.2
China	Share of quantity	21.4	18.0	17.6
Thailand	Share of quantity	10.9	14.5	14.7
India	Share of quantity	10.8	11.9	13.0
Indonesia	Share of quantity	5.2	9.3	10.5
South Korea	Share of quantity	13.3	12.1	9.1
Mexico	Share of quantity	7.5	8.1	7.8
Vietnam	Share of quantity	7.0	6.3	7.2
Taiwan	Share of quantity	8.5	6.2	5.4
All other destination markets	Share of quantity	13.4	11.8	12.3
Non-U.S. destination markets	Share of quantity	98.0	98.1	97.8
All destination markets	Share of quantity	100.0	100.0	100.0

Source: Official exports statistics under HS subheading 7219.13, 7219.14, 7219.32, 7219.33, 7219.34, 7219.35, 7219.90, 7220.12, 7220.20, and 7220.90 reported by Japan Ministry of Finance in the Global Trade Atlas Suite database, accessed May 25, 2023. These data may be overstated as HS subheadings 7219.13, 7219.14, 7219.32, 7219.33, 7219.34, 7219.35, 7219.90, 7220.12, 7220.20, and 7220.90 may contain products outside the scope of these reviews.

Note: United States is shown at the top followed by the top exporting countries in descending order of 2022 data.

# The industry in South Korea

## Overview

During the final phase of the original investigations, the Commission received foreign producer/exporter questionnaires from four firms, comprising all producers of SSSS in South Korea.<sup>47</sup> During the first five-year reviews, the Commission received foreign producer/exporter questionnaires from five firms.<sup>48</sup> During the second five-year reviews, the Commission received a foreign producer/exporter questionnaire from one firm, POSCO, which based on \*\*\* data, accounted for \*\*\* percent of cold-rolling capacity and \*\*\* percent of hot-rolling capacity in South Korea in 2010.<sup>49</sup> During the third five-year reviews, the Commission received a foreign producer/exporter questionnaire from one firm, Hyundai-BNG, which did not provide an estimate of its share of production in Korea.<sup>50</sup>

Although the Commission did not receive responses from any respondent interested parties in these fourth five-year full reviews, the domestic interested parties provided a list of 52 possible producers of SSSS in South Korea in their response to the notice of institution.<sup>51</sup>

There were no major developments in the South Korean industry since the continuation of the orders identified by interested parties in the proceeding and no relevant information from outside sources was found.

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<sup>47</sup> Original publication, p. I-2, VII-5.

<sup>48</sup> Counsel for South Korean respondent interested parties in the first review indicated that there were a few additional rerollers of SSSS in South Korea other than the firms which submitted questionnaire responses to the Commission, but that these non-reporting re-rollers accounted for a “very minor” portion of total SSSS production in South Korea. First review publication, p. IV-16.

<sup>49</sup> Investigation Nos. 701-TA-382 and 731-TA-798-803 (Second Review): Stainless Steel Sheet and Strip from Germany, Italy, Japan, Korea, Mexico, and Taiwan, Confidential Report, INV-JJ-065, June 22, 2011, p. IV-26.

<sup>50</sup> Third review publication, p. IV-16.

<sup>51</sup> Domestic interested parties’ response to the notice of institution, October 3, 2022, exh. 18.

Table IV-20 provides an alternative source of information on overall SSSS CR capacity, production, exports, imports, and consumption in South Korea. Capacity remained constant during 2020-22, while production decreased irregularly by \*\*\* percent, and is projected to increase by \*\*\* percent in 2023 compared to 2022. Capacity utilization decreased irregularly by \*\*\* percentage points from 2020-22 and is projected to rise \*\*\* percentage points in 2023 compared to 2022. Home market consumption, inclusive of imports, and exports each decreased irregularly by \*\*\* percent and \*\*\* percent, respectively, from 2020-22. Despite the 2020-22 decrease in overall home market consumption, the home market consumption of SSSS produced in South Korea (i.e., home market consumption not including imports) increased \*\*\* percent from 2020-22.

**Table IV-20****Stainless steel cold-rolled products: Capacity, production, exports, imports, and consumption in South Korea, by item and period**

Quantity in short tons; ratio in percent

Destination market	Measure	2020	2021	2022	Projected 2023
Capacity	Quantity	***	***	***	***
Production	Quantity	***	***	***	***
Capacity Utilization	Ratio	***	***	***	***
Exports	Quantity	527,814	537,872	365,647	***
Exports as a ratio to production	Ratio	***	***	***	***
Production consumed in home market	Quantity	***	***	***	***
Imports	Quantity	481,158	396,492	339,914	***
Consumption in home market	Quantity	***	***	***	***

Source: \*\*\* for capacity and production based on cold-rolling machinery. Official exports and imports statistics under HS subheadings 7219.31, 7219.32, 7219.33, 7219.34, 7219.35, and 7220.20 reported by Korea Trade Statistics Promotion Institute in the Global Trade Atlas Suite database, accessed August 30, 2023.

Note: Table IV-20 includes data from excluded producer POSCO. In 2022, POSCO accounted for \*\*\* percent of total stainless steel cold-rolled capacity, according to \*\*\*. NAS and Outokumpu's posthearing brief, exh. 16.

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: \*\*\* data presented is both overinclusive (of excluded stainless steel flat products such as thick plates and cut-to-length sheets and strips, etc.) and underinclusive of the select hot-rolled products included in the SSSS product scope. In order to more closely align the product composition of the trade data in this table to the \*\*\* data presented for capacity and production, trade data in this table is comprised of a different group of HS subheadings compared to trade data elsewhere in this report, i.e., subheadings which do not include the select hot-rolled subheadings that are included in the SSSS scope and which include an additional cold-rolled subheading otherwise excluded from the SSSS scope. As such, the presentation of trade data in this table differs from trade data presented for South Korea elsewhere in this report.

## Exports

According to GTA, the leading export markets for SSSS from South Korea are Thailand, Vietnam, and Japan (table IV-21), accounting for 16.9 percent, 14.4 percent, and 10.8 percent of total exports of SSSS from South Korea, respectively, during 2022. The United States was not among the top export markets for SSSS from South Korea, never accounting for more than 1.5 percent of total exports in each year from 2020-22.

**Table IV-21**  
**SSSS: Exports from South Korea, by destination market and period**

Quantity in short tons; value in 1,000 dollars

<b>Destination market</b>	<b>Measure</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
United States	Quantity	12,742	14,769	11,014
Thailand	Quantity	211,944	165,087	121,833
Vietnam	Quantity	185,679	162,432	103,786
Japan	Quantity	132,665	155,080	77,822
China	Quantity	90,642	82,457	63,257
Mexico	Quantity	57,963	80,852	61,445
Italy	Quantity	124,335	96,135	54,090
Turkey	Quantity	147,006	105,376	51,311
India	Quantity	58,173	43,417	42,119
All other destination markets	Quantity	176,666	179,737	134,301
Non-U.S. destination markets	Quantity	1,185,074	1,070,573	709,965
All destination markets	Quantity	1,197,815	1,085,342	720,979
United States	Value	22,813	31,571	30,378
Thailand	Value	286,960	295,089	267,261
Vietnam	Value	271,276	312,239	224,175
Japan	Value	270,922	366,266	240,609
China	Value	114,973	132,052	125,317
Mexico	Value	108,542	181,655	172,878
Italy	Value	195,543	203,459	162,476
Turkey	Value	224,553	213,654	125,483
India	Value	77,803	68,936	77,149
All other destination markets	Value	296,385	403,023	362,460
Non-U.S. destination markets	Value	1,846,958	2,176,374	1,757,808
All destination markets	Value	1,869,771	2,207,944	1,788,186

Table continued.

**Table IV-21 Continued**  
**SSSS: Exports from South Korea, by destination market and period**

Unit value in dollars per short tons; shares in percent

<b>Destination market</b>	<b>Measure</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
United States	Unit value	1,790	2,138	2,758
Thailand	Unit value	1,354	1,787	2,194
Vietnam	Unit value	1,461	1,922	2,160
Japan	Unit value	2,042	2,362	3,092
China	Unit value	1,268	1,601	1,981
Mexico	Unit value	1,873	2,247	2,814
Italy	Unit value	1,573	2,116	3,004
Turkey	Unit value	1,528	2,028	2,446
India	Unit value	1,337	1,588	1,832
All other destination markets	Unit value	1,678	2,242	2,699
Non-U.S. destination markets	Unit value	1,559	2,033	2,476
All destination markets	Unit value	1,561	2,034	2,480
United States	Share of quantity	1.1	1.4	1.5
Thailand	Share of quantity	17.7	15.2	16.9
Vietnam	Share of quantity	15.5	15.0	14.4
Japan	Share of quantity	11.1	14.3	10.8
China	Share of quantity	7.6	7.6	8.8
Mexico	Share of quantity	4.8	7.4	8.5
Italy	Share of quantity	10.4	8.9	7.5
Turkey	Share of quantity	12.3	9.7	7.1
India	Share of quantity	4.9	4.0	5.8
All other destination markets	Share of quantity	14.7	16.6	18.6
Non-U.S. destination markets	Share of quantity	98.9	98.6	98.5
All destination markets	Share of quantity	100.0	100.0	100.0

Source: Official exports statistics under HS subheading 7219.13, 7219.14, 7219.32, 7219.33, 7219.34, 7219.35, 7219.90, 7220.12, 7220.20, and 7220.90 reported by Korea Trade Statistics Promotion Institute (KTSPI) in the Global Trade Atlas Suite database, accessed May 24, 2023. These data may be overstated as HS subheadings 7219.13, 7219.14, 7219.32, 7219.33, 7219.34, 7219.35, 7219.90, 7220.12, 7220.20, and 7220.90 may contain products outside the scope of these reviews.

Note: United States is shown at the top followed by the top exporting countries in descending order of 2022 data.

## The industry in Taiwan

### Overview

During the final phase of the original investigations, the Commission received foreign producer/exporter questionnaires from three firms, which accounted for the majority of production of SSSS in Taiwan during 1998.<sup>52</sup> During the first five-year reviews, the Commission received foreign producer/exporter questionnaires from one firm, however the domestic industry \*\*\*, and this firm's data was not included in the report.<sup>53</sup> The Commission did not receive responses from any respondent interested parties in its second and third five-year reviews.<sup>54</sup> In this fourth five-year review, the Commission issued foreign producer/exporter questionnaires to 11 firms believed to produce and/or export SSSS in Taiwan.

Although the Commission did not receive responses from any respondent interested parties in these five-year reviews, the domestic interested parties provided a list of 98 possible producers of SSSS in Taiwan.<sup>55 56</sup>

There were no major developments in Taiwan's industry since the continuation of the orders identified by interested parties in the proceeding and no relevant information from outside sources was found.

Table IV-22 provides an alternative source of information on overall SSSS CR capacity, production, exports, imports, and consumption in Taiwan. During 2020-22, capacity remained constant while production decreased irregularly by \*\*\* percent. Production is then projected to rise \*\*\* percent in 2023 compared to 2022, and representing a \*\*\* percent increase compared to 2020. Consequently, while capacity utilization from 2020-22 declined irregularly by \*\*\* percentage points, projected capacity utilization in 2023 represents a \*\*\* percentage point increase compared to 2020. As home market consumption, inclusive of imports, decreased irregularly by \*\*\* percent during 2020-22, exports increased irregularly by \*\*\* percent over the same period.

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<sup>52</sup> Original publication, p. VII-6.

<sup>53</sup> Investigation Nos. 701-TA-381-382 and 731-TA-797-804 (Review): Stainless Steel Sheet and Strip from France, Germany, Italy, Japan, Korea, Mexico, Taiwan, and the United Kingdom, Confidential Report, INV-CC-070, May 23, 2005, p. IV-36.

<sup>54</sup> Second review publication, p. IV-15 and third review publication, p. IV-21.

<sup>55</sup> Domestic interested parties' response to the notice of institution, October 3, 2022, exh. 18.

<sup>56</sup> Stanch Stainless Steel Co., Ltd., indicated in its questionnaire response \*\*\*.



**Table IV-22****Stainless steel cold-rolled products: Capacity, production, exports, imports, and consumption in Taiwan, by item and period**

Quantity in short tons; ratio in percent

Destination market	Measure	2020	2021	2022	Projected 2023
Capacity	Quantity	***	***	***	***
Production	Quantity	***	***	***	***
Capacity Utilization	Ratio	***	***	***	***
Exports	Quantity	643,796	917,551	712,759	***
Exports as a ratio to production	Ratio	***	***	***	***
Production consumed in home market	Quantity	***	***	***	***
Imports	Quantity	93,468	112,157	102,699	***
Consumption in home market	Quantity	***	***	***	***

Source: \*\*\* for capacity and production based on cold-rolling machinery. Official exports and imports statistics under HS subheadings 7219.31, 7219.32, 7219.33, 7219.34, 7219.35, and 7220.20 reported by Taiwan Directorate General of Customs in the Global Trade Atlas Suite database, accessed August 30, 2023.

Note: Table IV-22 includes data from excluded producers Chang Mien and Tung Mung. In 2022, Chang Mien reported \*\*\* short tons of stainless steel cold-rolled capacity, and Tung Mung accounted for \*\*\* percent of total stainless steel cold-rolled capacity in Taiwan, according to \*\*\*. NAS and Outokumpu's posthearing brief, exh. 17.

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: \*\*\* data presented is both overinclusive (of excluded stainless steel flat products such as thick plates and cut-to-length sheets and strips, etc.) and underinclusive of the select hot-rolled products included in the SSSS product scope. In order to more closely align the product composition of the trade data in this table to the \*\*\* data presented for capacity and production, trade data in this table is comprised of a different group of HS subheadings compared to trade data elsewhere in this report, i.e., subheadings which do not include the select hot-rolled subheadings that are included in the SSSS scope and which include an additional cold-rolled subheading otherwise excluded from the SSSS scope. As such, the presentation of trade data in this table differs from trade data presented for Taiwan elsewhere in this report.

## Exports

According to GTA, the leading export markets for SSSS from Taiwan are the United States, Italy, and Japan (table IV-23). During 2022, the United States was the top export market for SSSS from Taiwan, accounting for 15.6 percent of total exports of SSSS from Taiwan in 2022, with Italy and Japan accounting for 10.4 percent and 8.1 percent, respectively.

**Table IV-23**  
**SSSS: Exports from Taiwan, by destination market and period**

Quantity in short tons; value in 1,000 dollars

<b>Destination market</b>	<b>Measure</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
United States	Quantity	44,377	140,808	135,420
Italy	Quantity	61,851	153,578	90,211
Japan	Quantity	29,064	48,420	69,903
South Korea	Quantity	43,191	24,676	61,157
Mexico	Quantity	31,405	42,502	50,537
Turkey	Quantity	42,971	65,440	59,444
Belgium	Quantity	23,941	103,709	42,880
Switzerland	Quantity	5,734	31,232	29,906
Canada	Quantity	29,612	35,530	27,743
All other destination markets	Quantity	398,579	381,568	300,872
Non-U.S. destination markets	Quantity	666,347	886,654	732,653
All destination markets	Quantity	710,724	1,027,462	868,072
United States	Value	89,046	447,996	447,789
Italy	Value	83,987	320,123	230,781
Japan	Value	54,817	119,183	204,643
South Korea	Value	65,044	50,243	147,729
Mexico	Value	42,732	79,195	124,025
Turkey	Value	56,816	109,209	123,724
Belgium	Value	33,215	227,768	112,926
Switzerland	Value	10,142	86,075	100,972
Canada	Value	55,619	91,041	94,144
All other destination markets	Value	713,474	927,951	881,138
Non-U.S. destination markets	Value	1,115,847	2,010,788	2,020,084
All destination markets	Value	1,204,893	2,458,784	2,467,873

Table continued.

**Table IV-23 Continued**  
**SSSS: Exports from Taiwan, by destination market and period**

Unit value in dollars per short ton; shares in percent

Destination market	Measure	2020	2021	2022
United States	Unit value	2,007	3,182	3,307
Italy	Unit value	1,358	2,084	2,558
Japan	Unit value	1,886	2,461	2,928
South Korea	Unit value	1,506	2,036	2,416
Mexico	Unit value	1,361	1,863	2,454
Turkey	Unit value	1,322	1,669	2,081
Belgium	Unit value	1,387	2,196	2,634
Switzerland	Unit value	1,769	2,756	3,376
Canada	Unit value	1,878	2,562	3,393
All other destination markets	Unit value	1,790	2,432	2,929
Non-U.S. destination markets	Unit value	1,675	2,268	2,757
All destination markets	Unit value	1,695	2,393	2,843
United States	Share of quantity	6.2	13.7	15.6
Italy	Share of quantity	8.7	14.9	10.4
Japan	Share of quantity	4.1	4.7	8.1
South Korea	Share of quantity	6.1	2.4	7.0
Mexico	Share of quantity	4.4	4.1	5.8
Turkey	Share of quantity	6.0	6.4	6.8
Belgium	Share of quantity	3.4	10.1	4.9
Switzerland	Share of quantity	0.8	3.0	3.4
Canada	Share of quantity	4.2	3.5	3.2
All other destination markets	Share of quantity	56.1	37.1	34.7
Non-U.S. destination markets	Share of quantity	93.8	86.3	84.4
All destination markets	Share of quantity	100.0	100.0	100.0

Source: Official exports statistics under HS subheading 7219.13, 7219.14, 7219.32, 7219.33, 7219.34, 7219.35, 7219.90, 7220.12, 7220.20, and 7220.90 reported by Taiwan Directorate General of Customs in the Global Trade Atlas Suite database, accessed July 11, 2023. These data may be overstated as HS subheadings 7219.13, 7219.14, 7219.32, 7219.33, 7219.34, 7219.35, 7219.90, 7220.12, 7220.20, and 7220.90 may contain products outside the scope of these reviews.

Note: United States is shown at the top followed by the top exporting countries in descending order of 2022 data.

## Third-country trade actions

Table IV-24 presents information on antidumping duty orders on certain stainless steel sheet and strip from Japan, South Korea, and Taiwan.

**Table IV-24**  
**Stainless steel sheet and strip: Third-country orders on subject countries**

Subject country	Country imposing orders	Product description	Imposition date	Duty rates
Japan	Thailand	Flat cold-rolled stainless steel	March 13, 2003, last extended February 18, 2021	Zero to 50.92 percent
South Korea	Malaysia	Cold-rolled stainless steel in coils, sheets or any other forms	February 8, 2018	Zero to 7.27 percent
South Korea	Thailand	Flat cold-rolled stainless steel	March 13, 2003, last extended February 18, 2021	50.99 percent
South Korea	Taiwan	Flat-rolled products of stainless steel, cold-rolled, whether in coils or sheets	August 15, 2013, extended August 29, 2019	26.53 percent to 37.65 percent
Taiwan	Brazil	Cold-rolled stainless steel sheet, grades 304, 304L and 430	October 4, 2013, extended October 2, 2019	\$93.36 to \$705.61 per metric ton
Taiwan	European Union	Stainless steel cold-rolled flat products	August 27, 2015, extended on September 16, 2021	Zero to 6.8 percent
Taiwan	European Union	Certain hot rolled stainless steel sheets and coils (SSHR)	October 8, 2020	4.1 percent to 7.5 percent
Taiwan	Malaysia	Cold-rolled stainless steel in coils, sheets or any other forms	February 8, 2018	Zero to 14.52 percent
Taiwan	Mexico	Stainless steel flat products	October 1, 2020	\$0.05 to \$0.61 per kilogram
Taiwan	South Korea	Flat-rolled products of stainless steel	September 15, 2021	7.17 percent to 9.47 percent
Taiwan	Thailand	Flat cold-rolled stainless steel	March 13, 2003, last extended February 18, 2021	Zero to 33.99 percent
Taiwan	Vietnam	Cold rolled stainless steel	October 4, 2014, extended October 21, 2019	37.29 percent

Source: World Trade Organization (“WTO”), Semi-Annual Report under Article 16.4 of the Agreement: Thailand, G/ADP/N/370/THA, September 29, 2022, p. 12.  
<https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/G/ADP/N370THA.pdf&Open=True>.

WTO, Semi-Annual Report under Article 16.4 of the Agreement: Thailand, G/ADP/N/357/THA, October 1, 2021, p. 7.  
<https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/G/ADP/N357THA.pdf&Open=True>.

WTO, Semi-Annual Report under Article 16.4 of the Agreement: Malaysia, G/ADP/N/370/MYS, August 26, 2022, p. 5.  
<https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/G/ADP/N370MYS.pdf&Open=True>.

WTO, Semi-Annual Report under Article 16.4 of the Agreement: Malaysia, G/ADP/N/314/MYS, October 16, 2018, p. 2.  
<https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/G/ADP/N314MYS.pdf&Open=True>.

WTO, Semi-Annual Report under Article 16.4 of the Agreement: The separate customs territory of Taiwan, Penghu, Kinmen, and Matsu, G/ADP/N/370/TPKM, October 1, 2021, p. 7.  
<https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/G/ADP/N370TPKM.pdf&Open=True>.

WTO, Semi-Annual Report under Article 16.4 of the Agreement: The separate customs territory of Taiwan, Penghu, Kinmen, and Matsu, G/ADP/N/259/TPKM, July 30, 2014, p. 2.  
<https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/G/ADP/N259TPKM.pdf&Open=True>.

WTO, Semi-Annual Report under Article 16.4 of the Agreement: Brazil, G/ADP/N/364/BRA, March 18, 2022, p. 20.  
<https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/G/ADP/N364BRA.pdf&Open=True>.

WTO, Semi-Annual Report under Article 16.4 of the Agreement: Brazil, G/ADP/N/335/BRA, April 7, 2020, p. 11. [https://docs.wto.org/mwg-internal/de5fs23hu73ds/progress?id=G3eLkMPnl--r1SxPNRF\\_71x1yXBgn1MkADuPn24pnlg.&dl](https://docs.wto.org/mwg-internal/de5fs23hu73ds/progress?id=G3eLkMPnl--r1SxPNRF_71x1yXBgn1MkADuPn24pnlg.&dl).

WTO, Semi-Annual Report under Article 16.4 of the Agreement: European Union, G/ADP/N/370/EU, October 5, 2022, p. 29.  
<https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/G/ADP/N370EU.pdf&Open=True>.

WTO, Semi-Annual Report under Article 16.4 of the Agreement: European Union, G/ADP/N/364/EU, April 13, 2022, p. 16.  
<https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/G/ADP/N364EU.pdf&Open=True>.

WTO, Semi-Annual Report under Article 16.4 of the Agreement: European Union, G/ADP/N/350/EU, April 16, 2021, p. 5.  
<https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/G/ADP/N350EU.pdf&Open=True>.

WTO, Semi-Annual Report under Article 16.4 of the Agreement: Mexico, G/ADP/N/350/MEX, March 11, 2021, p. 3. <https://docs.wto.org/mwg-internal/de5fs23hu73ds/progress?id=uOmxt-w-FN0yG6jVKqPrJDeIDAqeA02XbmqYKzu8Eb0.&dl>.

WTO, Semi-Annual Report under Article 16.4 of the Agreement: Republic of Korea, G/ADP/N/364/KOR, April 19, 2022, p. 3.  
<https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/G/ADP/N364KOR.pdf&Open=True>.

World Trade Organization, Semi-Annual Report under Article 16.4 of the Agreement: Viet Nam, G/ADP/N/370/VNM, August 22, 2022, p. 8.  
<https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/G/ADP/N370VNM.pdf&Open=True>.

World Trade Organization, Semi-Annual Report under Article 16.4 of the Agreement: Viet Nam, G/ADP/N/335/VNM, March 31, 2020, p. 5.  
<https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/G/ADP/N335VNM.pdf&Open=True>.

## Global market

Table IV-25 presents global export data for certain flat rolled products of stainless steel, a category that includes stainless steel sheet and strip and out-of-scope products (by source in descending order of quantity for 2022). China and Indonesia were the largest exporters in 2022 and accounted for 23.5 percent and 17.6 percent of total global exports by quantity, respectively. Taiwan was the fifth largest exporter, representing 5.8 percent of total global

exports in 2022, South Korea was the seventh largest exporter, representing 4.9 percent, and Japan was the eleventh largest exporter, representing 2.8 percent.

**Table IV-25**  
**Certain flat rolled products of stainless steel: Global exports, by reporting country and by period**

Quantity in short tons; value in 1,000 dollars

Exporting country	Measure	2020	2021	2022
United States	Quantity	234,025	241,346	241,388
Japan	Quantity	426,450	514,839	412,803
South Korea	Quantity	1,197,815	1,085,342	720,979
Taiwan	Quantity	710,724	1,027,462	868,072
Subject exporters	Quantity	2,334,989	2,627,644	2,001,854
China	Quantity	2,432,247	3,407,449	3,495,381
Indonesia	Quantity	1,658,483	2,508,979	2,613,805
Belgium	Quantity	1,066,229	1,249,600	1,170,438
Finland	Quantity	1,012,159	1,128,986	1,040,683
Italy	Quantity	670,401	831,327	798,537
Netherlands	Quantity	565,718	659,673	637,193
Germany	Quantity	437,948	505,783	483,330
France	Quantity	444,068	540,015	463,150
All other exporters	Quantity	1,919,244	2,250,787	1,911,068
All reporting exporters	Quantity	12,775,509	15,951,588	14,856,827
United States	Value	715,535	873,961	1,149,917
Japan	Value	1,009,461	1,258,843	1,279,286
South Korea	Value	1,869,771	2,207,944	1,788,186
Taiwan	Value	1,204,893	2,458,784	2,467,873
Subject exporters	Value	4,084,126	5,925,571	5,535,345
China	Value	3,371,042	8,065,772	10,599,334
Indonesia	Value	2,495,554	5,092,167	5,620,128
Belgium	Value	1,953,967	2,959,238	3,773,829
Finland	Value	1,886,549	2,617,084	3,198,702
Italy	Value	1,489,131	2,459,742	2,945,918
Netherlands	Value	1,242,306	1,891,842	2,334,621
Germany	Value	1,213,459	1,756,257	2,081,477
France	Value	930,812	1,467,406	1,639,980
All other exporters	Value	4,188,470	6,233,889	6,544,064
All reporting exporters	Value	23,570,949	39,342,929	45,423,315

Table continued.

**Table IV-25 Continued**  
**Certain flat rolled products of stainless steel: Global exports, by reporting country and by period**

Unit values in dollars per short ton; shares in percent

Exporting country	Measure	2020	2021	2022
United States	Unit value	3,058	3,621	4,764
Japan	Unit value	2,367	2,445	3,099
South Korea	Unit value	1,561	2,034	2,480
Taiwan	Unit value	1,695	2,393	2,843
Subject exporters	Unit value	1,749	2,255	2,765
China	Unit value	1,386	2,367	3,032
Indonesia	Unit value	1,505	2,030	2,150
Belgium	Unit value	1,833	2,368	3,224
Finland	Unit value	1,864	2,318	3,074
Italy	Unit value	2,221	2,959	3,689
Netherlands	Unit value	2,196	2,868	3,664
Germany	Unit value	2,771	3,472	4,307
France	Unit value	2,096	2,717	3,541
All other exporters	Unit value	2,182	2,770	3,424
All reporting exporters	Unit value	1,845	2,466	3,057
United States	Share of quantity	1.8	1.5	1.6
Japan	Share of quantity	3.3	3.2	2.8
South Korea	Share of quantity	9.4	6.8	4.9
Taiwan	Share of quantity	5.6	6.4	5.8
Subject exporters	Share of quantity	18.3	16.5	13.5
China	Share of quantity	19.0	21.4	23.5
Indonesia	Share of quantity	13.0	15.7	17.6
Belgium	Share of quantity	8.3	7.8	7.9
Finland	Share of quantity	7.9	7.1	7.0
Italy	Share of quantity	5.2	5.2	5.4
Netherlands	Share of quantity	4.4	4.1	4.3
Germany	Share of quantity	3.4	3.2	3.3
France	Share of quantity	3.5	3.4	3.1
All other exporters	Share of quantity	15.0	14.1	12.9
All reporting exporters	Share of quantity	100.0	100.0	100.0

Source: Official exports statistics under HS subheading 7219.13, 7219.14, 7219.32, 7219.33, 7219.34, 7219.35, 7219.90, 7220.12, 7220.20, and 7220.90 reported by various national statistical authorities in the Global Trade Atlas Suite database, accessed July 5, 2023. These data may be overstated as HS subheadings 7219.13, 7219.14, 7219.32, 7219.33, 7219.34, 7219.35, 7219.90, 7220.12, 7220.20, and 7220.90 may contain products outside the scope of these reviews.

Note: Because of rounding, figures may not add to totals shown. United States is shown at the top followed by the top exporting countries in descending order of 2022 data.

Note: United States is shown at the top followed by the countries under order, all remaining top exporting countries in descending order of 2022 data.





# Part V: Pricing data

## Factors affecting prices

### Raw material costs

U.S. producers’ raw material costs as a share of the cost of goods sold (“COGS”) increased from 59.2 percent in 2020 to 68.2 percent in 2022. U.S. producers’ raw material costs as a share of COGS decreased from 70.6 percent in January-March 2022 to 62.5 percent in January-March 2023.

This increase in COGS likely reflects that fluctuating prices for the primary raw materials used in the production of SSSS increased overall during January 2017-March 2023.

The primary raw materials used in the production of SSSS include alloy materials (particularly chromium, nickel, and molybdenum), stainless steel scrap, and iron scrap. The amount of alloying elements varies by the grade of SSSS.<sup>1</sup> Common grades of SSSS include AISI grades 304, 316, 409, and 430.<sup>2</sup> Grades 304 and 316 contain substantial amounts of nickel for example, while grades 409 and 430 do not (table V-1).

**Table V-1**  
**SSSS: Chemical analysis of grades 304, 316, 409, and 430, by chemical type**

Data in maximum percent of grade composition

Grade	Carbon	Mang- anese	Phosphorus	Sulfur	Silicon	Chro- mium	Nickel	Moly- bdenum	Other
304	0.08	2.00	0.045	0.030	1.00	18.00- 20.00	8.00- 10.50	0	0
316	0.08	2.00	0.045	0.030	1.00	16.00- 18.00	10.00- 14.00	2.00-3.00	0
409	0.08	1.00	0.045	0.045	1.00	10.50- 11.75	0.50	0	6xC/0. 75 Ti <sup>3</sup>
430	0.12	1.00	0.040	0.030	1.00	16.00- 18.00	0.75	0	0

Source: Specialty Steel Industry of North America, Designer Handbook: Design Guidelines for the Selection and Use of Stainless Steel, Tables 8 and II, pp 8, 10.

<sup>1</sup> For more specific information on the types of SSSS and their makeup, see Part I of this report or *Stainless Steel Sheet and Strip from Germany, Italy, Japan, Korea, Mexico, and Taiwan, Inv. Nos. 701-TA-382 and 731-TA-798-803 (Second Review)*, USITC Publication 4244, July 2011, V-1.

<sup>2</sup> Conference transcript, pp.47 (Pheiffer) and 80 (Taylor, Hartford).

<sup>3</sup> Titanium (Ti) is an alloying element in grade 409.

The published prices of grades 304 and 316 stainless steel coil generally increased from January 1, 2017 to March 31, 2023. The published price of 304 grade stainless steel coil increased \*\*\* percent from January 2017 to March 2023. The published price of 316 grade stainless steel coil increased by \*\*\* percent over the same time period. The published price of 430 grade stainless steel coil increased to a lesser degree (\*\*\* percent) over the same period (figure V-1 and tables V-2 to V-4).

**Figure V-1**  
**SSSS: Published steel coil prices by grade, January 2017 through March 2023**

\* \* \* \* \*

Source: MEPS International Limited, accessed June 8, 2023

**Table V-2**  
**SSSS: Grade 304 steel coil published prices, January 2017 through March 2023**

Prices in dollar per metric ton; "NA" is not available

Month	2017	2018	2019	2020	2021	2022	2023
January	***	***	***	***	***	***	***
February	***	***	***	***	***	***	***
March	***	***	***	***	***	***	***
April	***	***	***	***	***	***	***
May	***	***	***	***	***	***	***
June	***	***	***	***	***	***	***
July	***	***	***	***	***	***	***
August	***	***	***	***	***	***	***
September	***	***	***	***	***	***	***
October	***	***	***	***	***	***	***
November	***	***	***	***	***	***	***
December	***	***	***	***	***	***	***

Source: MEPS International Limited, accessed June 8, 2023

**Table V-3**  
**SSSS: Grade 316 steel coil published prices, January 2017 through March 2023**

Prices in dollar per metric ton; "NA" is not available

Month	2017	2018	2019	2020	2021	2022	2023
January	***	***	***	***	***	***	***
February	***	***	***	***	***	***	***
March	***	***	***	***	***	***	***
April	***	***	***	***	***	***	***
May	***	***	***	***	***	***	***
June	***	***	***	***	***	***	***
July	***	***	***	***	***	***	***
August	***	***	***	***	***	***	***
September	***	***	***	***	***	***	***
October	***	***	***	***	***	***	***
November	***	***	***	***	***	***	***
December	***	***	***	***	***	***	***

Source: MEPS International Limited, accessed June 8, 2023

**Table V-4**  
**SSSS: Grade 430 steel coil published prices, January 2017 through March 2023**

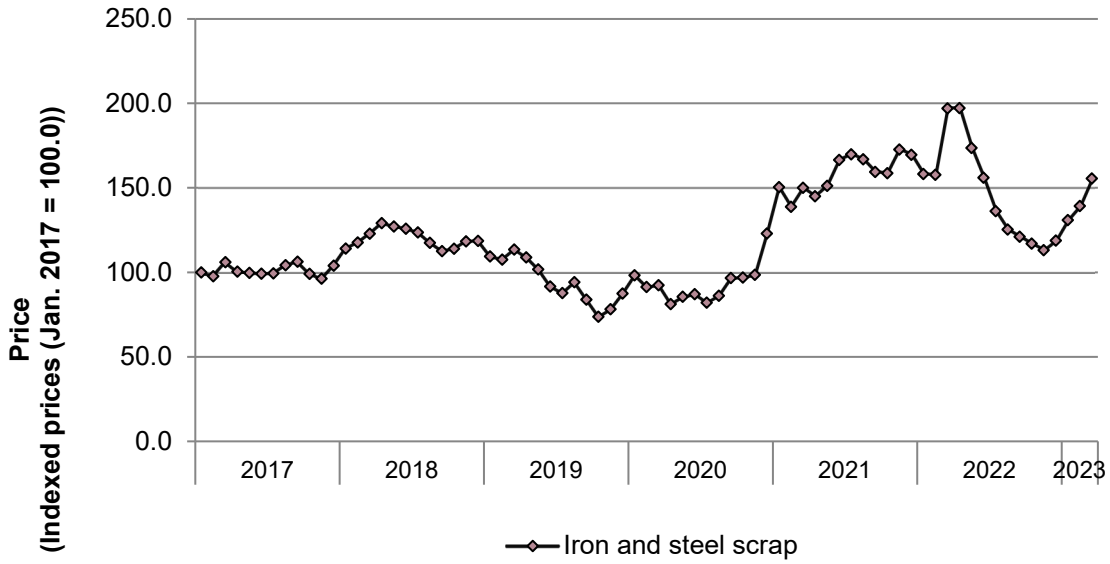
Prices in dollar per metric ton; "NA" is not available

Month	2017	2018	2019	2020	2021	2022	2023
January	***	***	***	***	***	***	***
February	***	***	***	***	***	***	***
March	***	***	***	***	***	***	***
April	***	***	***	***	***	***	***
May	***	***	***	***	***	***	***
June	***	***	***	***	***	***	***
July	***	***	***	***	***	***	***
August	***	***	***	***	***	***	***
September	***	***	***	***	***	***	***
October	***	***	***	***	***	***	***
November	***	***	***	***	***	***	***
December	***	***	***	***	***	***	***

Source: MEPS International Limited, accessed June 8, 2023

The price of iron and steel scrap increased 55.6 percent over the period (figure V-2 and table V-5).

**Figure V-2**  
**SSSS: Producer price index of iron and steel scrap, monthly, not seasonally adjusted, January 2017 through March 2023**



Source: Federal Reserve Bank of St. Louis, Economic Research Division, <https://fred.stlouisfed.org>, accessed June 15, 2023

**Table V-5****SSSS: Producer price index of iron and steel scrap, monthly, not seasonally adjusted, January 2017 = 100.0, January 2017 through March 2023**

Indexed prices in percent; "NA" is not available

Month	2017	2018	2019	2020	2021	2022	2023
January	100.0	114.1	109.5	98.3	150.4	158.2	130.9
February	97.8	117.7	107.6	91.3	138.8	157.8	139.3
March	106.1	123.0	113.6	92.5	150.1	197.1	155.6
April	100.5	129.1	108.9	81.3	145.1	197.2	***
May	99.7	127.2	101.8	85.6	151.3	173.6	***
June	99.3	125.9	91.6	87.1	166.5	156.0	***
July	99.4	123.7	87.8	82.1	169.9	136.3	***
August	104.3	117.6	94.2	86.2	166.9	125.4	***
September	106.3	112.6	83.9	96.7	159.4	121.1	***
October	99.2	114.0	73.8	97.0	158.7	117.1	***
November	96.3	118.4	78.2	98.6	172.7	113.2	***
December	104.0	118.6	87.5	123.0	169.6	118.8	***

Source: Federal Reserve Bank of St. Louis, Economic Research Division, <https://fred.stlouisfed.org>, accessed June 15, 2023

Overall, the prices of nickel, chrome, and molybdenum increased between January 2017 and March 2023. The price of chrome increased by \*\*\* percent while the price of nickel increased by \*\*\* percent from January 2017 to March 2023. The price of molybdenum increased by \*\*\* percent over the same period.

