

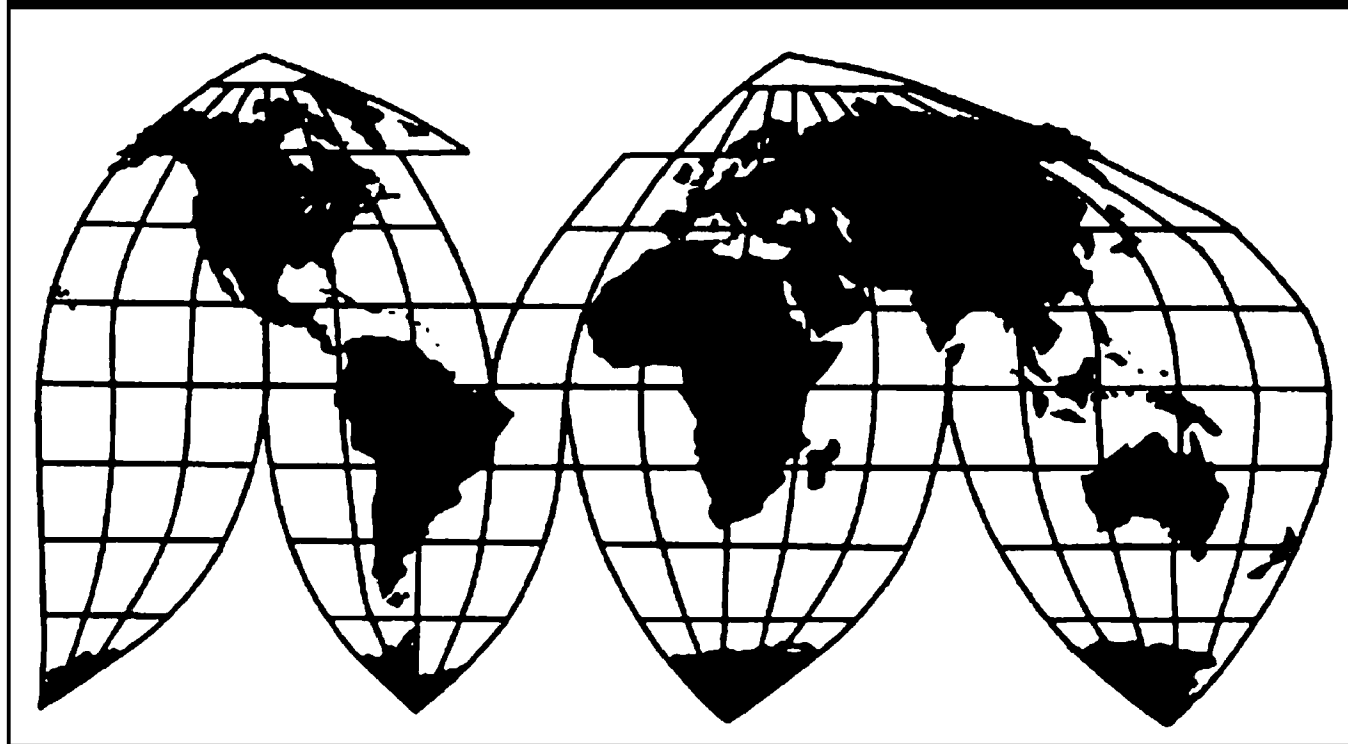
# **Polyester Textured Yarn from Indonesia, Malaysia, Thailand, and Vietnam**

Investigation Nos. 731-TA-1550-1553 (Final)

**Publication 5246**

**December 2021**

**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Note.—Information that would reveal confidential operations of individual concerns may not be published.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. 731-TA-1550-1553 (Final)

Polyester Textured Yarn from Indonesia, Malaysia, Thailand, and Vietnam

## DETERMINATIONS

On the basis of the record<sup>1</sup> developed in these subject investigations, the United States International Trade Commission (“Commission”) determines, pursuant to the Tariff Act of 1930 (“the Act”), that an industry in the United States is materially injured by reason of imports of polyester textured yarn from Indonesia, Malaysia, Thailand, and Vietnam, provided for in subheadings 5402.33.30 and 5402.33.60 of the Harmonized Tariff Schedule of the United States, that have been found by the U.S. Department of Commerce (“Commerce”) to be sold in the United States at less than fair value (“LTFV”).<sup>2</sup>

## BACKGROUND

The Commission instituted these investigations effective October 28, 2020, following receipt of petitions filed with the Commission and Commerce by Nan Ya Plastics Corp. America, Lake City, South Carolina, and Unifi Manufacturing, Inc., Greensboro, North Carolina. The Commission scheduled the final phase of the investigations following notification of preliminary determinations by Commerce that imports of polyester textured yarn from Indonesia, Malaysia, Thailand, and Vietnam were being sold at LTFV within the meaning of section 733(b) of the Act (19 U.S.C. 1673b(b)). Notice of the scheduling of the final phase of the Commission’s investigations and of a public hearing to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing the notice in the *Federal Register* of June 24, 2021 (86 FR 33354). In light of the restrictions on access to the Commission building due to the COVID–19 pandemic, the Commission conducted its hearing through written testimony and video

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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> 86 FR 58869, 86 FR 58875, 86 FR 58877, 86 FR 58883 (October 25, 2021).

conference on October 14, 2021. All persons who requested the opportunity were permitted to participate.

## Views of the Commission

Based on the record in the final phase of these investigations, we determine that an industry in the United States is materially injured by reason of imports of polyester textured yarn (“PTY”) from Indonesia, Malaysia, Thailand, and Vietnam found by the U.S. Department of Commerce (“Commerce”) to be sold in the United States at less than fair value.

### I. