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AD/CVD Operations

Domestic Industry's Business Proprietary Information
for Which Proprietary Treatment Has Been Requested

Deleted from Pages 2-3, 17, 19, 23-29, 32-33, Exhibit

List and Exhibits GEN-1, GEN-2, GEN-3, GEN-4,

GEN-5, GEN-12, GEN-13, and GEN-14

PUBLIC VERSION

**BEFORE THE
INTERNATIONAL TRADE ADMINISTRATION OF THE
U.S. DEPARTMENT OF COMMERCE
AND THE
U.S. INTERNATIONAL TRADE COMMISSION**

**ANTIDUMPING DUTY PETITION
VOLUME I
GENERAL ISSUES AND INJURY**

**BOLTLESS STEEL SHELVING UNITS PREPACKAGED FOR SALE FROM INDIA,
MALAYSIA, TAIWAN, THAILAND, AND VIETNAM**

**PETITIONER:
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April 25, 2023

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**PETITION FOR THE IMPOSITION OF ANTIDUMPING DUTIES ON IMPORTS OF
BOLTLESS STEEL SHELVING UNITS PREPACKAGED FOR SALE FROM INDIA,
MALAYSIA, TAIWAN, THAILAND, AND VIETNAM**

Edsal Manufacturing Co., Inc. (“Edsal” or “Petitioner”) files this Petition before the U.S. Department of Commerce (the “Department”) and the U.S. International Trade Commission (“ITC” or “Commission”) on behalf of the domestic industry, as described in section 732(c)(4) of the Tariff Act of 1930, as amended (the “Act”), producing boltless steel shelving units prepackaged for sale (“boltless steel shelving”). See 19 U.S.C. § 1673a(c)(4). Edsal accounts for virtually all production of boltless steel shelving in the United States.

Volumes II – VI of this Petition present information that boltless steel shelving from India, Malaysia, Taiwan, Thailand, and Vietnam is being, or is likely to be, sold in the United States at less than fair value within the meaning of section 731(1) of the Act. See 19 U.S.C. § 1673(1). This Petition demonstrates that the U.S. industry producing boltless steel shelving is being materially injured, and is threatened with further material injury, by reason of unfairly traded imports of boltless steel shelving from India, Malaysia, Taiwan, Thailand, and Vietnam within the meaning of section 731(2) of the Act. See 19 U.S.C. § 1673(2). Petitioner, therefore, requests that antidumping duties be imposed on boltless steel shelving from India, Malaysia, Taiwan, Thailand, and Vietnam in an amount equal to the amount by which the normal value exceeds the export price or constructed export price of the merchandise.

This Petition sets forth the information reasonably available to Petitioner and is filed in conformity with the requirements of section 351.202 of the regulations of the U.S. Department of Commerce (“Commerce” or “the Department”) and section 207.11 of the regulations of the U.S.

International Trade Commission (“ITC” or “Commission”). See 19 C.F.R. §§ 351.202 and 207.11.

I. GENERAL INFORMATION

A. Petitioner

This Petition is filed on behalf of Edsal, the largest U.S. producer of boltless steel shelving, and an “interested party” within the meanings of 19 U.S.C. § 1677(9) and 19 C.F.R. § 351.102(b). Edsal manufactures boltless steel shelving at its production facility in Chicago, Illinois. The contact information for Edsal is:

Edsal Manufacturing Co., Inc.
1555 West 44th Street
Chicago, IL 60609
Phone: (773) 475-3016
Fax: (773) 254-1303
Contact: Scott White, President & Chief Executive Officer
Email: swhite@edsal.com
Website: www.edsal.com

B. Other Domestic Producers

To the best of Petitioner’s knowledge, there is one other domestic producer, Tenssco Corp. (“Tenssco”) of Dickson, TN, that has manufactured boltless steel shelving in the United States since January 1, 2020. See Exhibit GEN-1. While [

INFORMATION ON PRODUCTION

]. See Exhibits GEN-2 and 3.

The contact information for Tenssco is as follows:

Tenssco Corp.
201 Tenssco Drive
Dickson, TN 37055

Phone: (866) 446-8686
 Fax: (866) 445-7260
 Contact: Stuart Speyer, President
 Email: sspeyer@tennsco.com
 Website: www.tennsco.com

C. Description of the Domestic Industry and Industry Support

The statute requires that “the domestic producers or workers who support the Petition account for at least 25 percent of the total production of the domestic like product.” See 19 U.S.C. § 1673a(c)(4)(A)(i). In addition, the statute requires that “the domestic producers or workers who support the petition account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for or opposition to the petition.” See 19 U.S.C. § 1673a(c)(4)(A)(ii).

The statutory requirements for standing are satisfied here. As shown in **Exhibit GEN-4**, Edsal surpasses both the 25 percent and 50 percent thresholds for industry support established in the statute. Production of boltless steel shelving by Edsal accounted for [] percent of total U.S. boltless steel shelving production in 2022. See **Exhibit GEN-4**. Tennsco [

INFORMATION ON POSITION AND PRODUCTION

]. See id.; **Exhibit GEN-5**. Thus, production by domestic producers who support the Petition accounts for [] percent of production by those producers expressing support for or opposition to the Petition. See 19 U.S.C. § 1673a(c)(4)(A). There are no other known domestic producers of boltless steel shelving as indicated in section I.B.

D. Related Proceedings

Petitioner has not filed for import relief pursuant to section 201 of the Trade Act of 1974 (19 U.S.C. § 2251), section 232 of the Trade Expansion Act of 1962 (19 U.S.C. § 1862), or

section 337 of the Tariff Act of 1930 (19 U.S.C. § 1337) with respect to the merchandise that is the subject of this Petition. Imports of boltless steel shelving from China are currently subject to an additional duty rate of 25.0 percent pursuant to section 301 of the Trade Act of 1974 (19 U.S.C. §§ 2251, 2411). See Notice of Modification of Section 301 Action: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation, 83 Fed. Reg. 47,974 (USTR Sep. 21, 2018) (“Initial 301 Notice”); Notice of Modification of Section 301 Action: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation, 84 Fed. Reg. 20,459 (USTR Jun. 9, 2019) (“Subsequent 301 Notice”). Further, import relief for boltless steel shelving from China pursuant to sections 702 and 732 of the Tariff Act of 1930 (19 U.S.C. §§ 1671a, 1673a) was granted in 2015 and reaffirmed in 2021.

1. Antidumping and Countervailing Duty Orders Against Imports of Boltless Steel Shelving from China

On August 26, 2014, and pursuant to sections 702 and 732 of the Tariff Act of 1930, as amended (19 U.S.C. §§ 1671a(a), 1673a(a)(1)), Edsal filed antidumping and countervailing duty petitions against imports of boltless steel shelving from China. The Department and Commission each reached final affirmative determinations in both of these investigations. These investigations resulted in the publication of antidumping and countervailing duty orders on imports of boltless steel shelving from China. See Boltless Steel Shelving Units Prepackaged for Sale From the People's Republic of China: Antidumping Duty Order, 80 Fed. Reg. 63,741 (Dep’t Commerce Oct. 21, 2015) (“China AD Order”); Boltless Steel Shelving Units Prepackaged for Sale From the People's Republic of China: Amended Final Affirmative Countervailing Duty

Determination and Countervailing Duty Order, 80 Fed. Reg. 63,745 (Dep't Commerce Oct. 21, 2015) ("China CVD Order").