**Figure V-3**  
**SSSS: Raw material prices, January 2017 through March 2023**

\* \* \* \* \*

Source: \*\*\*

**Table V-6**  
**SSSS: Ferro-chrome low carbon 0.05%C, 65% Cr min prices, January 2017 through March 2023**

Prices in dollar per pound; "NA" is not available

Month	2017	2018	2019	2020	2021	2022	2023
January	***	***	***	***	***	***	***
February	***	***	***	***	***	***	***
March	***	***	***	***	***	***	***
April	***	***	***	***	***	***	***
May	***	***	***	***	***	***	***
June	***	***	***	***	***	***	***
July	***	***	***	***	***	***	***
August	***	***	***	***	***	***	***
September	***	***	***	***	***	***	***
October	***	***	***	***	***	***	***
November	***	***	***	***	***	***	***
December	***	***	***	***	***	***	***

Source: \*\*\*

**Table V-7**  
**SSSS: LME Nickel prices, January 2017 through March 2023**

Prices in dollar per pound; "NA" is not available

Month	2017	2018	2019	2020	2021	2022	2023
January	***	***	***	***	***	***	***
February	***	***	***	***	***	***	***
March	***	***	***	***	***	***	***
April	***	***	***	***	***	***	***
May	***	***	***	***	***	***	***
June	***	***	***	***	***	***	***
July	***	***	***	***	***	***	***
August	***	***	***	***	***	***	***
September	***	***	***	***	***	***	***
October	***	***	***	***	***	***	***
November	***	***	***	***	***	***	***
December	***	***	***	***	***	***	***

Source: \*\*\*



**Table V-8**  
**SSSS: Ferro-molybdenum 65-70% Mo prices, January 2017 through March 2023**

Prices in dollar per pound; "NA" is not available

Month	2017	2018	2019	2020	2021	2022	2023
January	***	***	***	***	***	***	***
February	***	***	***	***	***	***	***
March	***	***	***	***	***	***	***
April	***	***	***	***	***	***	***
May	***	***	***	***	***	***	***
June	***	***	***	***	***	***	***
July	***	***	***	***	***	***	***
August	***	***	***	***	***	***	***
September	***	***	***	***	***	***	***
October	***	***	***	***	***	***	***
November	***	***	***	***	***	***	***
December	***	***	***	***	***	***	***

Source: \*\*\*

All three U.S. producers and 11 of 13 responding importers reported that raw material prices had increased steadily or fluctuated up since January 2017. U.S. producer \*\*\* reported that there has been a large increase in the price of raw materials, which has created pressure to raise the price of SSSS. U.S. producer \*\*\* reported that scrap prices have increased overall, and that raw material prices are tied to nickel, chrome, and iron indexes in a similar fashion to its finished goods surcharge (as discussed more below). It also reported that the nickel index is highly volatile due to market conditions and speculations. Importer \*\*\* reported that global increases in commodity prices have pushed up costs and led to increases in selling prices based on its cost plus pricing model. Importer \*\*\* reported that prices are mainly driven by the price of nickel. Importer \*\*\* reported that it has seen massive inflation in recent years.

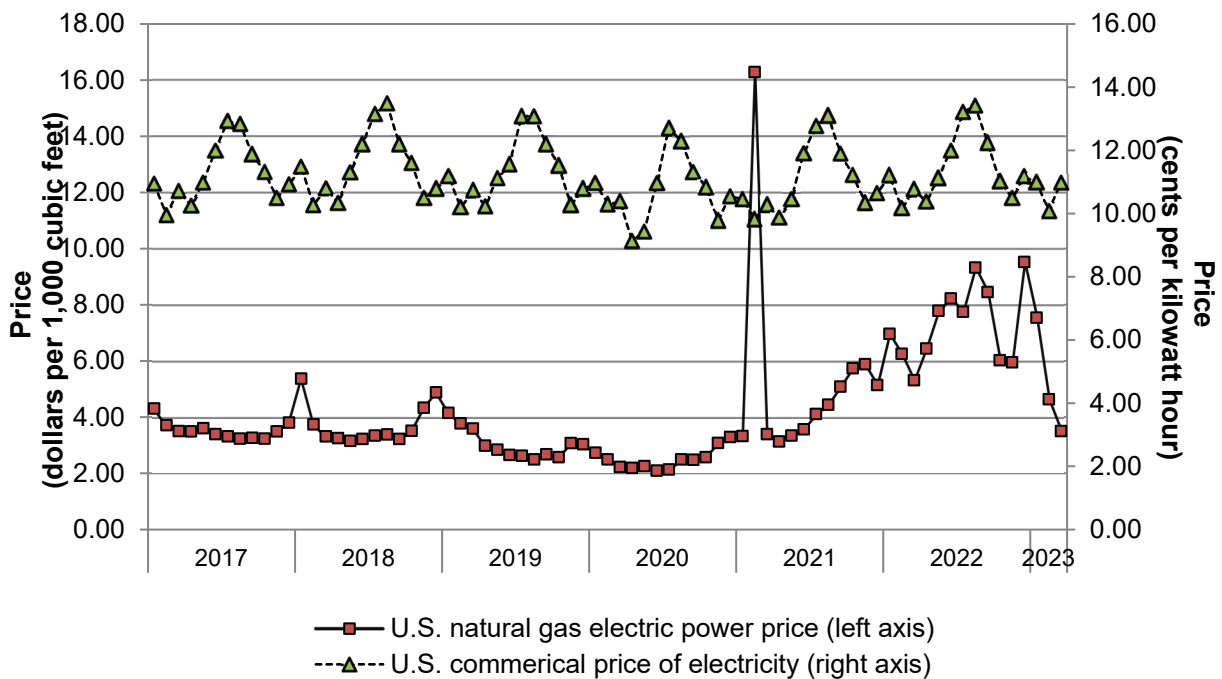
The majority of purchasers (8 of 10) reported that they were familiar with raw material costs. The majority of purchasers (6 of 10) reported that information on raw material prices affected negotiations or contracts to purchase SSSS since January 1, 2017. Purchaser \*\*\* reported that increased raw material costs have driven up the prices on SSSS. Purchaser \*\*\* reported that swings in nickel pricing can impact demand. Purchaser \*\*\* reported prices for raw materials such as nickel and ferrochrome are determining factors for customers who hedge materials or want a surcharge for a period of time longer than one month.

The majority of U.S. producers (2 of 3) and half of responding importers (6 of 12) reported that they anticipate the prices of raw materials to continue to increase steadily or fluctuate up.

## Energy costs

Energy costs are another important factor in SSSS production. The price of both electricity and natural gas fluctuated throughout the period (figure V-4 and tables V-9 and V-10). There was a spike in the price of natural gas in February of 2021 due to a winter storm which increased natural gas consumption and disrupted energy supplies. Production of natural gas in Texas was reduced by half due to inclement conditions that caused well freeze-offs.<sup>4</sup> Natural gas prices also rose in 2022 but have fallen back since. Electricity prices fluctuated within a relatively consistent range.

**Figure V-4**  
**SSSS: U.S. natural gas and commercial electricity power price, January 2017 through March 2023**



Source: U.S. Energy Information Administration, <https://www.eia.gov/electricity/data.php> and <https://www.eia.gov/naturalgas/data.php>, accessed June 15, 2023

<sup>4</sup> U.S. Energy Information Administration, <https://www.eia.gov/todayinenergy/detail.php?id=50778>, accessed June 30, 2023

**Table V-9**  
**SSSS: U.S. natural gas electric power price, January 2017 through March 2023**

Prices in dollar per 1,000 cubic feet; "NA" is not available

Month	2017	2018	2019	2020	2021	2022	2023
January	4.31	5.38	4.16	2.74	3.33	6.97	7.55
February	3.72	3.75	3.78	2.50	16.29	6.26	4.64
March	3.51	3.32	3.60	2.23	3.40	5.32	3.51
April	3.50	3.26	2.99	2.20	3.14	6.45	***
May	3.61	3.16	2.85	2.26	3.35	7.79	***
June	3.40	3.23	2.66	2.10	3.57	8.23	***
July	3.32	3.35	2.63	2.14	4.12	7.76	***
August	3.24	3.39	2.50	2.50	4.45	9.33	***
September	3.27	3.23	2.68	2.49	5.09	8.46	***
October	3.24	3.52	2.58	2.58	5.75	6.03	***
November	3.50	4.34	3.08	3.09	5.89	5.96	***
December	3.81	4.89	3.04	3.30	5.15	9.53	***

Source: U.S. Energy Information Administration, <https://www.eia.gov/naturalgas/data.php>, accessed June 15, 2023

**Table V-10**  
**SSSS: U.S. commercial electric power price, January 2017 through March 2023**

Prices in dollar per kilowatt hour; "NA" is not available

Month	2017	2018	2019	2020	2021	2022	2023
January	10.95	11.49	11.20	10.98	10.45	11.23	11.01
February	9.96	10.27	10.21	10.30	9.84	10.17	10.09
March	10.72	10.81	10.75	10.41	10.29	10.79	10.99
April	10.26	10.33	10.24	9.14	9.87	10.38	***
May	10.99	11.32	11.12	9.43	10.47	11.14	***
June	12.00	12.20	11.57	10.96	11.91	12.00	***
July	12.93	13.15	13.10	12.71	12.79	13.23	***
August	12.85	13.48	13.08	12.31	13.11	13.42	***
September	11.88	12.20	12.21	11.32	11.90	12.25	***
October	11.33	11.61	11.53	10.85	11.22	11.03	***
November	10.50	10.50	10.28	9.79	10.35	10.50	***
December	10.93	10.80	10.80	10.55	10.65	11.18	***

Source: U.S. Energy Information Administration, <https://www.eia.gov/electricity/data.php>, accessed June 15, 2023

## Transportation costs to the U.S. market

Transportation costs for SSSS shipped from subject countries to the United States averaged 6.6 percent for South Korea, 8.1 percent for Taiwan, and 9.4 percent for Japan during

2022. These estimates were derived from official import data and represent the transportation and other charges on imports.<sup>5</sup>

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

All responding U.S. producers (3 of 3) and the majority of importers reported that they typically arrange transportation to their customers. U.S. producers reported that their U.S. inland transportation costs ranged from 2.0 to 3.0 percent while most responding importers reported costs of 2.0 to 6.0 percent.

## **Pricing practices**

### **Pricing structure**

U.S.-produced SSSS prices consist of two components: a surcharge and a base price. Base prices are meant to cover the U.S. producers' manufacturing costs in producing SSSS. Surcharges are meant to cover fluctuations in the costs of commodity alloys used in the production of SSSS. U.S. producers typically change or adjust surcharges on a monthly basis.

### **Base price**

U.S. producers reported a variety of methods for determining the base price of SSSS. U.S. producer \*\*\* reported that it sets contractual prices based on previous agreements which are then adjusted for current market prices resulting from import competition. It added that spot sales prices are based on published price lists. U.S. producer \*\*\* reported that base prices are set based on lower priced imports, competitive feedback, and purchase volumes. U.S. producer \*\*\* reported that the base price is founded on its base price sheet, which is determined by market supply and demand. It added that it then negotiates a discount level with its different customers.

U.S. producers reported mixed responses on the frequency that the firms change or adjust base prices of SSSS. U.S. producer \*\*\* reported that it did not change or adjust base prices with any regularity or at any routine interval. U.S. producer \*\*\* reported that changes to the base price of SSSS were driven by changes in market

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<sup>5</sup> The estimated transportation costs were obtained by subtracting the customs value from the c.i.f. value of the imports for 2022 and then dividing by the customs value based on the HTS statistical reporting number 7219.13.00.13-7220.20.90.00.

demand. U.S. producer \*\*\* reported that base prices are based on market conditions, costs, supply, and demand.

All responding U.S. producers reported that the methods they used to establish the base price of SSSS had not changed since January 1, 2017.

One U.S. producer (\*\*\*) reported that the base price included a raw material cost that is not included in its surcharges, namely that the base price includes the total manufacturing costs, including all raw material costs not addressed through surcharges. It added that surcharges are not triggered until the current market rate exceeds a specified base rate, and any variation below those base rates is born by the producer.

Importers generally determine the base price of SSSS by adding a profit margin to the costs of production, which include materials, labor, and milling costs. The majority of importers reported that there were not any raw material costs that were not included in surcharges. One importer reported changing or adjusting the base price for SSSS daily, three reported changing it quarterly, two annually, and one reported changing it on a bi-annual basis. Four importers reported that they did not change the base price of SSSS with any regularity but did so as market conditions changed. None of the responding importers reported that the method used to establish base prices had changed since January 1, 2017.

## **Surcharges**

Surcharges typically reflect prices of the alloying elements used in the production of stainless steel. The number of alloying elements used in the different grades of stainless steel varies, as different grades use different amounts of different alloys. All responding U.S. producers reported employing surcharges for nickel, chromium, manganese, molybdenum, scrap iron, and energy/natural gas. The majority of U.S. producers reported also including a surcharge for fuel for transportation. All responding producers reported changing or adjusting the surcharges on a monthly basis. The majority of U.S. producers reported that they had changed the surcharge formula used and specified the yield rate since January 1, 2017. U.S. producers reported that loss rate of raw materials varies from 5-20 percent. The formulas for these pricing surcharges are presented in appendix G.

The majority of importers reported that they did not employ surcharges for any raw material. However, importer \*\*\* reported employing surcharges for nickel, chromium, manganese, molybdenum, scrap iron, natural gas/electricity, and other surcharges. Importer \*\*\* reported that it employed surcharges for nickel, chromium, manganese, molybdenum, scrap iron, natural gas/energy, fuel for transportation,

and other surcharges. Importer \*\*\* reported employing surcharges for nickel, chromium, manganese, and molybdenum. Importer \*\*\* reported employing surcharges for nickel and molybdenum.

The majority of importers reported that they had not changed their surcharge formulas since 2017. Importer \*\*\* reported that it changed the index used to determine the chrome average used in the surcharge from Platts to the European ferrochrome benchmark and increased the surcharge trigger to \$1.50.

Three importers reported that they change or adjust surcharges monthly, one quarterly, and one bi-annually. Importers reported that the loss rate of raw materials ranged from 1-20 percent.<sup>6</sup>

## Pricing methods

U.S. producers reported setting prices using transaction-by-transaction negotiations, contracts, and price lists. Importers reported setting prices using transaction-by-transaction negotiations, contracts, price lists, and other methods (table V-11). Importer \*\*\* reported establishing base prices of SSSS and adding applicable surcharges, freight, and packaging cost in the month the material is ordered.

**Table V-11**  
**SSSS: Count of U.S. producers' and importers' reported price setting methods**

Number of firms reporting

Method	U.S. producers	Importers
Transaction-by-transaction	3	7
Contract	3	6
Set price list	1	5
Other	0	2
Responding firms	3	14

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 reported selling the majority of SSSS under annual contracts, while importers reported selling the vast majority of SSSS under short-term contracts (table V-12). The majority U.S. producers reported that they did not renegotiate prices for annual contracts. One U.S. producer (\*\*\*) reported fixing quantities for annual contracts,

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<sup>6</sup> Importer \*\*\* reported loss rates from 40-60 percent.

one U.S. producer (\*\*\*) reported fixing price for annual contracts, and one U.S. producer (\*\*\*) reported fixing both quantity and price. One U.S. producer (\*\*\*) reported that the price of SSSS was indexed to raw materials in annual contracts. All U.S. producers reported that they did not renegotiate the price of SSSS for short-term contracts and the majority fixed both price and quantity. U.S. producer (\*\*\*) reported that the price of SSSS was indexed to raw materials in short-term contracts.

The majority of responding importers (3 of 4) reported that they did not renegotiate prices under short-term contracts. The majority of importers (3 of 4) reported that prices for SSSS are indexed to raw materials in short-term contracts. The only importer (\*\*\*) who reported selling SSSS under annual contracts reported that it fixed both prices and quantities and did not index the price of SSSS to raw material prices.

**Table V-12**  
**SSSS: U.S. producers' and importers' shares of commercial U.S. shipments by type of sale, 2022**

Share in percent

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

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

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

Seven purchasers reported that they purchase product daily, one purchases weekly, one purchases monthly, one purchases quarterly, and one purchases with other frequency. Most (7 of 10) purchasers contact one to three suppliers before making a purchase.

### Sales terms and discounts

The majority of U.S. producers and importers typically quote prices on an f.o.b. basis. U.S. producers reported quoting f.o.b. prices based on their mills' locations. Importers reported quoting f.o.b. prices from their warehouses and ports of entry. Three producers offer quantity discounts, and one producer offers total volume discounts. The majority of importers reported having no discount policy. However, three importers reported offering quality discounts and one reported offering total volume discounts. One importer (\*\*\*) reported that purchasing history and consistency factor into the discount policy along with market competitiveness.

## Price leadership

Seven purchasers reported that North American Stainless was a price leader in the U.S. stainless sheet and strip market, one reported that Outokumpu was a price leader, one reported that Cleveland-Cliffs was a price leader, and one reported that Ryerson West Coast Metals was a price leader. Purchasers indicated that North American Stainless controlled or led changes in market price and that pricing trends followed its decisions in the market. One purchaser indicated that there were no price leaders in the market.

## Price data

The Commission requested U.S. producers and importers to provide quarterly data for the total quantity and f.o.b. value of the following SSSS products shipped to unrelated U.S. customers during January 2020-March 2023.

**Product 1.**-- AISI Grade 304, 0.075 inch nominal thickness (0.068-0.082 inch actual), width 48-60 inches, in coils, 2B finish.

**Product 2.**-- AISI Grade 304, 0.029 inch nominal thickness (0.0260-0.032 inch actual), width 48-60 inches, in coils, 2B finish.

**Product 3.**-- AISI Grade 304, 0.036 inch nominal thickness (0.032-0.040 inch actual), width 48-60 inches, in coils, 2B finish.

**Product 4.**-- AISI Grade 316L, 0.060 inch nominal thickness (0.054-0.066 inch actual), width 48-60 inches, 2B finish.

**Product 5.**-- AISI Grade 409, 0.048 inch nominal thickness (0.0450-0.0510 inch actual), width 48-60 inches, in coils, 2D finish.

**Product 6.**-- AISI Grade 430, 0.036 inch nominal thickness (0.032-0.040 inch actual), width 36-48 inches, in coils, polished.



Three U.S. producers and one importer provided usable pricing data for sales of the requested products, although not all firms reported pricing for all products for all quarters.<sup>7</sup> Pricing data reported by these firms accounted for approximately \*\*\* percent of U.S. producers' U.S. shipments of SSSS and \*\*\* percent of U.S. shipments of subject imports from Japan in 2022.<sup>8</sup>

Price data for products 1-6 are presented in tables V-13 to V-18 and figures V-5 to V-10. Price data was reported only for products 1 and 3 for imports of SSSS from Japan. \*\*\*

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<sup>7</sup> Per-unit pricing data are calculated from total quantity and total value data provided by U.S. producers and importers. The precision and variation of these figures may be affected by rounding, limited quantities, and producer or importer estimates.

<sup>8</sup> Pricing coverage is based on U.S. shipments reported in questionnaires.

**Table V-13**

**SSSS: 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 short ton, quantity in short tons, margin in percent.

Period	U.S. price	U.S. quantity	Japan price	Japan quantity	Japan margin	South Korea, subject price	South Korea, subject quantity	South Korea, subject margin
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***

Period	Taiwan, subject price	Taiwan, subject quantity	Taiwan, subject margin
2020 Q1	***	***	***
2020 Q2	***	***	***
2020 Q3	***	***	***
2020 Q4	***	***	***
2021 Q1	***	***	***
2021 Q2	***	***	***
2021 Q3	***	***	***
2021 Q4	***	***	***
2022 Q1	***	***	***
2022 Q2	***	***	***
2022 Q3	***	***	***
2022 Q4	***	***	***
2023 Q1	***	***	***

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

Note: Product 1: AISI Grade 304, 0.075 inch nominal thickness (0.068-0.082 inch actual), width 48-60 inches, in coils, 2B finish.