2. First Sunset Review

On January 4, 2021, the Department published notices of the affirmative final results of expedited sunset reviews of the antidumping and countervailing duty orders on imports of boltless steel shelving from China. See Boltless Steel Shelving Units Prepackaged for Sale From the People's Republic of China: Final Results of the Expedited Sunset Review of the Antidumping Duty Order, 86 Fed. Reg. 59 (Dep't Commerce Jan. 4, 2021); Boltless Steel Shelving Units Prepackaged for Sale From the People's Republic of China: Final Results of the Expedited First Sunset Review of the Countervailing Duty Order, 86 Fed. Reg. 58 (Dep't Commerce Jan. 4, 2021). The Department determined that revocation of the antidumping and countervailing duty orders would be likely to lead to continuation or recurrence of dumping and countervailable subsidies. See id. On May 5, 2021, the Commission determined that revocation of the antidumping and countervailing duty orders would be likely to lead to continuation or recurrence of material injury to the domestic industry within a reasonably foreseeable time. See Boltless Steel Shelving Units Prepackaged for Sale From China, 86 Fed. Reg. 23,981 (Int'l Trade Comm'n May 5, 2021). On May 12, 2021, the Department published notice of the continuation of the antidumping and countervailing duty orders on imports of boltless steel shelving from China. See Boltless Steel Shelving Units Prepackaged for Sale From the People's Republic of China: Continuation of Antidumping Duty Order and Countervailing Duty Order, 86 Fed. Reg. 26,000 (Dep't Commerce May 12, 2021).

E. Description of Subject Merchandise and Requested Scope of Investigation**1. Requested Scope of Investigation**

The following language describes the imported merchandise that Petitioner intends to cover in this investigation:¹

The scope of this investigation covers boltless steel shelving, with or without decks. The term “prepackaged for sale” means that, at a minimum, the steel vertical supports (i.e., uprights and posts) and steel horizontal supports (i.e., beams, braces) necessary to assemble a completed shelving unit (with or without decks) are packaged together for ultimate purchase by the end-user. The scope also includes add-on kits. Add-on kits include, but are not limited to, kits that allow the end-user to add an extension shelving unit onto an existing boltless steel shelving unit such that the extension and the original unit will share common frame elements (e.g., two posts). The term “boltless” refers to steel shelving in which the vertical and horizontal supports forming the frame are assembled primarily without the use of nuts and bolts, or screws. The vertical and horizontal support members for boltless steel shelving are assembled by methods such as, but not limited to, fitting a rivet, punched or cut tab, or other similar connector on one support into a hole, slot or similar receptacle on another support. The supports lock together to form the frame for the shelving unit, and provide the structural integrity of the shelving unit separate from the inclusion of any decking. The incidental use of nuts and bolts, or screws to add accessories, wall anchors, tie-bars or shelf supports does not remove the product from scope. Boltless steel shelving units may also come packaged as partially assembled, such as when two upright supports are welded together with front-to-back supports, or are otherwise connected, to form an end unit for the frame. The boltless steel shelving covered by this investigation may be commonly described as rivet shelving, welded frame shelving, slot and tab shelving, and punched rivet (quasi-rivet) shelving as well as by other trade names. The term “deck” refers to the shelf that sits on or fits into the horizontal supports (beams or braces) to provide the horizontal storage surface of the shelving unit. The scope includes all boltless steel shelving meeting the description above, regardless of (1) vertical support or post type (including but not limited to open post, closed post and tubing); (2) horizontal support or beam/brace profile (including but not limited to Z- I-5 beam, C-beam, L-beam, step beam and cargo rack); (3) number of supports; (4) surface coating (including but not limited to paint, epoxy, powder coating, zinc and other metallic coating);

¹ The requested scope of this investigation is the same as the scope definition in the previous investigation concerning China. See Boltless Steel Shelving Units Prepackaged for Sale from China, USITC Pub. 4565 (Final) (Oct. 2015) (“Boltless Steel Shelving from China (Final)”).

(5) number of levels; (6) weight capacity; (7) shape (including but not limited to rectangular, square, and corner units); (8) decking material (including but not limited to wire decking, particle board, laminated board or no deck at all); or (9) the boltless method by which vertical and horizontal supports connect (including but not limited to keyhole and rivet, slot and tab, welded frame, punched rivet and clip).

Specifically excluded from the scope are:

- Wall-mounted shelving, defined as shelving that is hung on the wall and does not stand on, or transfer load to, the floor;²
- Wire shelving units, which consist of shelves made from wire that incorporates both a wire deck and wire horizontal supports (taking the place of the horizontal beams and braces) into a single piece with tubular collars that slide over the posts and onto plastic sleeves snapped on the posts to create the finished shelving unit;
- Bulk-packed parts or components of boltless steel shelving units; and
- Made-to-order shelving systems.

Subject boltless steel shelving enters the United States through Harmonized Tariff Schedule of the United States (“HTSUS”) statistical subheading 9403.20.0075. While the HTSUS subheading is provided for convenience and Customs purposes, the written description of the scope of this investigation is dispositive.

2. Physical Characteristics and Uses

Boltless steel shelving units that are prepackaged for sale are used for storage in homes, basements, garages, offices, and commercial and industrial operations. “Boltless” refers to a system of assembly that uses rivets or other protrusions on horizontal support members that fit into slots in the vertical posts (also called uprights) of the units and thereby limits the use of nuts and bolts, screws, or tubular collars on posts. The boltless system permits assembly with minimal tools.

² The addition of a wall bracket or other device to attach otherwise freestanding subject merchandise to a wall does not meet the terms of this exclusion.

a. Description

Boltless steel shelving units are relatively high load-capacity, stand-alone shelving in which horizontal support members connect to vertical posts without the use of nuts, bolts, screws, tubular collars, or other fasteners (see Figure 1 below). These units are designed for end-user convenience by the boltless system that limits the need for tools and a prepackaged unit containing, at a minimum, the vertical and horizontal components, and are sold in a number of common sizes. Since boltless steel shelving is prepackaged, the end user may easily purchase the unit at a large home-improvement store or mass-merchandise retailer, handle the product, and transport the unit to its ultimate location. The units may be sold with or without decking (i.e., shelves).

Figure 1 – Boltless steel shelving Unit

The boltless system relies on rivets or punched or cut tabs on the beams or braces fitting into slots that are punched or cut into the posts at set intervals (see Figure 2 below). Boltless steel shelving uses several configurations of beam and brace profiles in order to provide high load capacity and also hold the decking. The Z-beam, C-beam, L-beam, and step beam are commonly used in boltless steel shelving.

Figure 2 – Rivet Lock Beam and Post with Slots

Boltless steel shelving units are produced and sold in common shelving unit sizes and approximate per-shelf weight capacities, although the scope of the subject product in this investigation is not limited by these parameters. Both shelving unit sizes and per-shelf weight capacities determine the construction and configuration of horizontal support members and the vertical posts that are needed for other supports (front-to-back supports that connect the front posts and rear posts and tie bars or center supports for decking support). Typical sizes for widths are 36, 48, 60, or 77 inches; depths are 18 or 24 inches; and heights are 60, 72, 78, or 84 inches.

Boltless steel shelving units are frequently sold with 4 or 5 levels of decking in the package. Popular decking materials are particle board, laminated boards, and steel wire. Some units may be sold without decking, so the user may purchase the decking of their choice. Other accessories include add-on kits that allow the end user to add an extension shelving unit onto an existing boltless shelving unit so that the original unit and extension share some common frame

elements, such as posts. End users may also separately purchase additional beams, braces, and decking (although these items are not prepackaged) in order to add shelves beyond those that came in their original unit.

b. Uses

Boltless steel shelving is used for storage in homes, garages, offices, and commercial and industrial operations. Because it is prepackaged in a limited number of sizes and other specifications, it may not be suitable for certain offices, or for commercial and industrial operations requiring more customized shelving. Boltless steel shelving is designed for utility, rather than aesthetic appearance, and therefore is likely to be used in a garage, basement, or back room rather than in a kitchen, living room or sales display area.

3. Production Process

There are six major steps in the manufacture of boltless steel shelving. First, hot-rolled, flat-rolled carbon steel is slit to widths for producing horizontal beam, brace, and vertical post profiles. Slit steel blanks are punched with notch holes and cut to length, formed to the final shape and profile, painted or coated, and attached with rivets or punched tabs, or welded with supports. Then the component pieces are packaged together for sale as a complete shelving unit. The slitting process cuts the steel to the desired widths to produce beam and post profiles.

The slitting may be performed in-house by the producer, a service center, or another third party. The slit steel blanks are then fed into presses that punch notch holes and cut to length the posts, beams, or braces. These parts are then roll- or press-formed into their final shape and profile, and sometimes welded. The various profiles of the beams and braces have dedicated machines that cannot be used to produce other profiles and that these machines produce at a

constant volume. For higher capacity boltless steel shelving, a small frame which has punched or cut out tabs is welded to each end of the beams. Welding of front-to-back supports to vertical posts to form end units also is done at this time. The next step is phosphating and painting or coating. Phosphating changes the steel surface to iron phosphate to increase corrosion resistance and provide a strong bonding surface for painting or other coatings. The posts, beams, and braces are either painted, galvanized, powder coated or enameled, or applied with other coatings. Rivets are attached to each end of the beams and braces. Decking is typically particle board or other composite material (painted, printed, or laminated on the top), or steel wire mesh. The decking is typically supplied by outside vendors. The appropriate posts, beams, braces, and decking for a complete unit, as well as plastic end pieces, center supports and other accessories, and assembly instructions are gathered together and then packaged and labeled for the order and shipped.

4. U.S. Tariff Classification

Imports of boltless steel shelving are properly classified under HTSUS subheading 9403.20.0075. See Exhibit GEN-6. To the best of Petitioner's knowledge, the imports entering under this subheading from the subject countries – as well as those from the non-subject countries excepting Canada, China, Mexico, and South Korea – are in-scope boltless steel shelving. See Exhibit GEN-1. Available information, however, indicates that imports entering under this subheading from Canada, China, Mexico, and South Korea are all misclassified, out-of-scope merchandise.

In the most recent administrative review of the antidumping duty order on imports of boltless steel shelving from China – which examined the period October 1, 2021 to September

30, 2022 – the Department found that there were no U.S. imports of subject merchandise from China despite the official import statistics. See Exhibit GEN-1. Specifically, the Department issued a memorandum concerning the release of U.S. Customs and Border Protection data, in which it noted that its query requesting “entry data by the names of the requested companies, as well as by their respective ten-digit case numbers {...} *returned no results.*” See id. (emphasis added). Further, Edsal is very familiar with the U.S. boltless steel shelving market and both its domestic and foreign suppliers. See id. Edsal expends significant time and effort reviewing the country of origin markings on the boltless steel shelving units sold at major U.S. retailers, and has not observed any in-scope merchandise produced in Canada, China, Mexico, or South Korea in the U.S. market. See id. Accordingly, the analyses of negligibility, import volumes, and market shares presented in this Petition begin by excluding the misclassified imports from these four countries from official import statistics for subheading 9403.20.0075. Petitioner also separately presents these analyses using the official import statistics to demonstrate that, even were imports from Canada, China, Mexico, and South Korea included in the database, the statutory factors for an affirmative injury determination would still be met.

F. Countries of Exportation

The boltless steel shelving that is the subject of this Petition is produced in and exported from India, Malaysia, Taiwan, Thailand, and Vietnam. Petitioner has no knowledge that the subject merchandise is currently being transshipped through any third country to the United States.

G. Producers and Exporters of Subject Merchandise

As required by the Department's regulations, a list of all known producers and exporters of boltless steel shelving from India, Malaysia, Taiwan, Thailand, and Vietnam is included in **Exhibit GEN-7**. See 19 C.F.R. § 351.202(b)(7)(i)(A).

H. Volume and Value of Imports

Pursuant to the Department's regulations, the volume and value of U.S. imports of boltless steel shelving from India, Malaysia, Taiwan, Thailand, and Vietnam are presented in **Exhibit GEN-8** for calendar years 2020, 2021, and 2022. See 19 C.F.R. § 351.202(b)(8). As discussed in Section I.E.4 above, available evidence indicates that imports entering under HTSUS subheading 9403.20.0075 from Canada, China, Mexico, and South Korea are misclassified, out-of-scope merchandise. See Section I.E.4 supra. Accordingly, Petitioner has analyzed import volumes based on official import statistics first with the exclusion of imports from these four countries (which Petitioner believes to be the most accurate data set), and then with their inclusion.

I. Names and Addresses of U.S. Importers

Based on information reasonably available to Petitioner, a list of known and suspected U.S. importers of boltless steel shelving from India, Malaysia, Taiwan, Thailand, and Vietnam is included in **Exhibit GEN-9**, as required by the Department's regulations. See 19 C.F.R. § 351.202(b)(9).

II. INFORMATION RELATED TO SALES AT LESS THAN FAIR VALUE

Information related to allegations by U.S. producers supporting this Petition that boltless steel shelving from India, Malaysia, Taiwan, Thailand, and Vietnam is being sold in the United States at less than fair value is provided in Volumes II - VI of this Petition.

III. THE U.S. BOLTLESS STEEL SHELVING INDUSTRY HAS BEEN MATERIALLY INJURED BY REASON OF UNFAIRLY TRADED IMPORTS FROM INDIA, MALAYSIA, TAIWAN, THAILAND, AND VIETNAM

A. The Domestic Like Product Mirrors the Scope of the Petition

The statute defines the 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.” See 19 U.S.C. § 1677(10). In identifying the domestic like product, the starting point for the Commission’s analysis is the scope of the case. See, e.g., Hitachi Metals, Ltd. v. United States, 949 F.3d 710, 717 (Fed. Cir.2020).