**Figure V-5**  
**SSSS: 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: AISI Grade 304, 0.075 inch nominal thickness (0.068-0.082 inch actual), width 48-60 inches, in coils, 2B finish.

**Table V-14**

**SSSS: 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 short ton, quantity in short tons, margin in percent.

Period	U.S. price	U.S. quantity	Japan price	Japan quantity	Japan margin	South Korea, subject price	South Korea, subject quantity	South Korea, subject margin
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***

Period	Taiwan, subject price	Taiwan, subject quantity	Taiwan, subject margin
2020 Q1	***	***	***
2020 Q2	***	***	***
2020 Q3	***	***	***
2020 Q4	***	***	***
2021 Q1	***	***	***
2021 Q2	***	***	***
2021 Q3	***	***	***
2021 Q4	***	***	***
2022 Q1	***	***	***
2022 Q2	***	***	***
2022 Q3	***	***	***
2022 Q4	***	***	***
2023 Q1	***	***	***

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

Note: Product 2: AISI Grade 304, 0.029 inch nominal thickness (0.0260-0.032 inch actual), width 48-60 inches, in coils, 2B finish.

**Figure V-6**

**SSSS: 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: AISI Grade 304, 0.029 inch nominal thickness (0.0260-0.032 inch actual), width 48-60 inches, in coils, 2B finish.

**Table V-15**

**SSSS: 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 short ton, quantity in short tons, margin in percent.

Period	U.S. price	U.S. quantity	Japan price	Japan quantity	Japan margin	South Korea, subject price	South Korea, subject quantity	South Korea, subject margin
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***

Period	Taiwan, subject price	Taiwan, subject quantity	Taiwan, subject margin
2020 Q1	***	***	***
2020 Q2	***	***	***
2020 Q3	***	***	***
2020 Q4	***	***	***
2021 Q1	***	***	***
2021 Q2	***	***	***
2021 Q3	***	***	***
2021 Q4	***	***	***
2022 Q1	***	***	***
2022 Q2	***	***	***
2022 Q3	***	***	***
2022 Q4	***	***	***
2023 Q1	***	***	***

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

Note: Product 3: AISI Grade 304, 0.036 inch nominal thickness (0.032-0.040 inch actual), width 48-60 inches, in coils, 2B finish.

**Figure V-7**

**SSSS: 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: AISI Grade 304, 0.036 inch nominal thickness (0.032-0.040 inch actual), width 48-60 inches, in coils, 2B finish.

**Table V-16**

**SSSS: 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 short ton, quantity in short tons, margin in percent.

Period	U.S. price	U.S. quantity	Japan price	Japan quantity	Japan margin	South Korea, subject price	South Korea, subject quantity	South Korea, subject margin
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***

Period	Taiwan, subject price	Taiwan, subject quantity	Taiwan, subject margin
2020 Q1	***	***	***
2020 Q2	***	***	***
2020 Q3	***	***	***
2020 Q4	***	***	***
2021 Q1	***	***	***
2021 Q2	***	***	***
2021 Q3	***	***	***
2021 Q4	***	***	***
2022 Q1	***	***	***
2022 Q2	***	***	***
2022 Q3	***	***	***
2022 Q4	***	***	***
2023 Q1	***	***	***

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

Note: Product 4: AISI Grade 316L, 0.060 inch nominal thickness (0.054-0.066 inch actual), width 48-60 inches, 2B finish.



**Figure V-8**

**SSSS: 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: AISI Grade 316L, 0.060 inch nominal thickness (0.054-0.066 inch actual), width 48-60 inches, 2B finish.

**Table V-17**

**SSSS: 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 short ton, quantity in short tons, margin in percent.

Period	U.S. price	U.S. quantity	Japan price	Japan quantity	Japan margin	South Korea, subject price	South Korea, subject quantity	South Korea, subject margin
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***

Period	Taiwan, subject price	Taiwan, subject quantity	Taiwan, subject margin
2020 Q1	***	***	***
2020 Q2	***	***	***
2020 Q3	***	***	***
2020 Q4	***	***	***
2021 Q1	***	***	***
2021 Q2	***	***	***
2021 Q3	***	***	***
2021 Q4	***	***	***
2022 Q1	***	***	***
2022 Q2	***	***	***
2022 Q3	***	***	***
2022 Q4	***	***	***
2023 Q1	***	***	***

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

Note: Product 5: AISI Grade 409, 0.048 inch nominal thickness (0.0450-0.0510 inch actual), width 48-60 inches, in coils, 2D finish.

**Figure V-9**

**SSSS: 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: AISI Grade 409, 0.048 inch nominal thickness (0.0450-0.0510 inch actual), width 48-60 inches, in coils, 2D finish.

**Table V-18**

**SSSS: 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 short ton, quantity in short tons, margin in percent.

Period	U.S. price	U.S. quantity	Japan price	Japan quantity	Japan margin	South Korea, subject price	South Korea, subject quantity	South Korea, subject margin
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***

Period	Taiwan, subject price	Taiwan, subject quantity	Taiwan, subject margin
2018 Q1	***	***	***
2018 Q2	***	***	***
2018 Q3	***	***	***
2018 Q4	***	***	***
2019 Q1	***	***	***
2019 Q2	***	***	***
2019 Q3	***	***	***
2019 Q4	***	***	***
2020 Q1	***	***	***
2020 Q2	***	***	***
2020 Q3	***	***	***
2021 Q1	***	***	***
2021 Q2	***	***	***

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

Note: Product 6: AISI Grade 430, 0.036 inch nominal thickness (0.032-0.040 inch actual), width 36-48 inches, in coils, polished.

**Figure V-10**

**SSSS: 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: AISI Grade 430, 0.036 inch nominal thickness (0.032-0.040 inch actual), width 36-48 inches, in coils, polished.

## Price trends

In general, prices increased during January 2020-March 2023. Table V-19 summarizes the price trends, by country and by product. As shown in the table, domestic price increases ranged from \*\*\* to \*\*\* percent over the period. There was insufficient pricing data to determine trends for imported products except for product 3 imported from Japan. Pricing product 3 imported from Japan decreased by \*\*\* percent over the period on very low volumes.

**Table V-19**  
**SSSS: Summary of price data, by product and source, January 2023-March 2023**

Quantity in short tons, price in dollars per short ton

Product	Source	Number of quarters	Quantity of shipments	Low price	High price	First quarter price	Last quarter price	Percent change in price over period
Product 1	United States	***	***	***	***	***	***	***
Product 1	Japan	***	***	***	***	***	***	***
Product 1	South Korea, subject	***	***	***	***	***	***	***
Product 1	Taiwan, subject	***	***	***	***	***	***	***
Product 2	United States	***	***	***	***	***	***	***
Product 2	Japan	***	***	***	***	***	***	***
Product 2	South Korea, subject	***	***	***	***	***	***	***
Product 2	Taiwan, subject	***	***	***	***	***	***	***
Product 3	United States	***	***	***	***	***	***	***
Product 3	Japan	***	***	***	***	***	***	***
Product 3	South Korea, subject	***	***	***	***	***	***	***
Product 3	Taiwan, subject	***	***	***	***	***	***	***
Product 4	United States	***	***	***	***	***	***	***
Product 4	Japan	***	***	***	***	***	***	***
Product 4	South Korea, subject	***	***	***	***	***	***	***
Product 4	Taiwan, subject	***	***	***	***	***	***	***
Product 5	United States	***	***	***	***	***	***	***
Product 5	Japan	***	***	***	***	***	***	***
Product 5	South Korea, subject	***	***	***	***	***	***	***
Product 5	Taiwan, subject	***	***	***	***	***	***	***
Product 6	United States	***	***	***	***	***	***	***
Product 6	Japan	***	***	***	***	***	***	***
Product 6	South Korea, subject	***	***	***	***	***	***	***
Product 6	Taiwan, subject	***	***	***	***	***	***	***

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

Note: Percent change column is percentage change from the first quarter 2020 to the March in 2023.

**Figure V-11**

**SSSS: Indexed U.S. producer prices, January 2020 through March 2023**

\* \* \* \* \*

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

**Table V-20**

**SSSS: Indexed U.S. producer prices, January 2020 through March 2023**

Indexed prices in percent

Period	Product 1	Product 2	Product 3	Product 4	Product 5	Product 6
2020 Q1	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***

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



## Price comparisons<sup>9</sup>

As shown in tables V-21 and V-22, prices for SSSS imported from Japan were below those for U.S.-produced product in \*\*\* of \*\*\* instances; the margin of underselling was \*\*\* percent. In the remaining \*\*\* instances, prices for SSSS from Japan were between \*\*\* and \*\*\* percent above prices for the domestic product.

---

<sup>9</sup>In the original investigations, imports from the countries currently subject to the orders were priced lower than domestic product in 70 of 93 comparisons. Specifically, imports from each subject country were priced lower than domestic product in the following number of comparisons: Japan, 21 of 36; Korea, 9 of 16; and Taiwan, 40 of 41. Stainless steel sheet and strip from France, Germany, Italy, Japan, Republic of Korea, Mexico, Taiwan, and United Kingdom Inv. Nos. 701-TA-382 and 731-TA-800, 801, and 803 (Final), USITC Publication NV-W-150, July 1999, p. V-31.

In the first reviews, imports from the countries currently subject to the orders were priced lower than domestic product in 14 of 23 comparisons. Specifically, imports from each subject country were priced lower than domestic product in the following number of comparisons: Japan, 0 of 1; Korea; 10 of 17; and Taiwan, 4 of 5. Stainless steel sheet and strip from France, Germany, Italy, Japan, Republic of Korea, Mexico, Taiwan, and United Kingdom, Inv. Nos. 701-TA-382 and 731-TA-800, 801, and 803 (First review), INV-CC-070, May, 2005, pp. V-20-21.

In the second reviews, imports from the countries currently subject to the orders were priced lower than domestic product in 14 of 25 comparisons. Specifically, imports from each subject country were priced lower than domestic product in the following number of comparisons: Japan, 0 of 1; Korea, 14 of 20; and Taiwan, 0 of 4. Stainless steel sheet and strip from Germany, Italy, Japan, Korea, Mexico, and Taiwan, Inv. Nos. 701-TA-382 and 731-TA-800, 801, and 803 (second review), INV-JJ-065, June 2011, p. V-3.

In the third reviews, imports from the countries subject to the orders were priced lower than domestic product in 1 of 2 comparisons. Specifically, imports from each subject country were priced lower than domestic product in the following number of comparisons: Taiwan- 1 of 2. Stainless steel sheet and strip from Japan, Korea, and, Taiwan, Inv. Nos. 701-TA-382 and 731-TA-800, 801, and 803 (third review), INV-PP-110, August 2017, p. V-21.

**Table V-21**  
**SSSS: Instances of underselling and overselling and the range and average of margins, by product**

Quantity in short tons; margin in percent

Product	Type	Number of quarters	Quantity	Average margin	Min margin	Max margin
Product 1	Underselling	---	***	***	***	***
Product 2	Underselling	---	***	***	***	***
Product 3	Underselling	***	***	***	***	***
Product 4	Underselling	---	***	***	***	***
Product 5	Underselling	---	***	***	***	***
Product 6	Underselling	---	***	***	***	***
Total, all products	Underselling	***	***	***	***	***
Product 1	Overselling	***	***	***	***	***
Product 2	Overselling	---	***	***	***	***
Product 3	Overselling	***	***	***	***	***
Product 4	Overselling	---	***	***	***	***
Product 5	Overselling	---	***	***	***	***
Product 6	Overselling	---	***	***	***	***
Total, all products	Overselling	***	***	***	***	***

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

Note: These data include only quarters in which there is a comparison between the U.S. and subject product.

**Table V-22**  
**SSSS: Instances of underselling and overselling and the range and average of margins, by source**

Quantity in short tons; margin in percent

Source	Type	Number of quarters	Quantity	Average margin	Min margin	Max margin
Japan	Underselling	***	***	***	***	***
South Korea, subject	Underselling	---	***	***	***	***
Taiwan, subject	Underselling	---	***	***	***	***
All subject countries	Underselling	***	***	***	***	***
Japan	Overselling	***	***	***	***	***
South Korea, subject	Overselling	---	***	***	***	***
Taiwan, subject	Overselling	---	***	***	***	***
All subject countries	Overselling	***	***	***	***	***

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

Note: These data include only quarters in which there is a comparison between the U.S. and subject product.

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



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

Citation	Title	Link
87 FR 53737, September 1, 2022	<i>Initiation of Five-Year (Sunset) Reviews</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2022-09-01/pdf/2022-18925.pdf">https://www.govinfo.gov/content/pkg/FR-2022-09-01/pdf/2022-18925.pdf</a>
87 FR 53780, September 1, 2022	<i>Stainless Steel Sheet and Strip from Japan, Korea, and Taiwan, Institution of Five-Year Reviews</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2022-09-01/pdf/2022-18910.pdf">https://www.govinfo.gov/content/pkg/FR-2022-09-01/pdf/2022-18910.pdf</a>
87 FR 74130, December 2, 2022	<i>Stainless Steel Sheet and Strip in Coils From the Republic of Korea: Final Results of Expedited Sunset Review of the Countervailing Duty Order</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2022-12-02/pdf/2022-26244.pdf">https://www.govinfo.gov/content/pkg/FR-2022-12-02/pdf/2022-26244.pdf</a>
87 FR 74133, December 2, 2022	<i>Stainless Steel Sheet and Strip in Coils From Japan, the Republic of Korea, and Taiwan: Final Results of Expedited Fourth Sunset Reviews of Antidumping Duty Orders</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2022-12-02/pdf/2022-26241.pdf">https://www.govinfo.gov/content/pkg/FR-2022-12-02/pdf/2022-26241.pdf</a>
87 Fr 78994, December 23, 2022	<i>Stainless Steel Sheet and Strip From Japan, South Korea, and Taiwan; Notice of Commission Determination To Conduct Full Five-Year Reviews</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2022-12-23/pdf/2022-27983.pdf">https://www.govinfo.gov/content/pkg/FR-2022-12-23/pdf/2022-27983.pdf</a>
88 FR 15456, March 13, 2023	<i>Stainless Steel Sheet and Strip From Japan, South Korea, and Taiwan; Scheduling of Full Five-Year Reviews</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2023-03-13/pdf/2023-05021.pdf">https://www.govinfo.gov/content/pkg/FR-2023-03-13/pdf/2023-05021.pdf</a>



**APPENDIX B**

**LIST OF HEARING WITNESSES**





## CALENDAR OF PUBLIC HEARING

Those listed below appeared as witnesses at the United States International Trade Commission's hearing:

**Subject:** Stainless Steel Sheet and Strip from Japan, South Korea, and Taiwan

**Inv. Nos.:** 701-TA-382 and 731-TA-800, 801, and 803 (Fourth Review)

**Date and Time:** August 17, 2023 - 9:30 a.m.

Sessions were held in connection with these investigations in the Main Hearing Room (Room 101), 500 E Street, SW., Washington, DC.

### **OPENING REMARKS:**

In Support of Continuation (**Deanna Tanner Okun**, Polsinelli PC)  
In Opposition to Continuation (**Ron Kendler**, White & Case LLP)

### **In Support of the Continuation of the Antidumping and Countervailing Duty Orders:**

King & Spalding LLP  
Washington, DC  
on behalf of

Cleveland-Cliffs Inc. ("Cleveland-Cliffs")

**Clifford Smith**, Executive Vice President of Cleveland-Cliffs and President of Cleveland-Cliffs Steel

**Geoff Pfeiffer**, Senior Director of Specialty Sales, Cleveland-Cliffs

**Stephen P. Vaughn** )  
 ) – OF COUNSEL  
**Nicholas K. Paster** )

**In Support of the Continuation of the  
Antidumping and Countervailing Duty Orders (continued):**

Polsinelli PC  
Washington, DC  
on behalf of

Outokumpu Stainless, USA, LLC (“Outokumpu”)

**Tamara Weinert**, President and Chief Executive Officer,  
Business Area Americas, Outokumpu

**Jaron Brown**, Head of Legal and Compliance,  
Business Area Americas, Outokumpu

**Deanna Tanner Okun** )  
**Elizabeth Duall Regard** )- – OF COUNSEL  
**Alissa Chase** )

VanAntwerp Attorneys, LLP  
Ashland, KY  
on behalf of

North American Stainless Steel (“NAS”)

**Christopher Lyons**, Vice President – Commercial, NAS

**In Opposition to the Continuation of the  
Antidumping and Countervailing Duty Orders:**

White & Case LLP  
Washington, DC  
on behalf of

NIPPON STEEL Stainless Steel Corporation (“NSSC”)  
Nippon Yakin Kogyo Co., Ltd. (“NYK”)  
Nas Stainless Steel Strip Manufacturing Co., Ltd. (“Nas Stainless”)  
(collectively, “Japanese Respondents”)

**Koji Nakahara**, Executive Officer, General Manager, Head of Division,  
Corporate Planning Division, NSSC

**In Opposition to the Continuation of the  
Antidumping and Countervailing Duty Orders (continued):**

**Masaki Yabumoto**, Senior Manager,  
NIPPON STEEL NORTH AMERICA, INC.

**William J. Moran** )  
**Ron Kandler** ) – OF COUNSEL  
**Naoto N. Saika** )

**REBUTTAL/CLOSING REMARKS:**

In Support of Continuation (**Stephen P. Vaughn**, King & Spalding LLP)  
In Opposition to Continuation (**Ron Kandler**, White & Case LLP)