In making a like product determination, the Commission considers a number of factors, including: (1) physical characteristics and uses; (2) interchangeability; (3) channels of distribution; (4) customer and producer perceptions; (5) common manufacturing facilities, production processes and employees; and, where appropriate, (6) price. See, e.g., Timken Co. v. United States, 913 F. Supp. 580, 584 (Ct. Int’l Trade 1996); Nippon Steel Corp. v. United States, 19 CIT 450, 455 (1995). The Commission looks for clear dividing lines between products and disregards minor variations. See, e.g., Nippon Steel Corp., 19 CIT at 455; Torrington Co. v. United States, 747 F. Supp. 744, 749 n.3 (Ct. Int’l Trade 1990), aff’d, 938 F.2d 1278 (Fed. Cir. 1991).

The domestic like product here should mirror the scope definition of the subject merchandise and should be defined as all boltless steel shelving. Such a determination would be consistent with the domestic like product definition adopted by the Commission in its investigation involving boltless steel shelving units prepackaged for sale from China. In that investigation, the Commission “define{d} a single domestic like product coextensive with the scope of these investigations.” See Boltless Steel Shelving Units Prepackaged for Sale from China, USITC Pub. 4565 at 4-7 (relevant excerpts at **Exhibit GEN-10**).

The Commission determined that the differences in physical characteristics limited the interchangeability of boltless steel shelving with other types of shelving. See id. It observed that some of the other types of shelving were sold to distributors whereas boltless steel shelving was almost exclusively sold to retailers, and that producers and importers generally reported that boltless steel shelving differed from other forms of shelving. See id. Although some domestic producers used the same workers or machinery to produce both boltless steel shelving and other shelving, Edsal, which accounted for the overwhelming share of total domestic production over the POI, did not produce any other types of shelving using the same workers or machinery. See id. The Commission also found that boltless steel shelving was generally priced higher than resin shelving and lower than wood shelving, although it overlapped to some extent with wire shelving. For these reasons, the Commission found a clear dividing line between boltless steel shelving and other forms of shelving. See id.

In the most recent sunset review on boltless steel shelving, the Commission continued to define a single domestic like product consisting of boltless steel shelving units prepackaged for sale coextensive with Commerce’s scope definition. See Boltless Steel Shelving Units

Prepackaged for Sale from China, Inv. Nos. 701-TA-523 and 731-TA-1259 (Review) USITC Pub. 5190 at 4-7 (April 2021).

As there have been no material changes to the requested scope or to the product characteristics, production, uses, channels of distribution or marketing of boltless steel shelving produced in the United States since October 2015, the Commission should continue to define the domestic like product to be coextensive with the scope.

B. The Domestic Industry Consists of All U.S. Producers of Boltless Steel Shelving

Section 771(4)(A) of the Act defines the relevant industry as the “producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product.” 19 U.S.C. § 1677(4)(A). Based on the domestic like product definition, the domestic industry consists of all U.S. producers of boltless steel shelving, as identified above in Section I.³

C. Imports of Boltless Steel Shelving from the Subject Countries Are Not Negligible

1. Imports from Malaysia, Taiwan, Thailand and Vietnam Surpass the 3 Percent Negligibility Threshold

Pursuant to section 771(24) of the Act, imports from any single country that account for less than three percent of the total import volume for subject merchandise in the most recent 12-month period for which data are available preceding the filing of the Petition are considered

³ [

negligible. See 19 U.S.C. § 1677(24)(A)(i). As indicated below in Table 1, U.S. import volumes for the most recent 12-month period for which official import statistics are available (i.e., March 2022 through February 2023) indicate that imports of boltless steel shelving from Malaysia, Taiwan, Thailand, and Vietnam all exceed the statutory negligibility threshold.⁴ For the reasons discussed above, these data are presented on both an adjusted basis, excluding the misclassified imports from Canada, China, Korea and Mexico, and on an unadjusted basis from the official import statistics. Imports from these four countries surpass the 3 percent threshold on either database.

Table 1: U.S. Imports of Boltless Steel Shelving				
March 2022 – February 2023 (Quantity in Units)				
Source	Adjusted		Unadjusted	
	Volume	Percent of Total	Volume	Percent of Total
India	75,026	2.8%	75,026	1.3%
Malaysia	581,628	22.1%	581,628	9.9%
Taiwan	714,068	27.1%	714,068	12.1%
Thailand	655,121	24.8%	655,121	11.1%
Vietnam	429,367	16.3%	429,367	7.3%
<i>Subtotal</i>	<i>2,455,210</i>	<i>93.1%</i>	<i>2,455,210</i>	<i>41.7%</i>
All Others	181,894	6.9%	3,427,620	58.3%
Total	2,637,104	100.0%	5,882,830	100.0%

Source: Exhibit GEN-11.

⁴ As demonstrated here, even if the misclassified imports from Canada, China, Mexico, and South Korea are included in the database, imports of boltless steel shelving from Malaysia, Taiwan, Thailand, and Vietnam still exceed the statutory negligibility threshold. See Exhibit GEN-11.

2. **Imports of Boltless Steel Shelving from India Are Likely to Imminently Exceed Three Percent**

While U.S. imports of boltless steel shelving from India are just shy of the three percent statutory negligibility threshold, these imports are likely to imminently exceed three percent of total U.S. imports of boltless steel shelving. The statute instructs that, even if subject imports from any single country are found to be negligible for purposes of present material injury, they shall not be treated as negligible for purposes of a threat analysis should the Commission determine that there is potential that subject imports from the country concerned will imminently account for more than three percent of all subject merchandise imported into the United States. See 19 U.S.C. § 1677(24)(A)(iv).

U.S. imports of boltless steel shelving from India did not enter the domestic market in full force until June 2022. See Exhibit GEN-11. During the most recent nine-month period that imports from India have been present in the United States (i.e., June 2022 through February 2023), these imports accounted for 3.8 percent of total imports. See id. Further, [

INFORMATION ON LOST SALES RELATING TO INDIA

]. See Exhibit GEN-1. Had imports from India reached this level between March 2022 and February 2023, [

HYPOTHETICAL IMPORT VOLUMES

]. See id.; Exhibit GEN-11.

Moreover, in light of the trends and figures discussed above, there is a reasonable indication that data obtained in the Commission's investigation will establish that imports from India already exceed the three percent statutory negligibility threshold. Accordingly, the Department should initiate an antidumping duty investigation on imports of boltless steel

shelving from India. See Uruguay Round Agreements Act, Statement of Administrative Action, H.R. Doc. 103-316, Vol. 1, at 857 (1994); see also Certain Steel Nails From India, the Sultanate of Oman, Sri Lanka, Thailand, and the Republic of Turkey: Initiation of Countervailing Duty Investigations, 87 Fed. Reg. 3,970 (Dep't Commerce Jan. 26, 2022).

D. The Commission Should Cumulate Imports from the Subject Countries in Analyzing the Volume and Price Effects of the Unfair Imports

In assessing material injury, the Commission is required by statute to cumulate the volume and price effects of subject imports from all countries with respect to which petitions are filed on the same day, and that compete with each other and the domestic like product in the U.S. market. See 19 U.S.C. § 1677(7)(G)(i). The statutory criteria for cumulation are met in this case.

Specifically, Petitions against imports of boltless steel shelving from India, Malaysia, Taiwan, Thailand, and Vietnam are being filed simultaneously. Further, none of the statute's exceptions to cumulation applies in this case. See 19 U.S.C. § 1677(G)(ii). Therefore, as there is evidence of a reasonable overlap in competition, cumulation of subject imports for purposes of this investigation is required by the statute.

The Commission typically considers four factors in determining whether there is a reasonable overlap in competition between subject imports and the domestic like product: (1) fungibility of the product from various sources; (2) the presence of sales or offers to sell in the same geographic markets; (3) common channels of distribution; and (4) simultaneous presence in

the market.⁵ See, e.g., Certain Cast-Iron Pipe Fittings from Brazil, the Republic of Korea, and Taiwan, USITC Pub. 1845 (Final) (May 1986), aff'd, Fundicao Tupy S.A. v. United States, 678 F. Supp. 898 (Ct. Int'l Trade), aff'd, 859 F.2d 915 (Fed. Cir. 1988). No single factor is determinative. See Goss Graphics Sys., Inc., 33 F. Supp. 2d at 1086. As discussed below, each factor is met in this case.

1. **Imports from All Subject Countries and Domestic Shelving Are Fungible**

Imports from all subject countries are generally substitutable with each other and with the domestic like product. Boltless steel shelving imported in the United States, regardless of source, has similar physical characteristics, including chemistries, gauges, widths, and tempers, and is ultimately sold to the same end users for the same end uses. The same is also true of the domestic like product. Thus, there is a high degree of fungibility among the subject imports from India, Malaysia, Taiwan, Thailand, and Vietnam, and between subject imports from all five countries and the domestic like product.

In the Commission's investigations of boltless steel shelving from China, the agency concluded that there was "a moderate to high degree of substitutability between the domestic like product and subject imports." See Boltless Steel Shelving from China, USITC Pub. 4565 at 15 (relevant excerpts at **Exhibit GEN-10**). Moreover, "the overwhelming majority of market participants reported that domestically produced boltless steel shelving and subject imports were

⁵ Only a reasonable overlap of competition is required. See Goss Graphic Sys., Inc. v. United States, 33 F. Supp. 2d 1082, 1087 (Ct. Int'l Trade 1998) ("cumulation does not require two products to be highly fungible"); Mukand Ltd. v. United States, 937 F. Supp. 910, 916 (Ct. Int'l Trade 1996); Wieland Werke, AG v. United States, 718 F. Supp. 50, 52 (Ct. Int'l Trade 1989) ("{c}ompletely overlapping markets are not required").

always or frequently interchangeable.” See id. There continues to be a high interchangeability of boltless steel shelving in the U.S. market today regardless of source country.

2. All Subject Imports Compete in the Same Geographic Markets and Are Sold Through the Same Channels of Distribution

Imports from each of the subject countries also compete with imports from the other subject countries and with the domestic like product throughout the U.S. market. These products are all sold on a nationwide basis to the major retailers. With regard to channels of distribution, subject imports and the domestic like product are almost exclusively sold to major retailers, such as Costco, Lowes/LG Sourcing, Menards, and Sam’s Club, by both U.S. producers and importers from the subject countries. See **Exhibit GEN-1**.

3. Subject Imports Are Simultaneously Present in the U.S. Market

Imports of boltless steel shelving from each of the subject countries have been simultaneously present in the U.S. market for the entire POI (2020-2022). See Exhibit GEN-8. Domestically-produced boltless steel shelving has also been available in the U.S. market throughout the POI. **Exhibit GEN-12**. This factor provides further evidence that subject imports are competing with each other and the domestic like product.

4. Conclusion

In sum, there is a reasonable overlap of competition among the subject imports and between subject imports and the domestic like product within the meaning of the statute. Accordingly, the Commission should cumulate imports of boltless steel shelving from all five subject countries in analyzing whether subject imports have caused material injury to the domestic industry in this case.

E. Imports from the Subject Countries Are Causing Material Injury to the Domestic Boltless Steel Shelving Industry

In determining whether the domestic industry has been injured by reason of the imports under investigation, the statute directs the Commission to consider:

- (1) the volume of imports of the subject merchandise;
- (2) the effect of imports of that merchandise on prices in the United States for the domestic like product; and
- (3) the impact of imports of such merchandise on domestic producers in the context of production operations within the United States.

See 19 U.S.C. § 1677(7)(B). Information reasonably available to the Petitioner indicates that increasing volumes of dumped boltless steel shelving imports from India, Malaysia, Taiwan, Thailand, and Vietnam have been – and continue to be – a cause of material injury to the domestic industry.

1. The Volume of Subject Imports, on an Absolute and Relative Basis, Was Significant and Increasing in Recent Years

The statute instructs the Commission to consider “whether the volume of imports of the merchandise, or any increase in that volume, either in absolute terms or relative to production or consumption in the United States, is significant.” See 19 U.S.C. § 1677(7)(C)(i). Here, the volume of U.S. imports of boltless steel shelving from India, Malaysia, Taiwan, Thailand, and Vietnam is significant on an absolute basis, as well as relative to U.S. production and consumption.⁶ The subject countries are the largest source of imported merchandise in the U.S.

⁶ Importantly, even if the misclassified imports from Canada, China, Mexico, and South Korea are included in the database, imports of boltless steel shelving from India, Malaysia, Taiwan, Thailand, and Vietnam are still significant within the meaning of the statute. In this alternative scenario, subject imports accounted for 40.4 percent of total U.S. imports of boltless steel shelving, and [27] percent of apparent domestic consumption, in 2022. See Exhibit (cont'd on next page)

market, as subject imports accounted for 93.8 percent of total U.S. imports of boltless steel shelving in 2022. See Exhibit GEN-12. Moreover, subject imports represented [] percent of domestic production, and [55] percent of apparent domestic consumption, in that same year. See id.; Exhibit GEN-13.

U.S. imports of boltless steel shelving from India, Malaysia, Taiwan, Thailand, and Vietnam also increased significantly during the POI. On a cumulated basis, subject imports rose by 68.5 percent over the past three years, surging from 1.5 million units in 2020 to 2.5 million units in 2022. See Exhibit GEN-12. Notably, this growth in subject imports occurred even as U.S. demand for boltless steel shelving [DEMAND TREND]. See id.

In a similar fashion, U.S. imports of boltless steel shelving from India, Malaysia, Taiwan, Thailand, and Vietnam expanded their share of the domestic market during the POI. The market share held by subject imports [] over the past three years, increasing from [24] percent in 2020 to [] percent in 2022. See id. Importantly, the market share held by subject imports grew far more rapidly than the market share held by non-subject imports, which amounted to only [] percent in 2022 (only [3] percentage points higher than its 2020 level). See id. The volume of and market share held by subject imports, as well as the increases in those volumes and market shares, are significant within the meaning of the statute.

GEN-12. Further, the 68.5 percent increase in subject imports during the POI far outpaced the corresponding [] in demand. See id. The market share held by subject imports without excluding misclassified imports rose by [10] percentage points between 2020 and 2022. See id.