**-END-**



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



Table C-1

SSSS: 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			
	2020	Calendar year 2021	2022	Jan-Mar 2022	2023	2020-22	Calendar year 2020-21	2021-22	Jan-Mar 2022-23
U.S. consumption quantity:									
Amount.....	1,421,139	1,828,529	1,888,669	527,696	367,196	▲32.9	▲28.7	▲3.3	▼(30.4)
Producers' share (fn1).....	88.2	82.7	77.1	76.3	84.2	▼(11.2)	▼(5.5)	▼(5.6)	▲7.9
Importers' share (fn1):									
Japan.....	0.2	0.2	0.2	0.1	0.2	▲0.0	▲0.0	▲0.0	▲0.1
South Korea, subject.....	***	***	***	***	***	▼***	▼***	▼***	▼***
Taiwan, subject.....	***	***	***	***	***	▲***	▲***	▲***	▼***
Subject sources.....	***	***	***	***	***	▲***	▲***	▲***	▼***
South Korea, nonsubject.....	***	***	***	***	***	▼***	▼***	▼***	▼***
Taiwan, nonsubject.....	***	***	***	***	***	▲***	▲***	▲***	▼***
All other sources.....	8.4	11.8	16.5	16.1	12.8	▲8.1	▲3.4	▲4.7	▼(3.3)
Nonsubject sources.....	***	***	***	***	***	▲***	▲***	▲***	▼***
All import sources.....	11.8	17.3	22.9	23.7	15.8	▲11.2	▲5.5	▲5.6	▼(7.9)
U.S. consumption value:									
Amount.....	3,054,559	5,243,762	7,184,622	1,903,293	1,310,500	▲135.2	▲71.7	▲37.0	▼(31.1)
Producers' share (fn1).....	85.7	80.8	75.9	75.4	83.7	▼(9.8)	▼(4.9)	▼(4.9)	▲8.3
Importers' share (fn1):									
Japan.....	0.5	0.3	0.3	0.2	0.3	▼(0.3)	▼(0.2)	▼(0.1)	▲0.1
South Korea, subject.....	***	***	***	***	***	▼***	▼***	▼***	▼***
Taiwan, subject.....	***	***	***	***	***	▲***	▲***	▲***	▼***
Subject sources.....	***	***	***	***	***	▲***	▲***	▼***	▼***
South Korea, nonsubject.....	***	***	***	***	***	▼***	▼***	▲***	▼***
Taiwan, nonsubject.....	***	***	***	***	***	▲***	▲***	▲***	▼***
All other sources.....	10.5	13.4	17.9	16.7	13.6	▲7.4	▲2.9	▲4.5	▼(3.1)
Nonsubject sources.....	***	***	***	***	***	▲***	▲***	▲***	▼***
All import sources.....	14.3	19.2	24.1	24.6	16.3	▲9.8	▲4.9	▲4.9	▼(8.3)
U.S. imports from:									
Japan:									
Quantity.....	2,251	2,934	3,107	632	695	▲38.1	▲30.4	▲5.9	▲10.0
Value.....	16,218	17,746	18,561	3,953	4,356	▲14.4	▲9.4	▲4.6	▲10.2
Unit value.....	\$7,206	\$6,048	\$5,973	\$6,260	\$6,267	▼(17.1)	▼(16.1)	▼(1.2)	▲0.1
Ending inventory quantity.....	***	***	***	***	***	▲***	▲***	▲***	▲***
South Korea, subject:									
Quantity.....	***	***	***	***	***	▼***	▼***	▼***	▼***
Value.....	***	***	***	***	***	▲***	▲***	▼***	▼***
Unit value.....	***	***	***	***	***	▲***	▲***	▲***	▲***
Ending inventory quantity.....	***	***	***	***	***	▼***	▲***	▼***	▲***
Taiwan, subject:									
Quantity.....	***	***	***	***	***	▲***	▲***	▲***	▼***
Value.....	***	***	***	***	***	▲***	▲***	▲***	▼***
Unit value.....	***	***	***	***	***	▲***	▲***	▲***	▼***
Ending inventory quantity.....	***	***	***	***	***	***	***	***	***
Subject sources:									
Quantity.....	***	***	***	***	***	▲***	▲***	▲***	▼***
Value.....	***	***	***	***	***	▲***	▲***	▲***	▼***
Unit value.....	***	***	***	***	***	▲***	▲***	▲***	▼***
Ending inventory quantity.....	***	***	***	***	***	▲***	▲***	▲***	▲***
South Korea, nonsubject:									
Quantity.....	***	***	***	***	***	▲***	▲***	▼***	▼***
Value.....	***	***	***	***	***	▲***	▲***	▲***	▼***
Unit value.....	***	***	***	***	***	▲***	▲***	▲***	▼***
Ending inventory quantity.....	***	***	***	***	***	▼***	▲***	▼***	▼***
Taiwan, nonsubject:									
Quantity.....	***	***	***	***	***	▲***	▲***	▲***	▼***
Value.....	***	***	***	***	***	▲***	▲***	▲***	▼***
Unit value.....	***	***	***	***	***	▲***	▲***	▲***	▼***
Ending inventory quantity.....	***	***	***	***	***	▲***	▲***	▲***	▲***
All other sources:									
Quantity.....	119,891	216,279	312,030	84,776	47,008	▲160.3	▲80.4	▲44.3	▼(44.6)
Value.....	320,789	702,130	1,285,506	318,767	178,842	▲300.7	▲118.9	▲83.1	▼(43.9)
Unit value.....	\$2,676	\$3,246	\$4,120	\$3,760	\$3,804	▲54.0	▲21.3	▲26.9	▲1.2
Ending inventory quantity.....	***	***	***	***	***	▲***	▼***	▲***	▲***

Table continued.

Table C-1 Continued

SSSS: 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			
	2020	Calendar year 2021	2022	Jan-Mar 2022	2023	2020-22	Calendar year 2020-21	2021-22	Jan-Mar 2022-23
U.S. imports from:--Continued									
Nonsubject sources:									
Quantity.....	***	***	***	***	***	▲***	▲***	▲***	▼***
Value.....	***	***	***	***	***	▲***	▲***	▲***	▼***
Unit value.....	***	***	***	***	***	▲***	▲***	▲***	▲***
Ending inventory quantity.....	***	***	***	***	***	▲***	▲***	▲***	▲***
All import sources:									
Quantity.....	167,384	316,803	433,294	124,984	57,943	▲158.9	▲89.3	▲36.8	▼(53.6)
Value.....	435,978	1,007,503	1,730,040	468,364	213,507	▲296.8	▲131.1	▲171.7	▼(54.4)
Unit value.....	\$2,605	\$3,180	\$3,993	\$3,747	\$3,685	▲53.3	▲22.1	▲25.5	▼(1.7)
Ending inventory quantity.....	***	***	***	***	***	▲***	▲***	▲***	▲***
U.S. producers':									
Practical capacity quantity.....	1,799,115	1,949,470	1,869,424	489,822	466,959	▲3.9	▲8.4	▼(4.1)	▼(4.7)
Production quantity.....	1,401,727	1,636,153	1,567,262	451,496	348,845	▲11.8	▲16.7	▼(4.2)	▼(22.7)
Capacity utilization (fn1).....	77.9	83.9	83.8	92.2	74.7	▲5.9	▲6.0	▼(0.1)	▼(17.5)
U.S. shipments:									
Quantity.....	1,253,755	1,511,726	1,455,375	402,712	309,253	▲16.1	▲20.6	▼(3.7)	▼(23.2)
Value.....	2,618,581	4,236,259	5,454,582	1,434,929	1,096,993	▲108.3	▲61.8	▲28.8	▼(23.6)
Unit value.....	\$2,089	\$2,802	\$3,748	\$3,563	\$3,547	▲79.4	▲34.2	▲33.7	▼(0.4)
Export shipments:									
Quantity.....	***	***	***	***	***	▲***	▲***	▼***	▼***
Value.....	***	***	***	***	***	▲***	▲***	▲***	▼***
Unit value.....	***	***	***	***	***	▲***	▲***	▲***	▼***
Ending inventory quantity.....	188,626	163,307	130,691	178,601	143,788	▼(30.7)	▼(13.4)	▼(20.0)	▼(19.5)
Inventories/total shipments (fn1).....	***	***	***	***	***	▼***	▼***	▼***	▲***
Production workers.....	2,988	3,037	3,322	3,336	3,093	▲11.2	▲1.6	▲9.4	▼(7.3)
Hours worked (1,000s).....	6,475	6,716	6,642	1,792	1,859	▲2.6	▲3.7	▼(1.1)	▲3.7
Wages paid (\$1,000).....	240,109	271,828	291,948	75,838	79,187	▲21.6	▲13.2	▲7.4	▲4.4
Hourly wages (dollars per hour).....	\$37.08	\$40.47	\$43.95	\$42.32	\$42.60	▲18.5	▲9.1	▲8.6	▲0.7
Productivity (short tons per 1,000 hours)	216.5	243.6	236.0	252.0	187.7	▲9.0	▲12.5	▼(3.1)	▼(25.5)
Unit labor costs.....	\$171	\$166	\$186	\$168	\$227	▲8.7	▼(3.0)	▲12.1	▲35.1
Net sales:									
Quantity.....	***	***	***	***	***	▲***	▲***	▼***	▼***
Value.....	***	***	***	***	***	▲***	▲***	▲***	▼***
Unit value.....	\$2,077	\$2,745	\$3,714	\$3,545	\$3,496	▲78.8	▲32.2	▲35.3	▼(1.4)
Cost of goods sold (COGS).....	***	***	***	***	***	▲***	▲***	▲***	▼***
Gross profit or (loss) (fn2).....	***	***	***	***	***	▲***	▲***	▲***	▼***
SG&A expenses.....	***	***	***	***	***	▲***	▲***	▲***	▼***
Operating income or (loss) (fn2).....	***	***	***	***	***	▲***	▲***	▲***	▼***
Net income or (loss) (fn2).....	***	***	***	***	***	▲***	▲***	▲***	▼***
Unit COGS.....	\$1,749	\$2,148	\$2,978	\$2,640	\$2,651	▲70.2	▲22.8	▲38.6	▲0.4
Unit SG&A expenses.....	\$42	\$38	\$43	\$38	\$47	▲1.6	▼(8.8)	▲11.4	▲22.8
Unit operating income or (loss) (fn2).....	\$286	\$558	\$693	\$866	\$798	▲142.5	▲95.3	▲24.1	▼(7.9)
Unit net income or (loss) (fn2).....	***	***	***	***	***	▲***	▲***	▲***	▲***
COGS/sales (fn1).....	84.2	78.3	80.2	74.5	75.8	▼(4.0)	▼(6.0)	▲1.9	▲1.4
Operating income or (loss)/sales (fn1).....	13.8	20.3	18.7	24.4	22.8	▲4.9	▲6.6	▼(1.7)	▼(1.6)
Net income or (loss)/sales (fn1).....	***	***	***	***	***	▲***	▲***	▲***	▲***
Capital expenditures.....	***	***	***	***	***	▲***	▲***	▲***	▲***
Research and development expenses.....	***	***	***	***	***	▲***	▲***	▲***	▲***
Net assets.....	2,352,845	2,795,488	2,847,148	NA	NA	▲21.0	▲18.8	▲1.8	NA

Source: Producer data are compiled from data submitted in response to Commission questionnaires. Import data are compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau, using HTS statistical reporting numbers 7219.13.00.31, 7219.13.00.51, 7219.13.00.71, 7219.13.00.81, 7219.14.00.30, 7219.14.00.65, 7219.14.00.90, 7219.32.00.05, 7219.32.00.20, 7219.32.00.25, 7219.32.00.35, 7219.32.00.36, 7219.32.00.38, 7219.32.00.42, 7219.32.00.44, 7219.33.00.05, 7219.33.00.20, 7219.33.00.25, 7219.33.00.35, 7219.33.00.36, 7219.33.00.38, 7219.33.00.42, 7219.33.00.44, 7219.34.00.05, 7219.34.00.20, 7219.34.00.25, 7219.34.00.30, 7219.34.00.35, 7219.35.00.05, 7219.35.00.15, 7219.35.00.30, 7219.35.00.35, 7219.90.00.10, 7219.90.00.20, 7219.90.00.25, 7219.90.00.60, 7219.90.00.80, 7220.12.10.00, 7220.12.50.00, 7220.20.10.10, 7220.20.10.15, 7220.20.10.60, 7220.20.10.80, 7220.20.60.05, 7220.20.60.10, 7220.20.60.15, 7220.20.60.60, 7220.20.60.80, 7220.20.70.05, 7220.20.70.10, 7220.20.70.15, 7220.20.70.60, 7220.20.70.80, 7220.20.80.00, 7220.20.90.30, 7220.20.90.60, 7220.90.00.10, 7220.90.00.15, 7220.90.00.60, and 7220.90.00.80, accessed July 5, 2023, adjusted using data submitted in response to Commission questionnaires to allocate South Korea and Taiwan subject vs. nonsubject data. 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 I, III, and IV of this report.

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). Zeros, 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.



**SUMMARY DATA COMPILED IN PRIOR PROCEEDINGS**



Table C-1

## Stainless steel sheet and strip: Summary data concerning the U.S. total market, 2014-16, January to March 2016, and January to March 2017

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

	Reported data					Period changes			
	2014	Calendar year 2015	2016	January to March 2016	January to March 2017	2014-16	Calendar year 2014-15	2015-16	Jan-Mar 2016-17
U.S. total market consumption quantity:									
Amount.....	1,954,572	1,779,458	1,978,372	467,975	480,373	1.2	(9.0)	11.2	2.6
Producers' share (fn1).....	82.0	80.7	82.5	84.1	82.3	0.5	(1.3)	1.8	(1.8)
Importers' share (fn1):									
Japan.....	***	***	***	***	***	***	***	***	***
Korea.....	***	***	***	***	***	***	***	***	***
Taiwan.....	***	***	***	***	***	***	***	***	***
Subject sources.....	***	***	***	***	***	***	***	***	***
Nonsubject sources.....	***	***	***	***	***	***	***	***	***
All import sources.....	18.0	19.3	17.5	15.9	17.7	(0.5)	1.3	(1.8)	1.8
U.S. total market consumption value:									
Amount.....	4,689,501	3,715,191	3,617,546	806,786	1,038,893	(22.9)	(20.8)	(2.6)	28.8
Producers' share (fn1).....	80.0	77.2	79.2	79.6	81.9	(0.7)	(2.8)	2.1	2.3
Importers' share (fn1):									
Japan.....	***	***	***	***	***	***	***	***	***
Korea.....	***	***	***	***	***	***	***	***	***
Taiwan.....	***	***	***	***	***	***	***	***	***
Subject sources.....	***	***	***	***	***	***	***	***	***
Nonsubject sources.....	***	***	***	***	***	***	***	***	***
All import sources.....	20.0	22.8	20.8	20.4	18.1	0.7	2.8	(2.1)	(2.3)
U.S. imports--									
Japan:									
Quantity.....	***	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***	***	***
Korea:									
Quantity.....	***	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***	***	***
Taiwan:									
Quantity.....	***	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***	***	***
Subject sources:									
Quantity.....	***	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***	***	***
Nonsubject sources:									
Quantity.....	***	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***	***	***
All import sources:									
Quantity.....	351,996	344,249	346,910	74,500	85,030	(1.4)	(2.2)	0.8	14.1
Value.....	939,502	848,111	750,800	164,826	188,071	(20.1)	(9.7)	(11.5)	14.1
Unit value.....	\$2,669	\$2,464	\$2,164	\$2,212	\$2,212	(18.9)	(7.7)	(12.2)	(0.0)
Ending inventory quantity.....	17,605	13,032	11,126	13,936	13,687	(36.8)	(26.0)	(14.6)	1.8

Table continued on next page.

Table C-1--Continued

## Stainless steel sheet and strip: Summary data concerning the U.S. total market, 2014-16, January to March 2016, and January to March 2017

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

	Reported data					Period changes			
	2014	Calendar year		January to March		2014-16	Calendar year		Jan-Mar 2016-17
		2015	2016	2016	2017		2014-15	2015-16	
U.S. producers:									
Average capacity quantity.....	2,507,812	2,659,635	2,654,960	679,740	690,849	5.9	6.1	(0.2)	1.6
Production quantity.....	1,964,833	1,735,351	1,902,216	449,407	504,784	(3.2)	(11.7)	9.6	12.3
Capacity utilization (fn1).....	78.3	65.2	71.6	66.1	73.1	(6.7)	(13.1)	6.4	7.0
U.S. shipments:									
Quantity.....	1,602,576	1,435,209	1,631,462	393,475	395,343	1.8	(10.4)	13.7	0.5
Value.....	3,749,999	2,867,080	2,866,746	641,960	850,822	(23.6)	(23.5)	(0.0)	32.5
Unit value.....	\$2,340	\$1,998	\$1,757	\$1,632	\$2,152	(24.9)	(14.6)	(12.0)	31.9
Export shipments:									
Quantity.....	337,377	328,960	285,523	73,668	105,856	(15.4)	(2.5)	(13.2)	43.7
Value.....	801,275	657,426	499,999	123,216	212,175	(37.6)	(18.0)	(23.9)	72.2
Unit value.....	\$2,375	\$1,998	\$1,751	\$1,673	\$2,004	(26.3)	(15.9)	(12.4)	19.8
Ending inventory quantity.....	221,861	193,043	178,274	175,307	181,859	(19.6)	(13.0)	(7.7)	3.7
Inventories/total shipments (fn1).....	11.4	10.9	9.3	9.4	9.1	(2.1)	(0.5)	(1.6)	(0.3)
Production workers.....	2,968	2,718	2,660	2,202	2,520	(10.4)	(8.4)	(2.1)	14.4
Hours worked (1,000s).....	6,355	5,909	5,869	1,360	1,477	(7.6)	(7.0)	(0.7)	8.6
Wages paid (\$1,000).....	225,674	221,148	215,724	52,790	53,210	(4.4)	(2.0)	(2.5)	0.8
Hourly wages (dollars).....	\$35.51	\$37.43	\$36.76	\$38.82	\$36.03	3.5	5.4	(1.8)	(7.2)
Productivity (short tons per 1,000 hours).....	309.2	293.7	324.1	330.4	341.8	4.8	(5.0)	10.4	3.4
Unit labor costs.....	\$115	\$127	\$113	\$117	\$105	(3.3)	11.0	(11.0)	(10.3)
Net sales:									
Quantity.....	1,939,953	1,764,169	1,916,985	467,143	501,199	(1.2)	(9.1)	8.7	7.3
Value.....	4,551,274	3,524,506	3,366,746	765,176	1,062,997	(26.0)	(22.6)	(4.5)	38.9
Unit value.....	\$2,346	\$1,998	\$1,756	\$1,638	\$2,121	(25.1)	(14.8)	(12.1)	29.5
Cost of goods sold (COGS).....	4,533,690	3,572,994	3,279,618	808,297	933,922	(27.7)	(21.2)	(8.2)	15.5
Gross profit or (loss).....	17,584	(48,488)	87,128	(43,121)	129,075	395.5	(375.8)	(279.7)	(399.3)
SG&A expenses.....	157,081	122,908	139,309	35,296	40,852	(11.3)	(21.8)	13.3	15.7
Operating income or (loss).....	(139,497)	(171,396)	(52,181)	(78,417)	88,223	(62.6)	22.9	(69.6)	(212.5)
Net income or (loss).....	(220,839)	(343,402)	(167,622)	(108,601)	64,361	(24.1)	55.5	(51.2)	(159.3)
Capital expenditures.....	***	***	***	***	***	***	***	***	***
Unit COGS.....	\$2,337	\$2,025	\$1,711	\$1,730	\$1,863	(26.8)	(13.3)	(15.5)	7.7
Unit SG&A expenses.....	\$81	\$70	\$73	\$76	\$82	(10.3)	(14.0)	4.3	7.9
Unit operating income or (loss).....	(\$72)	(\$97)	(\$27)	(\$168)	\$176	(62.1)	35.1	(72.0)	(204.9)
Unit net income or (loss).....	(\$114)	(\$195)	(\$87)	(\$232)	\$128	(23.2)	71.0	(55.1)	(155.2)
COGS/sales (fn1).....	99.6	101.4	97.4	105.6	87.9	(2.2)	1.8	(4.0)	(17.8)
Operating income or (loss)/sales (fn1).....	(3.1)	(4.9)	(1.5)	(10.2)	8.3	1.5	(1.8)	3.3	18.5
Net income or (loss)/sales (fn1).....	(4.9)	(9.7)	(5.0)	(14.2)	6.1	(0.1)	(4.9)	4.8	20.2

## Notes:

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

fn2.--Undefined.

Source: Responses to Commission questionnaires, proprietary Customs records for 60 statistical reporting numbers (see Part IV, footnote 1 for details), and official Commerce statistics.