2. The Dumped Subject Imports Have Had Significant Negative Price Effects on the U.S. Boltless Steel Shelving Industry

Boltless steel shelving is a price-sensitive product. The increasing volumes of low-priced, dumped boltless steel shelving imports from India, Malaysia, Taiwan, Thailand, and Vietnam have caused significant negative price effects on domestic producers of boltless steel shelving. Price underselling by unfairly-traded imports of boltless steel shelving from India, Malaysia, Taiwan, Thailand, and Vietnam has taken sales from the domestic industry and has significantly suppressed the prices at which domestic producers have sold boltless steel shelving during the POI.

a. Subject Imports Have Undercut and Suppressed U.S. Prices

Information reasonably available to Petitioner indicates that the surge in boltless steel shelving imports from India, Malaysia, Taiwan, Thailand, and Vietnam was accomplished through significant underselling of U.S. producer priced by subject imports, providing important evidence that subject imports have had negative price effects in the U.S. market.

Domestic producers' numerous examples of lost sales and lost revenue set forth in **Exhibit GEN-14** show that the prices of the subject imports are consistently and significantly below Edsal's prices. The level of underselling over the POI has generally ranged between [20 and 50] percent based on the actual pricing data.

Price comparisons based on Edsal's shipment AUVs and subject importers' import AUVs for 2022 further demonstrate that subject imports were priced lower than the domestic like product. As shown below in Table 2, U.S. imports from all of the subject countries overwhelmingly undersold the domestic like product in 2022, with margins of underselling as

high as [] percent. See Exhibit GEN-8; Exhibit GEN-13. On a cumulative basis, subject imports undersold the domestic like product at margins averaging [50] percent. See id.

TABLE 2			
Price Comparisons, Based on U.S. Producers' Shipment AUVs and U.S. Importers' Import AUVs for 2022			
(in \$/unit)			
Country	Import AUV	U.S. Producer AUV	Underselling Margin
India	\$108.49	[]	[]
Malaysia	\$46.94	[]	[70]
Taiwan	\$55.58	[]	[]
Thailand	\$62.05	[135]	[]
Vietnam	\$74.84	[]	[]
<i>Subtotal</i>	\$59.86	[]	[50]
<u>Source:</u> Official import statistics, as appended in Exhibit GEN-8 and U.S. producers' trade and financial data, as appended in Exhibit GEN-13.			

As reflected in the domestic industry's financial data, the domestic industry experienced poor and worsening financial results from 2020 to 2022 due to unfair pricing pressure from subject imports. As subject imports overwhelmingly undersold the domestic product, the domestic industry was forced to compete with lower-priced imports and accept lower prices in contracts. These lower prices resulted in the domestic industry experiencing a price-cost squeeze that led to price suppression and the industry's poor and worsening condition.

b. Price Descriptors for ITC Questionnaires

Pursuant to section 207.11(b)(2)(iv) of the Commission's regulations, 19 C.F.R. § 207.11(b)(2)(iv), Petitioner recommends that the Commission collect pricing data on the following boltless steel shelving products:

PRODUCT 1: 77" Width x 24" Depth x 72" to 78" Height, 4 - level rack with steel wire decking with load capacity of 1,000 pounds to 3,000 pounds per level

PRODUCT 2: 48" Width x 18" to 24" Depth x 72" to 86" Height, 5-level or 6-level, boltless/riev steel shelving with particle board or laminate deck, with load capacity of 250 pounds to 1,000 pounds

PRODUCT 3: 48" Width x 24" Depth x 72" to 78" Height, 5-level boltless/riev steel shelving with steel wire deck, with load capacity of 250 pounds to 1,000 pounds per level

PRODUCT 4: 36" Width x 18" Depth x 72" to 78" Height, 5-level boltless/riev steel shelving with particle board or laminate deck, with load capacity of 250 pounds to 1,000 pounds per level

These price descriptors account for a significant percentage of sales of boltless steel shelving made in the United States during the past three years and, accordingly, are the appropriate products for the Commission's analysis and comparison of U.S. producer and import prices.

c. The Commission Should Solicit Data on Direct Import Pricing

To the best of Petitioner's knowledge, subject imports are imported directly from each of the subject countries by major retailers such as [

IMPORTER NAMES

] See, e.g., **Exhibit GEN-1**. The

Commission, therefore, should gather direct import pricing data on the products identified for all five subject countries.

3. Unfair Imports Have Had an Injurious Impact on the Domestic Industry Producing Boltless Steel Shelving

In assessing whether the domestic industry is materially injured by reason of unfairly traded imports, the Commission considers relevant statutory factors reflecting the state of the

domestic industry. See 19 U.S.C. § 1677(7)(c)(iii). The domestic industry has suffered material injury by reason of the subject imports, as manifested in market share lost to the unfair imports, suppressed U.S. prices, and resulting deterioration in key trade and financial variables.

- The increase in low-priced imports from India, Malaysia, Taiwan, Thailand, and Vietnam resulted in a [] percentage point gain in subject import market share over the 2020 to 2022 period. See Exhibit GEN-12. Subject import market share grew substantially from [28] percent in 2020 to [] percent in 2022. See id. As a result, domestic producers' market share fell precipitously from [] percent in 2020 to [41] percent in 2022, or by [] percentage points. See id.⁷
- As a result of this significant loss in market share, [

INFORMATION ON PRODUCTION AND SHIPMENTS

] By 2022, the producer was utilizing only [50] percent of its capacity. See id. The domestic industry has ample capacity to produce boltless steel shelving to supply customers' requirements, but has been unable to supply more boltless steel shelving to the market due to the loss of sales and market share to the high volume of lower-priced, dumped subject imports.

- The number of production and related workers ("PRWs") plummeted by nearly [35] percent between 2020 and 2022, falling from [] PRWs. See id. Thus, the growth in the volume of unfairly-priced subject imports is directly affecting the livelihood of workers in the United States.
- The increasing volumes of low-priced imports that continually undercut U.S. producer prices resulted in substantial financial harm as well. [

INFORMATION ON COMPANY FINANCIALS

⁷ Even if the misclassified imports from Canada, China, Mexico, and South Korea are included in the database, the domestic industry still lost market share to imports of boltless steel shelving from India, Malaysia, Taiwan, Thailand, and Vietnam. In this alternative scenario, the market share held by subject imports rose from [] percent in 2020 to [] percent in 2022 (an increase of [15] percentage points), while the market share held by domestic producers fell from [] percent to [] percent over that same period (a decrease of [25] percentage points). See Exhibit GEN-12.

] See id.

Operating income as a share of net sales [
DECLINED
] See id.

The causal link between imports and the U.S. industry's financial performance is further corroborated by the significant incidents of lost sales and lost revenues provided in this Petition. See Exhibit GEN-14. This exhibit identifies instances in which the domestic industry lost sales to unfairly-traded boltless steel shelving imports from India, Malaysia, Taiwan, Thailand, and Vietnam, as well as transactions in which the domestic industry lost revenues as a result of being forced to lower prices in response to competing bids from unfairly-traded subject imports. See id. This evidence of lost sales and revenues ties the financial performance of the domestic industry to the injurious price and volume impact of dumped subject imports.