**Table C-1**  
**Stainless steel sheet & strip: Summary data concerning the U.S. market, 2005-10**

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

Item	Reported data						Period changes					
	2005	2006	2007	2008	2009	2010	2005-10	2005-06	2006-07	2007-08	2008-09	2009-10
<b>U.S. consumption quantity:</b>												
Amount	1,671,537	1,969,248	1,645,385	1,492,172	1,121,848	1,508,745	-9.7	17.8	-16.4	-9.3	-24.8	34.5
Producers' share (1)	83.6	80.7	79.9	79.0	86.7	83.2	-0.4	-2.8	-0.9	-0.9	7.7	-3.6
Importers' share (1):												
Germany	***	***	***	***	***	***	***	***	***	***	***	***
Italy	***	***	***	***	***	***	***	***	***	***	***	***
Japan	***	***	***	***	***	***	***	***	***	***	***	***
Korea	***	***	***	***	***	***	***	***	***	***	***	***
Mexico	***	***	***	***	***	***	***	***	***	***	***	***
Taiwan	***	***	***	***	***	***	***	***	***	***	***	***
Subtotal (subject)	7.0	7.0	8.1	7.6	7.1	6.9	-0.0	0.0	1.1	-0.6	-0.5	-0.2
All other sources	9.4	12.2	12.0	13.4	6.2	9.9	0.4	2.8	-0.2	1.5	-7.3	3.7
Total imports	16.4	19.3	20.1	21.0	13.3	16.8	0.4	2.8	0.9	0.9	-7.7	3.6
<b>U.S. consumption value:</b>												
Amount	3,914,925	5,156,980	5,834,553	5,114,235	2,400,958	4,111,376	5.0	31.7	13.1	-12.3	-53.1	71.2
Producers' share (1)	82.2	80.3	77.8	77.6	84.8	82.1	-0.1	-1.9	-2.5	-0.1	7.2	-2.6
Importers' share (1):												
Germany	***	***	***	***	***	***	***	***	***	***	***	***
Italy	***	***	***	***	***	***	***	***	***	***	***	***
Japan	***	***	***	***	***	***	***	***	***	***	***	***
Korea	***	***	***	***	***	***	***	***	***	***	***	***
Mexico	***	***	***	***	***	***	***	***	***	***	***	***
Taiwan	***	***	***	***	***	***	***	***	***	***	***	***
Subtotal (subject)	6.9	6.8	7.6	7.3	7.4	6.7	-0.2	-0.0	0.8	-0.3	0.1	-0.7
All other sources	10.9	12.9	14.6	15.1	7.9	11.2	0.3	2.0	1.7	0.5	-7.2	3.3
Total imports	17.8	19.7	22.2	22.4	15.2	17.9	0.1	1.9	2.5	0.1	-7.2	2.6
<b>U.S. imports from:</b>												
<b>Germany:</b>												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
<b>Italy:</b>												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
<b>Japan:</b>												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
<b>Korea:</b>												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
<b>Mexico:</b>												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
<b>Taiwan:</b>												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
<b>Subtotal (subject):</b>												
Quantity	116,786	138,462	133,921	112,823	79,741	104,708	-10.3	18.6	-3.3	-15.8	-29.3	31.3
Value	269,861	352,993	444,736	373,050	176,798	273,532	1.4	30.8	26.0	-16.1	-52.6	54.7
Unit value	\$2,311	\$2,549	\$3,321	\$3,307	\$2,217	\$2,612	13.1	10.3	30.3	-0.4	-32.9	17.8
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***

Table continued on next page.

**Table C-1--Continued**  
**Stainless steel sheet & strip: Summary data concerning the U.S. market, 2005-10**

(Quantity=short tons, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per short ton; period changes=percent, except where noted)												
Item	Reported data						Period changes					
	2005	2006	2007	2008	2009	2010	2005-10	2005-06	2006-07	2007-08	2008-09	2009-10
U.S. imports from:												
All other sources:												
Quantity	157,697	240,822	197,273	200,622	69,036	149,057	-5.5	52.7	-18.1	1.7	-65.6	115.9
Value	426,577	664,081	853,162	771,678	188,891	460,905	8.0	55.7	28.5	-9.6	-75.5	144.0
Unit value	\$2,705	\$2,758	\$4,325	\$3,846	\$2,736	\$3,092	14.3	1.9	56.8	-11.1	-28.9	13.0
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
All sources:												
Quantity	274,483	379,284	331,194	313,445	148,777	253,765	-7.5	38.2	-12.7	-5.4	-52.5	70.6
Value	696,438	1,017,074	1,297,898	1,144,728	365,689	734,438	5.5	46.0	27.6	-11.8	-68.1	100.8
Unit value	\$2,537	\$2,682	\$3,919	\$3,652	\$2,458	\$2,894	14.1	5.7	46.1	-6.8	-32.7	17.7
Ending inventory quantity	19,015	24,302	28,010	22,540	19,528	32,444	70.6	27.8	15.3	-19.5	-13.4	66.1
U.S. producers:												
Average capacity quantity	2,142,965	2,090,489	2,130,199	2,201,706	3,076,463	2,748,775	28.3	-2.4	1.9	3.4	39.7	-10.7
Production quantity	1,570,547	1,728,441	1,477,805	1,309,379	1,150,747	1,544,772	-1.6	10.1	-14.5	-11.4	-12.1	34.2
Capacity utilization (1)	73.3	82.7	69.4	59.5	37.4	56.2	-17.1	9.4	-13.3	-9.9	-22.1	18.8
U.S. shipments:												
Quantity	1,397,054	1,589,964	1,314,191	1,178,727	973,071	1,254,980	-10.2	13.8	-17.3	-10.3	-17.4	29.0
Value	3,218,487	4,139,906	4,536,655	3,969,507	2,035,269	3,376,938	4.9	28.6	9.6	-12.5	-48.7	65.9
Unit value	\$2,304	\$2,604	\$3,452	\$3,368	\$2,092	\$2,691	16.8	13.0	32.6	-2.4	-37.9	28.6
Export shipments:												
Quantity	135,683	158,668	204,116	189,594	177,813	290,797	114.3	16.9	28.6	-7.1	-6.2	63.5
Value	325,891	439,875	720,670	667,534	392,295	835,038	156.2	35.0	63.8	-7.4	-41.2	112.9
Unit value	\$2,402	\$2,772	\$3,531	\$3,521	\$2,206	\$2,872	19.6	15.4	27.4	-0.3	-37.3	30.2
Ending inventory quantity	338,904	318,713	278,211	219,269	219,132	218,127	-35.6	-6.0	-12.7	-21.2	-0.1	-0.5
Inventories/total shipments (1)	22.1	18.2	18.3	16.0	19.0	14.1	-8.0	-3.9	0.1	-2.3	3.0	-4.9
Production workers	3,236	3,316	3,214	3,133	2,560	2,989	-7.6	2.5	-3.1	-2.5	-18.3	16.8
Hours worked (1,000s)	7,356	7,663	7,097	6,929	5,389	6,456	-12.2	4.2	-7.4	-2.4	-22.2	19.8
Wages paid (\$1,000s)	220,119	246,642	240,322	251,451	199,606	236,989	7.7	12.0	-2.6	4.6	-20.6	18.7
Hourly wages	\$29.92	\$32.19	\$33.86	\$36.29	\$37.04	\$36.71	22.7	7.6	5.2	7.2	2.1	-0.9
Productivity (tons/1,000 hours)	213.5	225.6	208.2	189.0	213.5	239.3	12.1	5.6	-7.7	-9.2	13.0	12.1
Unit labor costs	\$140.15	\$142.70	\$162.62	\$192.04	\$173.46	\$153.41	9.5	1.8	14.0	18.1	-9.7	-11.6
Net sales:												
Quantity	1,532,737	1,748,632	1,518,307	1,368,321	1,150,884	1,545,756	0.8	14.1	-13.2	-9.9	-15.9	34.3
Value	3,544,378	4,579,781	5,257,324	4,637,041	2,427,566	4,211,902	18.8	29.2	14.8	-11.8	-47.6	73.5
Unit value	\$2,312	\$2,619	\$3,463	\$3,389	\$2,109	\$2,725	17.8	13.3	32.2	-2.1	-37.8	29.2
Cost of goods sold (COGS)	3,224,268	4,036,980	4,519,031	4,402,371	2,596,804	4,021,106	24.7	25.2	11.9	-2.6	-41.0	54.8
Gross profit or (loss)	320,110	542,801	738,293	234,670	(169,238)	190,796	-40.4	69.6	36.0	-68.2	(2)	(2)
SG&A expenses	109,132	125,493	128,981	115,763	98,054	119,653	9.6	15.0	2.8	-10.2	-15.3	22.0
Operating income or (loss)	210,978	417,308	609,312	118,907	(267,292)	71,143	-66.3	97.8	46.0	-80.5	(2)	(2)
Capital expenditures	***	***	***	***	***	***	***	***	***	***	***	***
Unit COGS	\$2,104	\$2,309	\$2,976	\$3,217	\$2,256	\$2,601	23.7	9.7	28.9	8.1	-29.9	15.3
Unit SG&A expenses	\$71	\$72	\$85	\$85	\$85	\$77	8.7	0.8	18.4	-0.4	0.7	-9.1
Unit operating income or (loss)	\$138	\$239	\$401	\$87	(\$232)	\$46	-66.6	73.4	68.2	-78.3	(2)	(2)
COGS/sales (1)	91.0	88.1	86.0	94.9	107.0	95.5	4.5	-2.8	-2.2	9.0	12.0	-11.5
Operating income or (loss)/ sales (1)	6.0	9.1	11.6	2.6	(11.0)	1.7	-4.3	3.2	2.5	-9.0	-13.6	12.7

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

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

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

**Table D-1**  
**Certain stainless steel sheet & strip: Summary data concerning the U.S. market, 1999-2004**

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

Item	Reported data						Period changes					
	1999	2000	2001	2002	2003	2004	1999-2004	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004
<b>U.S. consumption quantity:</b>												
Amount	1,986,791	1,945,290	1,595,049	1,734,565	1,704,087	1,895,410	-4.6	-2.1	-18.0	8.7	-1.8	11.2
Producers' share (1)	83.3	85.8	87.2	87.2	86.9	84.0	0.7	2.3	1.6	0.1	-0.4	-2.8
Importers' share (1):												
France	***	***	***	***	***	***	***	***	***	***	***	***
Germany	***	***	***	***	***	***	***	***	***	***	***	***
Italy	***	***	***	***	***	***	***	***	***	***	***	***
Japan	***	***	***	***	***	***	***	***	***	***	***	***
Korea	***	***	***	***	***	***	***	***	***	***	***	***
Mexico	***	***	***	***	***	***	***	***	***	***	***	***
Taiwan (subject)	***	***	***	***	***	***	***	***	***	***	***	***
United Kingdom	***	***	***	***	***	***	***	***	***	***	***	***
Subtotal (subject)	9.7	7.6	7.3	6.5	7.5	8.5	-1.2	-2.1	-0.3	-0.8	1.1	1.0
All other sources (2)	7.0	6.8	5.6	6.3	5.6	7.4	0.5	-0.1	-1.3	0.7	-0.7	1.8
Total imports	16.7	14.4	12.8	12.8	13.1	16.0	-0.7	-2.3	-1.6	-0.1	0.4	2.8
<b>U.S. consumption value:</b>												
Amount	3,018,882	3,567,415	2,490,197	2,729,118	2,812,312	4,197,633	39.0	18.2	-30.2	9.6	3.0	49.3
Producers' share (1)	82.1	83.8	85.8	86.6	85.4	83.3	1.2	1.7	2.0	0.8	-1.2	-2.1
Importers' share (1):												
France	***	***	***	***	***	***	***	***	***	***	***	***
Germany	***	***	***	***	***	***	***	***	***	***	***	***
Italy	***	***	***	***	***	***	***	***	***	***	***	***
Japan	***	***	***	***	***	***	***	***	***	***	***	***
Korea	***	***	***	***	***	***	***	***	***	***	***	***
Mexico	***	***	***	***	***	***	***	***	***	***	***	***
Taiwan (subject)	***	***	***	***	***	***	***	***	***	***	***	***
United Kingdom	***	***	***	***	***	***	***	***	***	***	***	***
Subtotal (subject)	10.4	8.4	8.0	6.9	7.9	8.4	-2.0	-1.9	-0.5	-1.1	1.1	0.5
All other sources (2)	7.5	7.7	6.2	6.5	6.6	8.3	0.8	0.2	-1.5	0.3	0.1	1.7
Total imports	17.9	16.2	14.2	13.4	14.6	16.7	-1.2	-1.7	-2.0	-0.8	1.2	2.1
<b>U.S. shipments of imports from:</b>												
France:												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Germany:												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Italy:												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Japan:												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Korea:												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Mexico:												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Taiwan (subject):												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
United Kingdom:												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Subtotal (subject):												
Quantity	192,440	147,477	116,234	112,301	128,293	161,607	-16.0	-23.4	-21.2	-3.4	14.2	26.0
Value	312,888	301,309	198,942	187,263	223,195	353,031	12.8	-3.7	-34.0	-5.9	19.2	58.2
Unit value	\$1,626	\$2,043	\$1,712	\$1,688	\$1,740	\$2,185	34.4	25.7	-16.2	-2.6	4.3	25.6
Ending inventory quantity	7,253	23,130	13,813	14,047	13,793	10,589	46.0	218.9	-40.3	1.7	-1.8	-23.2

Table continued on next page.

Table D-1--Continued  
 Certain stainless steel sheet & strip: Summary data concerning the U.S. market, 1999-2004

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

Item	Reported data						Period changes					
	1999	2000	2001	2002	2003	2004	1999-2004	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004
U.S. shipments of imports from:												
All other sources (2):												
Quantity .....	138,540	132,787	88,590	109,144	95,747	140,875	1.7	-4.2	-33.3	23.2	-12.3	47.1
Value .....	227,103	276,008	154,562	178,061	186,231	348,026	53.2	21.5	-44.0	15.2	4.6	86.9
Unit value .....	\$1,639	\$2,079	\$1,745	\$1,631	\$1,945	\$2,470	50.7	26.8	-16.1	-6.5	19.2	27.0
Ending inventory quantity .....	***	***	***	***	***	***	***	***	***	***	***	***
All sources:												
Quantity .....	330,979	280,264	204,824	221,446	224,040	302,482	-8.6	-15.3	-26.9	8.1	1.2	35.0
Value .....	539,991	577,317	353,504	365,323	409,425	701,057	29.8	6.9	-38.8	3.3	12.1	71.2
Unit value .....	\$1,631	\$2,060	\$1,726	\$1,650	\$1,827	\$2,318	42.1	26.3	-16.2	-4.4	10.8	26.8
Ending inventory quantity .....	***	***	***	***	***	***	***	***	***	***	***	***
U.S. producers:												
Average capacity quantity .....	2,025,067	2,104,373	2,132,834	2,262,623	2,233,900	2,262,807	11.7	3.9	1.4	6.1	-1.3	1.3
Production quantity .....	1,818,664	1,736,738	1,446,691	1,638,714	1,591,328	1,670,643	-8.1	-4.5	-16.7	13.3	-2.9	5.0
Capacity utilization (1) .....	89.8	82.5	67.8	72.4	71.2	73.8	-16.0	-7.3	-14.7	4.6	-1.2	2.6
U.S. shipments:												
Quantity .....	1,655,812	1,665,026	1,390,225	1,513,119	1,480,047	1,592,928	-3.8	0.6	-16.5	8.8	-2.2	7.6
Value .....	2,478,891	2,990,098	2,136,693	2,363,795	2,402,887	3,496,576	41.1	20.6	-28.5	10.6	1.7	45.5
Unit value .....	\$1,497	\$1,796	\$1,537	\$1,562	\$1,624	\$2,195	46.6	20.0	-14.4	1.6	3.9	35.2
Export shipments:												
Quantity .....	71,822	74,970	78,961	109,075	146,919	89,411	24.5	4.4	5.3	38.1	34.7	-39.1
Value .....	153,499	165,523	162,274	160,063	192,257	179,065	16.7	7.8	-2.0	-1.4	20.1	-6.9
Unit value .....	\$2,137	\$2,208	\$2,055	\$1,467	\$1,309	\$2,003	-6.3	3.3	-6.9	-28.6	-10.8	53.0
Ending inventory quantity .....	***	***	***	***	***	***	***	***	***	***	***	***
Inventories/total shipments (1) .....	***	***	***	***	***	***	***	***	***	***	***	***
Production workers .....	4,729	5,106	4,262	4,196	4,457	4,407	-6.8	8.0	-16.5	-1.6	6.2	-1.1
Hours worked (1,000s) .....	10,054	10,686	8,804	8,772	9,184	8,605	-14.4	6.3	-17.6	-0.4	4.7	-6.3
Wages paid (\$1,000s) .....	263,090	274,445	226,852	229,932	236,150	233,925	-11.1	4.3	-17.3	1.4	2.7	-0.9
Hourly wages .....	\$26.17	\$25.68	\$25.77	\$26.21	\$25.71	\$27.19	3.9	-1.9	0.3	1.7	-1.9	5.7
Productivity (tons/1,000 hours) .....	182.9	164.2	166.0	189.1	175.1	196.7	7.5	-10.2	1.1	13.9	-7.4	12.4
Unit labor costs .....	\$142.42	\$155.76	\$154.80	\$138.35	\$146.36	\$137.32	-3.6	9.4	-0.6	-10.6	5.8	-6.2
Net sales:												
Quantity .....	1,852,872	1,740,618	1,469,627	1,622,745	1,627,982	1,680,804	-9.3	-6.0	-15.6	10.4	0.3	3.2
Value .....	2,814,825	3,173,050	2,310,402	2,537,555	2,608,020	3,692,443	31.2	12.7	-27.2	9.8	2.8	41.6
Unit value .....	\$1,519	\$1,823	\$1,572	\$1,564	\$1,602	\$2,197	44.6	20.0	-13.8	-0.5	2.4	37.1
Cost of goods sold (COGS) .....	2,441,039	2,685,379	2,232,820	2,389,911	2,841,863	3,332,922	36.5	10.0	-16.9	7.0	18.9	17.3
Gross profit or (loss) .....	373,586	487,671	77,582	147,644	(233,843)	359,521	-3.8	30.5	-84.1	90.3	(3)	(3)
SG&A expenses .....	166,573	158,606	135,003	127,600	137,978	127,398	-23.5	-4.8	-14.9	-5.5	8.1	-7.7
Operating income or (loss) .....	207,013	329,065	(57,421)	20,044	(371,821)	232,123	12.1	59.0	(3)	(3)	(3)	(3)
Capital expenditures .....	233,051	163,749	195,224	111,502	220,784	123,039	-47.2	-29.7	19.2	-42.9	98.0	-44.3
Unit COGS .....	\$1,318	\$1,543	\$1,519	\$1,473	\$1,746	\$1,983	50.5	17.1	-1.5	-3.1	18.5	13.6
Unit SG&A expenses .....	\$90	\$91	\$92	\$79	\$85	\$76	-15.7	1.3	0.8	-14.4	7.8	-10.6
Unit operating income or (loss) .....	\$112	\$189	(\$39)	\$12	(\$228)	\$138	23.6	69.2	(3)	(3)	(3)	(3)
COGS/sales (1) .....	86.7	84.6	96.6	94.2	109.0	90.3	3.5	-2.1	12.0	-2.5	14.8	-18.7
Operating income or (loss)/ sales (1) .....	7.4	10.4	(2.5)	0.8	(14.3)	6.3	-1.1	3.0	-12.9	3.3	-15.0	20.5

(1) "Reported data" are in percent and "period changes" are in percentage points.  
 (2) Includes nonsubject imports from Taiwan.  
 (3) Undefined.

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

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



Table C-1  
 Certain stainless steel sheet and strip: Summary data concerning the U.S. market, 1996-98

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

Item	Reported data			Period changes		
	1996	1997	1998	1996-98	1996-97	1997-98
<b>U.S. consumption quantity:</b>						
Amount	1,563,725	1,640,800	1,747,442	11.7	4.9	6.5
Producers' share (1)	80.8	81.3	79.6	-1.3	0.4	-1.7
Importers' share (1):						
France	***	***	***	***	***	***
Germany	***	***	***	***	***	***
Italy	***	***	***	***	***	***
Japan	***	***	***	***	***	***
Korea	***	***	***	***	***	***
Mexico	***	***	***	***	***	***
Taiwan	***	***	***	***	***	***
United Kingdom	***	***	***	***	***	***
Subtotal	14.9	14.9	15.9	1.0	0.0	0.9
Other sources	4.3	3.8	4.6	0.3	-0.4	0.7
Total imports	19.2	18.7	20.4	1.3	-0.4	1.7
<b>U.S. consumption value:</b>						
Amount	3,177,392	3,048,654	2,883,292	-9.3	-4.1	-5.4
Producers' share (1)	80.5	81.4	79.9	-0.6	0.9	-1.5
Importers' share (1):						
France	***	***	***	***	***	***
Germany	***	***	***	***	***	***
Italy	***	***	***	***	***	***
Japan	***	***	***	***	***	***
Korea	***	***	***	***	***	***
Mexico	***	***	***	***	***	***
Taiwan	***	***	***	***	***	***
United Kingdom	***	***	***	***	***	***
Subtotal	14.2	14.2	15.2	0.9	-0.0	1.0
Other sources	5.3	4.4	4.9	-0.3	-0.9	0.6
Total imports	19.5	18.6	20.1	0.6	-0.9	1.5
<b>U.S. shipments of imports from:</b>						
France:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***
Germany:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***
Italy:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***
Japan:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***
Korea:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***
Mexico:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***
Taiwan (2):						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***

Table continued on next page.

Table C-1--Continued  
 Certain stainless steel sheet and strip Summary data concerning the U.S. market, 1996-98

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

Item	Reported data			Period changes		
	1996	1997	1998	1996-98	1996-97	1997-98
U.S. shipments of imports from:						
United Kingdom:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***
Subtotal (subject):						
Quantity	232,717	244,541	277,015	19.0	5.1	13.3
Value	452,416	432,831	437,633	-3.3	-4.3	1.1
Unit value	\$1,944.06	\$1,769.97	\$1,579.82	-18.7	-9.0	-10.7
Ending inventory quantity	27,155	41,071	48,399	78.2	51.2	17.8
Other sources (2):						
Quantity	67,077	63,083	80,178	19.5	-6.0	27.1
Value	167,274	133,023	141,982	-15.1	-20.5	6.7
Unit value	\$2,493.76	\$2,108.70	\$1,770.83	-29.0	-15.4	-16.0
Ending inventory quantity	470	1,356	926	97.0	188.5	-31.7
All sources:						
Quantity	299,794	307,624	357,193	19.1	2.6	16.1
Value	619,690	565,854	579,615	-6.5	-8.7	2.4
Unit value	\$2,067.05	\$1,839.43	\$1,622.69	-21.5	-11.0	-11.8
Ending inventory quantity	27,625	42,427	49,325	78.5	53.6	16.3
U.S. producers:						
Average capacity quantity	1,913,709	2,004,648	2,092,165	9.3	4.8	4.4
Production quantity	1,370,283	1,405,072	1,429,041	4.3	2.5	1.7
Capacity utilization (1)	73.0	71.6	69.6	-3.4	-1.4	-1.9
U.S. shipments:						
Quantity	1,263,931	1,333,176	1,390,249	10.0	5.5	4.3
Value	2,557,702	2,482,800	2,303,677	-9.9	-2.9	-7.2
Unit value	\$2,023.61	\$1,862.32	\$1,657.02	-18.1	-8.0	-11.0
Export shipments:						
Quantity	41,020	57,152	73,432	79.0	39.3	28.5
Value	95,416	114,085	129,857	36.1	19.6	13.8
Unit value	\$2,326.08	\$1,996.17	\$1,768.40	-24.0	-14.2	-11.4
Ending inventory quantity	296,410	311,154	276,694	-6.7	5.0	-11.1
Inventories/total shipments (1)	22.7	22.4	18.9	-3.8	-0.3	-3.5
Production workers	8,441	8,316	8,154	-3.4	-1.5	-1.9
Hours worked (1,000s)	18,093	18,106	16,563	-8.5	0.1	-8.5
Wages paid (\$1,000s)	351,095	371,548	353,294	0.6	5.8	-4.9
Hourly wages	\$19.41	\$20.52	\$21.33	9.9	5.7	3.9
Productivity (tons per 1,000 hours)	77.6	78.8	86.8	11.9	1.6	10.2
Unit labor costs	\$250.17	\$260.49	\$245.75	-1.8	4.1	-5.7
Net sales:						
Quantity	1,306,807	1,391,247	1,463,511	12.0	6.5	5.2
Value	2,659,658	2,599,825	2,433,455	-8.5	-2.2	-6.4
Unit value	\$2,035.23	\$1,868.70	\$1,662.75	-18.3	-8.2	-11.0
Cost of goods sold (COGS)	2,317,256	2,319,212	2,254,260	-2.7	0.1	-2.8
Gross profit or (loss)	342,402	280,613	179,195	-47.7	-18.0	-36.1
SG&A expenses	117,891	127,743	134,431	14.0	8.4	5.2
Operating income or (loss)	224,511	152,870	44,764	-80.1	-31.9	-70.7
Capital expenditures	195,859	191,623	97,404	-50.3	-2.2	-49.2
Unit COGS	\$1,773.22	\$1,667.00	\$1,540.31	-13.1	-6.0	-7.6
Unit SG&A expenses	\$90.21	\$91.82	\$91.86	1.8	1.8	0.0
Unit operating income or (loss)	\$171.80	\$109.88	\$30.59	-82.2	-36.0	-72.2
COGS/sales (1)	87.1	89.2	92.6	5.5	2.1	3.4
Operating income or (loss)/ sales (1)	8.4	5.9	1.8	-6.6	-2.6	-4.0

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

(2) Reported import shipments and inventories from Taiwan do not include imports from Chang Mien; these imports are included in figures for other sources.

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

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

## **APPENDIX D**

### **EFFECTS OF THE ORDERS AND LIKELY IMPACT OF REVOCATION**



**Table D-1**  
**SSSS: Firms' narratives on the impact of the order(s) and the likely impact of revocation**

<b>Response type</b>	<b>Firm type</b>	<b>Firm name and narrative on impact or likely impact</b>
Effect of orders	U.S. producers	***
Effect of orders	U.S. producers	***
Effect of orders	U.S. producers	***

<b>Response type</b>	<b>Firm type</b>	<b>Firm name and narrative on impact or likely impact</b>
Likely impact of revocation	U.S. producers	***
Likely impact of revocation	U.S. producers	***

<b>Response type</b>	<b>Firm type</b>	<b>Firm name and narrative on impact or likely impact</b>
Likely impact of revocation	U.S. producers	***
Effect of orders	Importers	***
Effect of orders	Importers	***
Effect of orders	Importers	***
Effect of orders	Importers	***
Effect of orders	Importers	***
Effect of orders	Importers	***
Effect of orders	Importers	***

<b>Response type</b>	<b>Firm type</b>	<b>Firm name and narrative on impact or likely impact</b>
Effect of orders	Importers	***
Effect of orders	Importers	***
Effect of orders	Importers	***
Effect of orders	Importers	***
Effect of orders	Importers	***
Effect of orders	Importers	***
Likely impact of revocation	Importers	***
Likely impact of revocation	Importers	***



<b>Response type</b>	<b>Firm type</b>	<b>Firm name and narrative on impact or likely impact</b>
Likely impact of revocation	Importers	***
Likely impact of revocation	Importers	***
Effect of orders	Purchasers	***
Effect of orders	Purchasers	***
Effect of orders	Purchasers	***
Effect of orders	Purchasers	***
Effect of orders	Purchasers	***
Effect of orders	Purchasers	***
Effect of orders	Purchasers	***
Effect of orders	Purchasers	***
Effect of orders	Purchasers	***
Effect of orders	Purchasers	***
Likely impact of revocation	Purchasers	***
Likely impact of revocation	Purchasers	***
Likely impact of revocation	Purchasers	***
Likely impact of revocation	Purchasers	***
Likely impact of revocation	Purchasers	***

<b>Response type</b>	<b>Firm type</b>	<b>Firm name and narrative on impact or likely impact</b>
Likely impact of revocation	Purchasers	***
Likely impact of revocation	Purchasers	***
Likely impact of revocation	Purchasers	***
Likely impact of revocation	Purchasers	***
Likely impact of revocation	Purchasers	***
Effect of orders	Foreign producers	***
Effect of orders	Foreign producers	***
Effect of orders	Foreign producers	***
Effect of orders	Foreign producers	***
Effect of orders	Foreign producers	***
Effect of orders	Foreign producers	***
Likely impact of revocation	Foreign producers	***

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

**APPENDIX E**

**U.S. PRODUCERS' AND U.S. IMPORTERS' U.S. SHIPMENTS BY CLASS, GRADE,  
AND PRODUCTION PROCESS (ADDITIONAL DATA)**



**Table E-1**  
**SSSS: U.S. producers' and U.S. importers' U.S. shipments by source and class, 2022**

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

Source	Measure	Austenitic	Ferritic	All other classes	All classes
U.S. producers	Quantity	***	***	***	***
Japan	Quantity	***	***	***	***
South Korea, subject	Quantity	***	***	***	***
Taiwan, subject	Quantity	***	***	***	***
Subject sources	Quantity	***	***	***	***
South Korea, nonsubject	Quantity	***	***	***	***
Taiwan, nonsubject	Quantity	***	***	***	***
All other sources	Quantity	***	***	***	***
Nonsubject sources	Quantity	***	***	***	***
All import sources	Quantity	***	***	***	***
All sources	Quantity	***	***	***	***
U.S. producers	Value	***	***	***	***
Japan	Value	***	***	***	***
South Korea, subject	Value	***	***	***	***
Taiwan, subject	Value	***	***	***	***
Subject sources	Value	***	***	***	***
South Korea, nonsubject	Value	***	***	***	***
Taiwan, nonsubject	Value	***	***	***	***
All other sources	Value	***	***	***	***
Nonsubject sources	Value	***	***	***	***
All import sources	Value	***	***	***	***
All sources	Value	***	***	***	***
U.S. producers	Unit value	***	***	***	***
Japan	Unit value	***	***	***	***
South Korea, subject	Unit value	***	***	***	***
Taiwan, subject	Unit value	***	***	***	***
Subject sources	Unit value	***	***	***	***
South Korea, nonsubject	Unit value	***	***	***	***
Taiwan, nonsubject	Unit value	***	***	***	***
All other sources	Unit value	***	***	***	***
Nonsubject sources	Unit value	***	***	***	***
All import sources	Unit value	***	***	***	***
All sources	Unit value	***	***	***	***

Table continued.

**Table E-1 Continued**  
**SSSS: U.S. producers' and U.S. importers' U.S. shipments by source and class, 2022**

Shares in percent

Source	Measure	Austenitic	Ferritic	All other classes	All classes
U.S. producers	Share of quantity	***	***	***	***
Japan	Share of quantity	***	***	***	***
South Korea, subject	Share of quantity	***	***	***	***
Taiwan, subject	Share of quantity	***	***	***	***
Subject Sources	Share of quantity	***	***	***	***
South Korea, nonsubject	Share of quantity	***	***	***	***
Taiwan, nonsubject	Share of quantity	***	***	***	***
All other 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	***	***	***	***
Japan	Share of value	***	***	***	***
South Korea, subject	Share of value	***	***	***	***
Taiwan, subject	Share of value	***	***	***	***
Subject Sources	Share of value	***	***	***	***
South Korea, nonsubject	Share of value	***	***	***	***
Taiwan, nonsubject	Share of value	***	***	***	***
All other 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 E-2**  
**SSSS: U.S. producers' and U.S. importers' U.S. shipments by source, class, and grade, 2022**

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

Source	Measure	Austenitic: 201	Austenitic: 304	Austenitic: 316	Austenitic: All other
U.S. producers	Quantity	***	***	***	***
Japan	Quantity	***	***	***	***
South Korea, subject	Quantity	***	***	***	***
Taiwan, subject	Quantity	***	***	***	***
Subject sources	Quantity	***	***	***	***
South Korea, nonsubject	Quantity	***	***	***	***
Taiwan, nonsubject	Quantity	***	***	***	***
All other sources	Quantity	***	***	***	***
Nonsubject sources	Quantity	***	***	***	***
All import sources	Quantity	***	***	***	***
All sources	Quantity	***	***	***	***
U.S. producers	Value	***	***	***	***
Japan	Value	***	***	***	***
South Korea, subject	Value	***	***	***	***
Taiwan, subject	Value	***	***	***	***
Subject sources	Value	***	***	***	***
South Korea, nonsubject	Value	***	***	***	***
Taiwan, nonsubject	Value	***	***	***	***
All other sources	Value	***	***	***	***
Nonsubject sources	Value	***	***	***	***
All import sources	Value	***	***	***	***
All sources	Value	***	***	***	***
U.S. producers	Unit value	***	***	***	***
Japan	Unit value	***	***	***	***
South Korea, subject	Unit value	***	***	***	***
Taiwan, subject	Unit value	***	***	***	***
Subject sources	Unit value	***	***	***	***
South Korea, nonsubject	Unit value	***	***	***	***
Taiwan, nonsubject	Unit value	***	***	***	***
All other sources	Unit value	***	***	***	***
Nonsubject sources	Unit value	***	***	***	***
All import sources	Unit value	***	***	***	***
All sources	Unit value	***	***	***	***

Table continued.

**Table E-2 Continued**  
**SSSS: U.S. producers' and U.S. importers' U.S. shipments by source, class, and grade, 2022**

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

Source	Measure	Ferritic: 409	Ferritic: 430	Ferritic: All other	All other grades and classes	All grades
U.S. producers	Quantity	***	***	***	***	***
Japan	Quantity	***	***	***	***	***
South Korea, subject	Quantity	***	***	***	***	***
Taiwan, subject	Quantity	***	***	***	***	***
Subject sources	Quantity	***	***	***	***	***
South Korea, nonsubject	Quantity	***	***	***	***	***
Taiwan, nonsubject	Quantity	***	***	***	***	***
All other sources	Quantity	***	***	***	***	***
Nonsubject sources	Quantity	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***
All sources	Quantity	***	***	***	***	***
U.S. producers	Value	***	***	***	***	***
Japan	Value	***	***	***	***	***
South Korea, subject	Value	***	***	***	***	***
Taiwan, subject	Value	***	***	***	***	***
Subject sources	Value	***	***	***	***	***
South Korea, nonsubject	Value	***	***	***	***	***
Taiwan, nonsubject	Value	***	***	***	***	***
All other sources	Value	***	***	***	***	***
Nonsubject sources	Value	***	***	***	***	***
All import sources	Value	***	***	***	***	***
All sources	Value	***	***	***	***	***
U.S. producers	Unit value	***	***	***	***	***
Japan	Unit value	***	***	***	***	***
South Korea, subject	Unit value	***	***	***	***	***
Taiwan, subject	Unit value	***	***	***	***	***
Subject sources	Unit value	***	***	***	***	***
South Korea, nonsubject	Unit value	***	***	***	***	***
Taiwan, nonsubject	Unit value	***	***	***	***	***
All other sources	Unit value	***	***	***	***	***
Nonsubject sources	Unit value	***	***	***	***	***
All import sources	Unit value	***	***	***	***	***
All sources	Unit value	***	***	***	***	***

Table continued.



**Table E-2 Continued**  
**SSSS: U.S. producers' and U.S. importers' U.S. shipments by source, class, and grade, 2022**

Shares down in percent

Source	Measure	Austenitic: 201	Austenitic: 304	Austenitic: 316	Austenitic: All other
U.S. producers	Share of quantity	***	***	***	***
Japan	Share of quantity	***	***	***	***
South Korea, subject	Share of quantity	***	***	***	***
Taiwan, subject	Share of quantity	***	***	***	***
Subject sources	Share of quantity	***	***	***	***
South Korea, nonsubject	Share of quantity	***	***	***	***
Taiwan, nonsubject	Share of quantity	***	***	***	***
All other 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	***	***	***	***
Japan	Share of value	***	***	***	***
South Korea, subject	Share of value	***	***	***	***
Taiwan, subject	Share of value	***	***	***	***
Subject sources	Share of value	***	***	***	***
South Korea, nonsubject	Share of value	***	***	***	***
Taiwan, nonsubject	Share of value	***	***	***	***
All other sources	Share of value	***	***	***	***
Nonsubject sources	Share of value	***	***	***	***
All import sources	Share of value	***	***	***	***
All sources	Share of value	***	***	***	***

Table continued.