4. Conclusion

In sum, each of the statutory factors demonstrating material injury is met in this case. The volume of subject imports increased over the POI and was significant both in absolute terms and in relation to the size of the U.S. market. The subject imports systematically undersold the domestic product, capturing significant volumes of sales from the domestic industry and suppressing U.S. prices. The impact on the domestic industry was a weak and deteriorating trade and financial performance from 2020 to 2022. On this basis, imports of boltless steel shelving from India, Malaysia, Taiwan, Thailand, and Vietnam have caused material injury to the domestic industry.

IV. THE DOMESTIC INDUSTRY IS THREATENED WITH FURTHER MATERIAL INJURY BY REASON OF UNFAIRLY TRADED IMPORTS OF BOLTLESS STEEL SHELVING FROM INDIA, MALAYSIA, TAIWAN, THAILAND, AND VIETNAM

A. Introduction

In addition to causing material injury, subject imports also threaten further material injury to the domestic industry. See 19 U.S.C. § 1677(7)(F). The statute instructs the Commission to consider several factors in its analysis of threat of material injury. See 19 U.S.C. § 1677(7)(F)(i). These factors include, but are not limited to: (1) the rate of increase of the volume or market penetration of subject imports; (2) the suppressing effects of subject imports on domestic prices; and (3) the existence of unused production capacity, or the potential for further increases in production capacity, in subject countries. See id.

These factors support a finding that imports of boltless steel shelving from India, Malaysia, Taiwan, Thailand, and Vietnam pose a real and imminent threat to the domestic boltless steel shelving industry. Given their weak and deteriorating financial performance and declining market shares, domestic producers of boltless steel shelving are extremely vulnerable to further material injury by reason of unfairly-traded subject imports. The rapid increase in the volume of subject imports – on both an absolute and relative basis – demonstrates the ability of these imports to enter the domestic market quickly and in large quantities. Furthermore, the corresponding increases in subject import market share have far outpaced increases in both domestic production and apparent consumption. Subject imports have also had demonstrable negative price effects, as domestic producers have been forced to lower their prices in order to compete effectively with dumped imported merchandise.

Subject producers in India, Malaysia, Taiwan, Thailand, and Vietnam maintain immense excess capacity to produce boltless steel shelving. Moreover, a significant number of subject producers either have increased production capacity in recent years, or have indicated that they plan to increase production capacity even further in the near future. Each of the subject countries is export oriented and targets the U.S. market. As such, there is abundant evidence that the domestic industry is threatened with material injury by reason of subject imports.

B. The Commission Should Cumulate Subject Imports in Assessing Threat of Material Injury

The statute authorizes the Commission to cumulate subject imports in assessing threat of material injury, if the conditions necessary for cumulation in its assessment of present material injury are satisfied. See 19 U.S.C. § 1677(7)(H). As discussed above, the statutory factors supporting a cumulative analysis are met in this case. See Section III.D supra. Accordingly, the Commission should exercise its discretion to cumulate subject imports for the purpose of examining whether subject imports threaten the domestic industry with material injury.

C. The Commission Should Find that Imports of Boltless Steel Shelving from India, Cumulated with Other Subject Imports, Threaten Injury to the Domestic Industry

As demonstrated in Section III.C.1 above, U.S. imports of boltless steel shelving from India are not negligible for purposes of a threat analysis, as there is potential that these imports will imminently exceed three percent of total U.S. imports of boltless steel shelving. See Section III.C.1 supra. Because the statutory factors supporting a cumulative analysis are met in this case, the Commission should exercise its discretion to cumulate imports of boltless steel shelving from India with other subject imports in assessing threat of material injury, as it did in Carbon and Certain Alloy Steel Wire Rod from Belarus, Italy, Korea, Russia, South Africa, Spain, Turkey,

Ukraine, United Arab Emirates, and the United Kingdom. See Section III.D supra.; Carbon and Certain Alloy Steel Wire Rod from Belarus, et al., USITC Pub. 4693 at 39 (Prelim) (May 2017). As discussed below, imports of boltless steel shelving from India, Malaysia, Taiwan, Thailand, and Vietnam threaten the domestic industry with material injury. See Sections IV.D – IV.G infra.

D. The Domestic Industry Is Vulnerable to Material Injury by Reason of Subject Imports

In its assessment of threat, the Commission first considers whether the domestic industry is vulnerable to material injury by reason of the subject imports. See, e.g., Seamless Refined Copper Pipe and Tube from China and Mexico, USITC Pub. 4193 at 34 (Final) (Nov. 2010); Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from China, USITC Pub. 4190 at 27-28 (Final) (Nov. 2010). To assess whether the domestic industry is vulnerable to injury from unfairly-traded subject imports, the Commission examines various performance indicators for U.S. producers of the subject merchandise. These indicators may include information relating to capacity utilization, employment, operating income, production, profitability, and shipments. The Commission also gives particular weight to the performance of the domestic industry at the end of the POI. See, e.g., Seamless Refined Copper Pipe and Tube from China and Mexico, USITC Pub. 4193 at 34 (Final) (Nov. 2010).

As discussed above, the current state of the domestic industry is characterized by unsustainably low levels of profitability, falling employment indicators, and shrinking market share. See Section III.E supra; Exhibit GEN-12; Exhibit GEN-13. Notably, as subject import market share increased from [] percent in 2020 to [55] in 2022, U.S. producers' operating income ratio declined from [] percent to [] percent. See id. It is evident,

therefore, that the domestic boltless steel shelving industry is vulnerable to material injury by reason of the subject imports.

E. Subject Imports Have Demonstrated an Ability to Penetrate the Domestic Market Rapidly

U.S. imports of boltless steel shelving from India, Malaysia, Taiwan, Thailand, and Vietnam have demonstrated the ability to penetrate the domestic market rapidly during the POI. See Section III.E.1 supra. The statute instructs the Commission to examine whether there has been a “significant rate of increase of the volume or market penetration of imports of the subject merchandise” in analyzing the likelihood of a substantially increased volume of subject imports in the future. See 19 U.S.C. § 1677(7)(F)(i)(III). Here, cumulated subject imports rose from 1.5 million units in 2020 to 2.5 million units in 2022, representing an increase of 68.5 percent. See Exhibit GEN-12. This rapid surge in subject imports solidified their foothold in the U.S. market, as the market share held by these imports grew by [28] percentage points – from [] percent in 2020 to [46] percent in 2022 – during the POI. See id.

Further, the 68.5 percent increase in subject imports over the past three years occurred even as U.S. demand for boltless steel shelving [DEMAND TREND]. See id. The Commission has previously found that this fact pattern is indicative of a domestic industry that is threatened by unfairly-traded subject imports. See, e.g., Chlorinated Isocyanurates from China and Japan, USITC Pub. 4494 (Final) (Nov. 2014) at 35. As such, the rapidly accelerating rate of growth in subject imports is a sign of likely continued volume and market share increases in the future absent the imposition of trade remedies.

F. Subject Imports Have Had Verifiable Adverse Price Effects That Are Likely to Continue

The statute provides that, in determining whether a domestic industry is threatened with material injury by reason of subject imports, the Commission should consider “whether imports of the subject merchandise are entering at prices that are likely to have a significant suppressing effect on domestic prices, and are likely to increase demand for further imports.” See 19 U.S.C. § 1677(7)(F)(i)(IV). As demonstrated above, subject imports have already had such suppressing effects. See Section III.E.2 *supra*. If subject imports continue to enter the U.S. market in large volumes, and at prices that substantially undersell the domestic like product, it is likely that domestic prices will remain suppressed or decline further. Thus, this statutory factor indicates that subject imports will threaten the domestic industry with further material injury in the absence of trade relief.

G. Subject Producers Maintain Massive Excess Capacity to Produce Boltless Steel Shelving, Are Highly Export-Oriented, and Are Likely to Further Target the United States

In evaluating threat of material injury, the statute instructs the Commission to consider “any existing unused production capacity or imminent, substantial increase in production capacity in the exporting country indicating the likelihood of substantially increased imports of the subject merchandise into the United States.” See 19 U.S.C. § 1677(7)(F)(i)(II). As demonstrated below, producers of boltless steel shelving in India, Malaysia, Taiwan, Thailand, and Vietnam maintain substantial production capacity, and are leading global suppliers of subject merchandise. Moreover, the subject producers are expanding, internationally competitive, and highly export-oriented.

India

- Triune Technofab (“Triune”) manufactures boltless steel shelving at its production plant in Sri City, a “state of the art facility” with the “capacity to operate 24x7 year-round.” See **Exhibit GEN-15**. Triune boasts that this location is “primarily designed to promote the Export Oriented Units,” and has “excellent connectivity by sea port to North America.” See id.
- The United States is a highly attractive market for exports of boltless steel shelving from India. The value of India exports under HS subheading 9403.20 increased by 95.4 percent during the POI, rising from \$153 million in 2020 to \$300 million in 2022. See **Exhibit GEN-16**. In 2022, the U.S. market was the number one destination for such exports. See id.

Malaysia

- Eonmetall Industries (“Eonmetall”) produces boltless steel shelving at its manufacturing facility in Penang. See **Exhibit GEN-15**. Eonmetall is “Malaysia’s largest storage equipment company” with products “widely available throughout {...} North America,” and seeks to become “the world’s major racking system provider.” See id. In its latest annual report, Eonmetall listed “competitive pricing” as one of its core principles, and stated that its “ability to penetrate the export markets of {...} the USA testif{ies} to {its} product quality.” See id.
- The United States is a highly attractive market for exports of boltless steel shelving from Malaysia. The value of Malaysia exports under HS subheading 9403.20 increased by 16.3 percent during the POI, rising from \$117 million in 2020 to \$136 million in 2022. See **Exhibit GEN-16**. In 2022, the U.S. market was the number one destination for such exports. See id.

Taiwan

- Shin Yeh Enterprises (“Shin Yeh”) manufactures boltless steel shelving at its production plant in Zhuqi. See **Exhibit GEN-15**. Shin Yeh engages in “marketing to the world’s top retail companies,” and boasts that it exports 3,500 containers of merchandise annually. See id. Notably, Shin Yeh’s focus on the U.S. market is so great that it maintains a customer service center in the United States. See id.
- The United States is a highly attractive market for exports of boltless steel shelving from Taiwan. The value of Taiwan exports under HS subheading 9403.20 remained elevated during the POI, totaling to \$524 million in 2022. See **Exhibit GEN-16**. In 2022, the U.S. market was the number one destination for such exports. See id.

Thailand

- Fuding Industries Company Limited (“Fuding”) was established in April 2021 at the Thai-Chinese Rayong Industrial Zone, and is focused on manufacturing boltless steel shelving. See Exhibit GEN-15. The company maintains an annual production capacity of 600,000 units, and is in the process of expanding this capacity by more than 100,000 additional units. See id. Fuding currently supplies Walmart in the U.S. market. See id.
- Pengdong Electromechanical Thailand (“Pengdong”) is a producer and exporter of boltless steel shelving in Rayong.
- Siam Storage Solutions (“Siam Storage”) produces boltless steel shelving at its manufacturing facility in Bangkok. See id. Based on its website, Siam Storage views the “overseas market as {its} principal market,” and is a supplier of Amazon, Home Depot, Lowes, and Walmart. See id.
- The United States is a highly attractive market for exports of boltless steel shelving from Thailand. The value of Thailand exports under HS subheading 9403.20 remained level during the POI, totaling to \$204 million in 2022. See Exhibit GEN-16. In 2022, the U.S. market was the number one destination for such exports. See id.

Vietnam

- Cuong Nghia Import and Export (“Cuong Nghia”) is a major producer and exporter of boltless steel shelving.
- Great Star Vietnam (“Great Star”) is a subsidiary of Hangzhou Great Star Industrial Company, a leading manufacturer of boltless steel shelving in China. See Exhibit GEN-15. Great Star is a major producer and exporter of boltless steel shelving.
- Parkway Thanh Phong (“Parkway”) is a major producer and exporter of boltless steel shelving.
- The United States is a highly attractive market for exports of boltless steel shelving from Vietnam. The value of Vietnam exports under HS subheading 9403.20 increased by 57.9 percent during the POI, rising from \$751 million in 2020 to \$1,185 million in 2022. See Exhibit GEN-16. In 2022, the U.S. market was the number one destination for such exports. See id.

H. Summary

Domestic producers of boltless steel shelving are currently experiencing material injury as a result of unfairly-traded imports from India, Malaysia, Taiwan, Thailand, and Vietnam. As difficult as the present situation may be, if recent trends persist, the domestic industry is threatened with an even bleaker trade and financial situation in the immediate future. The subject producers have demonstrated their ability to increase rapidly their exports to the United States of low-priced boltless steel shelving that undersells domestic producers by substantial margins. In light of the recent trends in pricing and the volume of subject imports, producers and exporters in the five subject countries are likely to continue their assault on the U.S. market absent the restraining and remedial effects of antidumping duty orders.

V. CONCLUSION

For the reasons stated in this Petition, Petitioner requests that the U.S. Department of Commerce and the U.S. International Trade Commission initiate antidumping duty investigations of boltless steel shelving from India, Malaysia, Taiwan, Thailand, and Vietnam.

Respectfully Submitted,



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April 25, 2023

EXHIBIT LIST

Exhibit No.	Description	BPI/Public
GEN-1	Declaration of Chris Kruger	BPI
GEN-2	Declaration of []	BPI
GEN-3	Declaration of Joshua R. Morey	BPI
GEN-4	Standing Calculation Table	BPI
GEN-5	Declaration of []	BPI
GEN-6	Excerpts from HTSUS Chapter 94	Public
GEN-7	List of Producers and Exporters of Boltless Steel Shelving in India, Malaysia, Taiwan, Thailand, and Vietnam	Public
GEN-8	U.S. Imports of Boltless Steel Shelving	Public
GEN-9	List of U.S. Importers of Boltless Steel Shelving	Public
GEN-10	Excerpts from <u>Boltless Steel Shelving Units Prepackaged for Sale from China</u> (USITC Pub. 4565)	Public
GEN-11	Negligibility Tables	Public
GEN-12	Market Share and Apparent Domestic Consumption Tables	BPI
GEN-13	U.S. Producer's Trade and Financial Data	BPI
GEN-14	Lost Sales and Lost Revenue Table	BPI
GEN-15	Information on Subject Producers' Capacity and Export Orientation	Public
GEN-16	Export Statistics	Public