**Table E-2 Continued**  
**SSSS: U.S. producers' and U.S. importers' U.S. shipments by source, class, and grade, 2022**

Shares down in percent

Source	Measure	Ferritic: 409	Ferritic: 430	Ferritic: All other	All other grades and classes	All grades
U.S. producers	Share of quantity	***	***	***	***	***
Japan	Share of quantity	***	***	***	***	***
South Korea, subject	Share of quantity	***	***	***	***	***
Taiwan, subject	Share of quantity	***	***	***	***	***
Subject sources	Share of quantity	***	***	***	***	***
South Korea, nonsubject	Share of quantity	***	***	***	***	***
Taiwan, nonsubject	Share of quantity	***	***	***	***	***
All other 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	***	***	***	***	***
Japan	Share of value	***	***	***	***	***
South Korea, subject	Share of value	***	***	***	***	***
Taiwan, subject	Share of value	***	***	***	***	***
Subject sources	Share of value	***	***	***	***	***
South Korea, nonsubject	Share of value	***	***	***	***	***
Taiwan, nonsubject	Share of value	***	***	***	***	***
All other 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 E-3**  
**SSSS: U.S. producers' U.S. shipments, by shipment type and production process, 2022**

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

Item	Measure	Hot-rolled annealed and pickled (HRAP)	Cold-rolled (CR) or further processed	All production processes
Commercial U.S. shipments	Quantity	***	***	***
Internal consumption	Quantity	***	***	***
Transfers to related firms	Quantity	***	***	***
U.S. shipments	Quantity	***	***	***
Commercial U.S. shipments	Value	***	***	***
Internal consumption	Value	***	***	***
Transfers to related firms	Value	***	***	***
U.S. shipments	Value	***	***	***
Commercial U.S. shipments	Unit value	***	***	***
Internal consumption	Unit value	***	***	***
Transfers to related firms	Unit value	***	***	***
U.S. shipments	Unit value	***	***	***
Commercial U.S. shipments	Share of quantity	***	***	***
Internal consumption	Share of quantity	***	***	***
Transfers to related firms	Share of quantity	***	***	***
U.S. shipments	Share of quantity	***	***	***
Commercial U.S. shipments	Share of value	***	***	***
Internal consumption	Share of value	***	***	***
Transfers to related firms	Share of value	***	***	***
U.S. shipments	Share of value	***	***	***

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

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

**Table E-4**  
**SSSS: U.S. importers' U.S. shipments of imports from Japan, by shipment type and production process, 2022**

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

<b>Item</b>	<b>Measure</b>	<b>Hot-rolled annealed and pickled (HRAP)</b>	<b>Cold-rolled (CR) or further processed</b>	<b>All production processes</b>
Commercial U.S. shipments	Quantity	***	***	***
Internal consumption	Quantity	***	***	***
Transfers to related firms	Quantity	***	***	***
U.S. shipments	Quantity	***	***	***
Commercial U.S. shipments	Value	***	***	***
Internal consumption	Value	***	***	***
Transfers to related firms	Value	***	***	***
U.S. shipments	Value	***	***	***
Commercial U.S. shipments	Unit value	***	***	***
Internal consumption	Unit value	***	***	***
Transfers to related firms	Unit value	***	***	***
U.S. shipments	Unit value	***	***	***
Commercial U.S. shipments	Share of quantity	***	***	***
Internal consumption	Share of quantity	***	***	***
Transfers to related firms	Share of quantity	***	***	***
U.S. shipments	Share of quantity	***	***	***
Commercial U.S. shipments	Share of value	***	***	***
Internal consumption	Share of value	***	***	***
Transfers to related firms	Share of value	***	***	***
U.S. shipments	Share of value	***	***	***

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

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

**Table E-5**

**SSSS: U.S. importers' U.S. shipments of imports from South Korea, subject, by shipment type and production process, 2022**

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

<b>Item</b>	<b>Measure</b>	<b>Hot-rolled annealed and pickled (HRAP)</b>	<b>Cold-rolled (CR) or further processed</b>	<b>All production processes</b>
Commercial U.S. shipments	Quantity	***	***	***
Internal consumption	Quantity	***	***	***
Transfers to related firms	Quantity	***	***	***
U.S. shipments	Quantity	***	***	***
Commercial U.S. shipments	Value	***	***	***
Internal consumption	Value	***	***	***
Transfers to related firms	Value	***	***	***
U.S. shipments	Value	***	***	***
Commercial U.S. shipments	Unit value	***	***	***
Internal consumption	Unit value	***	***	***
Transfers to related firms	Unit value	***	***	***
U.S. shipments	Unit value	***	***	***
Commercial U.S. shipments	Share of quantity	***	***	***
Internal consumption	Share of quantity	***	***	***
Transfers to related firms	Share of quantity	***	***	***
U.S. shipments	Share of quantity	***	***	***
Commercial U.S. shipments	Share of value	***	***	***
Internal consumption	Share of value	***	***	***
Transfers to related firms	Share of value	***	***	***
U.S. shipments	Share of value	***	***	***

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

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

**Table E-6****SSSS: U.S. importers' U.S. shipments of imports from Taiwan, subject, by shipment type and production process, 2022**

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

<b>Item</b>	<b>Measure</b>	<b>Hot-rolled annealed and pickled (HRAP)</b>	<b>Cold-rolled (CR) or further processed</b>	<b>All production processes</b>
Commercial U.S. shipments	Quantity	***	***	***
Internal consumption	Quantity	***	***	***
Transfers to related firms	Quantity	***	***	***
U.S. shipments	Quantity	***	***	***
Commercial U.S. shipments	Value	***	***	***
Internal consumption	Value	***	***	***
Transfers to related firms	Value	***	***	***
U.S. shipments	Value	***	***	***
Commercial U.S. shipments	Unit value	***	***	***
Internal consumption	Unit value	***	***	***
Transfers to related firms	Unit value	***	***	***
U.S. shipments	Unit value	***	***	***
Commercial U.S. shipments	Share of quantity	***	***	***
Internal consumption	Share of quantity	***	***	***
Transfers to related firms	Share of quantity	***	***	***
U.S. shipments	Share of quantity	***	***	***
Commercial U.S. shipments	Share of value	***	***	***
Internal consumption	Share of value	***	***	***
Transfers to related firms	Share of value	***	***	***
U.S. shipments	Share of value	***	***	***

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

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

**Table E-7****SSSS: U.S. importers' U.S. shipments of imports from subject sources, by shipment type and production process, 2022**

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

<b>Item</b>	<b>Measure</b>	<b>Hot-rolled annealed and pickled (HRAP)</b>	<b>Cold-rolled (CR) or further processed</b>	<b>All production processes</b>
Commercial U.S. shipments	Quantity	***	***	***
Internal consumption	Quantity	***	***	***
Transfers to related firms	Quantity	***	***	***
U.S. shipments	Quantity	***	***	***
Commercial U.S. shipments	Value	***	***	***
Internal consumption	Value	***	***	***
Transfers to related firms	Value	***	***	***
U.S. shipments	Value	***	***	***
Commercial U.S. shipments	Unit value	***	***	***
Internal consumption	Unit value	***	***	***
Transfers to related firms	Unit value	***	***	***
U.S. shipments	Unit value	***	***	***
Commercial U.S. shipments	Share of quantity	***	***	***
Internal consumption	Share of quantity	***	***	***
Transfers to related firms	Share of quantity	***	***	***
U.S. shipments	Share of quantity	***	***	***
Commercial U.S. shipments	Share of value	***	***	***
Internal consumption	Share of value	***	***	***
Transfers to related firms	Share of value	***	***	***
U.S. shipments	Share of value	***	***	***

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

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

**Table E-8****SSSS: U.S. importers' U.S. shipments of imports from South Korea, nonsubject, by shipment type and production process, 2022**

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

<b>Item</b>	<b>Measure</b>	<b>Hot-rolled annealed and pickled (HRAP)</b>	<b>Cold-rolled (CR) or further processed</b>	<b>All production processes</b>
Commercial U.S. shipments	Quantity	***	***	***
Internal consumption	Quantity	***	***	***
Transfers to related firms	Quantity	***	***	***
U.S. shipments	Quantity	***	***	***
Commercial U.S. shipments	Value	***	***	***
Internal consumption	Value	***	***	***
Transfers to related firms	Value	***	***	***
U.S. shipments	Value	***	***	***
Commercial U.S. shipments	Unit value	***	***	***
Internal consumption	Unit value	***	***	***
Transfers to related firms	Unit value	***	***	***
U.S. shipments	Unit value	***	***	***
Commercial U.S. shipments	Share of quantity	***	***	***
Internal consumption	Share of quantity	***	***	***
Transfers to related firms	Share of quantity	***	***	***
U.S. shipments	Share of quantity	***	***	***
Commercial U.S. shipments	Share of value	***	***	***
Internal consumption	Share of value	***	***	***
Transfers to related firms	Share of value	***	***	***
U.S. shipments	Share of value	***	***	***

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

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



**Table E-9**

**SSSS: U.S. importers' U.S. shipments of imports from Taiwan, nonsubject, by shipment type and production process, 2022**

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

<b>Item</b>	<b>Measure</b>	<b>Hot-rolled annealed and pickled (HRAP)</b>	<b>Cold-rolled (CR) or further processed</b>	<b>All production processes</b>
Commercial U.S. shipments	Quantity	***	***	***
Internal consumption	Quantity	***	***	***
Transfers to related firms	Quantity	***	***	***
U.S. shipments	Quantity	***	***	***
Commercial U.S. shipments	Value	***	***	***
Internal consumption	Value	***	***	***
Transfers to related firms	Value	***	***	***
U.S. shipments	Value	***	***	***
Commercial U.S. shipments	Unit value	***	***	***
Internal consumption	Unit value	***	***	***
Transfers to related firms	Unit value	***	***	***
U.S. shipments	Unit value	***	***	***
Commercial U.S. shipments	Share of quantity	***	***	***
Internal consumption	Share of quantity	***	***	***
Transfers to related firms	Share of quantity	***	***	***
U.S. shipments	Share of quantity	***	***	***
Commercial U.S. shipments	Share of value	***	***	***
Internal consumption	Share of value	***	***	***
Transfers to related firms	Share of value	***	***	***
U.S. shipments	Share of value	***	***	***

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

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

**Table E-10**

**SSSS: U.S. importers' U.S. shipments of imports from all other sources, by shipment type and production process, 2022**

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

<b>Item</b>	<b>Measure</b>	<b>Hot-rolled annealed and pickled (HRAP)</b>	<b>Cold-rolled (CR) or further processed</b>	<b>All production processes</b>
Commercial U.S. shipments	Quantity	***	***	***
Internal consumption	Quantity	***	***	***
Transfers to related firms	Quantity	***	***	***
U.S. shipments	Quantity	***	***	***
Commercial U.S. shipments	Value	***	***	***
Internal consumption	Value	***	***	***
Transfers to related firms	Value	***	***	***
U.S. shipments	Value	***	***	***
Commercial U.S. shipments	Unit value	***	***	***
Internal consumption	Unit value	***	***	***
Transfers to related firms	Unit value	***	***	***
U.S. shipments	Unit value	***	***	***
Commercial U.S. shipments	Share of quantity	***	***	***
Internal consumption	Share of quantity	***	***	***
Transfers to related firms	Share of quantity	***	***	***
U.S. shipments	Share of quantity	***	***	***
Commercial U.S. shipments	Share of value	***	***	***
Internal consumption	Share of value	***	***	***
Transfers to related firms	Share of value	***	***	***
U.S. shipments	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 E-11**  
**SSSS: U.S. importers' U.S. shipments of imports from nonsubject sources, by shipment type and production process, 2022**

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

Item	Measure	Hot-rolled annealed and pickled (HRAP)	Cold-rolled (CR) or further processed	All production processes
Commercial U.S. shipments	Quantity	***	***	***
Internal consumption	Quantity	***	***	***
Transfers to related firms	Quantity	***	***	***
U.S. shipments	Quantity	***	***	***
Commercial U.S. shipments	Value	***	***	***
Internal consumption	Value	***	***	***
Transfers to related firms	Value	***	***	***
U.S. shipments	Value	***	***	***
Commercial U.S. shipments	Unit value	***	***	***
Internal consumption	Unit value	***	***	***
Transfers to related firms	Unit value	***	***	***
U.S. shipments	Unit value	***	***	***
Commercial U.S. shipments	Share of quantity	***	***	***
Internal consumption	Share of quantity	***	***	***
Transfers to related firms	Share of quantity	***	***	***
U.S. shipments	Share of quantity	***	***	***
Commercial U.S. shipments	Share of value	***	***	***
Internal consumption	Share of value	***	***	***
Transfers to related firms	Share of value	***	***	***
U.S. shipments	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 E-12**

**SSSS: U.S. importers' U.S. shipments of imports from all import sources, by shipment type and production process, 2022**

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

<b>Item</b>	<b>Measure</b>	<b>Hot-rolled annealed and pickled (HRAP)</b>	<b>Cold-rolled (CR) or further processed</b>	<b>All production processes</b>
Commercial U.S. shipments	Quantity	***	***	***
Internal consumption	Quantity	***	***	***
Transfers to related firms	Quantity	***	***	***
U.S. shipments	Quantity	***	***	***
Commercial U.S. shipments	Value	***	***	***
Internal consumption	Value	***	***	***
Transfers to related firms	Value	***	***	***
U.S. shipments	Value	***	***	***
Commercial U.S. shipments	Unit value	***	***	***
Internal consumption	Unit value	***	***	***
Transfers to related firms	Unit value	***	***	***
U.S. shipments	Unit value	***	***	***
Commercial U.S. shipments	Share of quantity	***	***	***
Internal consumption	Share of quantity	***	***	***
Transfers to related firms	Share of quantity	***	***	***
U.S. shipments	Share of quantity	***	***	***
Commercial U.S. shipments	Share of value	***	***	***
Internal consumption	Share of value	***	***	***
Transfers to related firms	Share of value	***	***	***
U.S. shipments	Share of value	***	***	***

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

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

**APPENDIX F**

**U.S. AND FOREIGN PRODUCERS' TOTAL SHIPMENTS BY PRODUCTION PROCESS,  
CLASS, AND GRADE**



**Table F-1**  
**SSSS: U.S. producers' U.S. shipments and foreign producers' total shipments, by source and class, 2022**

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

Source	Measure	Austenitic	Ferritic	All other classes	All classes
U.S. producers	Quantity	***	***	***	***
Japan	Quantity	***	***	***	***
South Korea	Quantity	***	***	***	***
Taiwan	Quantity	***	***	***	***
Subject foreign producers	Quantity	***	***	***	***
U.S. producers	Value	***	***	***	***
Japan	Value	***	***	***	***
South Korea	Value	***	***	***	***
Taiwan	Value	***	***	***	***
Subject foreign producers	Value	***	***	***	***
U.S. producers	Unit value	***	***	***	***
Japan	Unit value	***	***	***	***
South Korea	Unit value	***	***	***	***
Taiwan	Unit value	***	***	***	***
Subject foreign producers	Unit value	***	***	***	***
U.S. producers	Share of quantity	***	***	***	***
Japan	Share of quantity	***	***	***	***
South Korea	Share of quantity	***	***	***	***
Taiwan	Share of quantity	***	***	***	***
Subject foreign producers	Share of quantity	***	***	***	***
U.S. producers	Share of value	***	***	***	***
Japan	Share of value	***	***	***	***
South Korea	Share of value	***	***	***	***
Taiwan	Share of value	***	***	***	***
Subject foreign producers	Share of value	***	***	***	***

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

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

**Figure F-1**  
**SSSS: U.S. producers' U.S. shipments and foreign producers' total shipments, by source and class, 2022**

\* \* \* \* \*

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



**Table F-2**  
**SSSS: U.S. producers' U.S. shipments and foreign producers' total shipments by source, class, and grade, 2022**

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

Source	Measure	A: 201	A: 304	A: 316	A: All other
U.S. producers	Quantity	***	***	***	***
Japan	Quantity	***	***	***	***
South Korea	Quantity	***	***	***	***
Taiwan	Quantity	***	***	***	***
Subject foreign producers	Quantity	***	***	***	***
All sources	Quantity	***	***	***	***
U.S. producers	Value	***	***	***	***
Japan	Value	***	***	***	***
South Korea	Value	***	***	***	***
Taiwan	Value	***	***	***	***
Subject foreign producers	Value	***	***	***	***
All sources	Value	***	***	***	***
U.S. producers	Unit value	***	***	***	***
Japan	Unit value	***	***	***	***
South Korea	Unit value	***	***	***	***
Taiwan	Unit value	***	***	***	***
Subject foreign producers	Unit value	***	***	***	***
All sources	Unit value	***	***	***	***

Table continued.

**Table F-2 Continued**  
**SSSS: U.S. producers' U.S. shipments and foreign producers' total shipments by source, class, and grade, 2022**

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

Source	Measure	F: 409	F: 430	F: All other	All other grades and classes	All grades
U.S. producers	Quantity	***	***	***	***	***
Japan	Quantity	***	***	***	***	***
South Korea	Quantity	***	***	***	***	***
Taiwan	Quantity	***	***	***	***	***
Subject foreign producers	Quantity	***	***	***	***	***
All sources	Quantity	***	***	***	***	***
U.S. producers	Value	***	***	***	***	***
Japan	Value	***	***	***	***	***
South Korea	Value	***	***	***	***	***
Taiwan	Value	***	***	***	***	***
Subject foreign producers	Value	***	***	***	***	***
All sources	Value	***	***	***	***	***
U.S. producers	Unit value	***	***	***	***	***
Japan	Unit value	***	***	***	***	***
South Korea	Unit value	***	***	***	***	***
Taiwan	Unit value	***	***	***	***	***
Subject foreign producers	Unit value	***	***	***	***	***
All sources	Unit value	***	***	***	***	***

Table continued.

**Table F-2 Continued**

**SSSS: U.S. producers' U.S. shipments and foreign producers' total shipments by source, class, and grade, 2022**

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

<b>Source</b>	<b>Measure</b>	<b>A: 201</b>	<b>A: 304</b>	<b>A: 316</b>	<b>A: All other</b>
U.S. producers	Share of quantity	***	***	***	***
Japan	Share of quantity	***	***	***	***
South Korea	Share of quantity	***	***	***	***
Taiwan	Share of quantity	***	***	***	***
Subject foreign producers	Share of quantity	***	***	***	***
All sources	Share of quantity	***	***	***	***
U.S. producers	Share of value	***	***	***	***
Japan	Share of value	***	***	***	***
South Korea	Share of value	***	***	***	***
Taiwan	Share of value	***	***	***	***
Subject foreign producers	Share of value	***	***	***	***
All sources	Share of value	***	***	***	***

Table continued.

**Table F-2 Continued**

**SSSS: U.S. producers' U.S. shipments and foreign producers' total shipments by source, class, and grade, 2022**

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

Source	Measure	F: 409	F: 430	F: All other	All other grades and classes	All grades
U.S. producers	Share of quantity	***	***	***	***	***
Japan	Share of quantity	***	***	***	***	***
South Korea	Share of quantity	***	***	***	***	***
Taiwan	Share of quantity	***	***	***	***	***
Subject foreign producers	Share of quantity	***	***	***	***	***
All sources	Share of quantity	***	***	***	***	***
U.S. producers	Share of value	***	***	***	***	***
Japan	Share of value	***	***	***	***	***
South Korea	Share of value	***	***	***	***	***
Taiwan	Share of value	***	***	***	***	***
Subject foreign producers	Share of value	***	***	***	***	***
All sources	Share of value	***	***	***	***	***

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

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

**Figure F-2**  
**SSSS: U.S. producers' U.S. shipments and foreign producers' total shipments by source, class, and grade, 2022**

\* \* \* \* \*

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

**Table F-3**  
**SSSS: Japan's total shipments, by shipment type and production process, 2022**

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

Item	Measure	Hot-rolled annealed and pickled (HRAP)	Cold-rolled (CR) or further processed	All production processes
Home market shipments	Quantity	***	***	***
Exports to the U.S.	Quantity	***	***	***
Exports to all other markets	Quantity	***	***	***
Total shipments	Quantity	***	***	***
Home market shipments	Value	***	***	***
Exports to the U.S.	Value	***	***	***
Exports to all other markets	Value	***	***	***
Total shipments	Value	***	***	***
Home market shipments	Unit value	***	***	***
Exports to the U.S.	Unit value	***	***	***
Exports to all other markets	Unit value	***	***	***
Total shipments	Unit value	***	***	***
Home market shipments	Share of quantity	***	***	***
Exports to the U.S.	Share of quantity	***	***	***
Exports to all other markets	Share of quantity	***	***	***
Total shipments	Share of quantity	***	***	***
Home market shipments	Share of value	***	***	***
Exports to the U.S.	Share of value	***	***	***
Exports to all other markets	Share of value	***	***	***
Total shipments	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 "---".

**Figure F-3**  
**SSSS: U.S. producers' U.S. shipments and foreign producers' total shipments by source and production process, 2022**

\* \* \* \* \*

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





**APPENDIX G**  
**SURCHARGE FORMULA**



U.S. producers and importers were asked to report their surcharge formulas and specify the yield rate. U.S. producer responses are presented in table G-1. Importer responses are presented in table G-2.

**Table G-1**  
**SSSS: U.S. producers' narrative responses regarding surcharge formulas and yield rates**

<b>Firm</b>	<b>Narrative responses on surcharge formulas and yield rates</b>
***	***
***	***
***	***

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

**Table G-2**  
**SSSS: Importers' narrative responses regarding surcharge formulas and yield rates**

<b>Firm</b>	<b>Narrative responses on surcharge formulas and yield rates</b>
***	***
***	***
***	***
***	***
***	***

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

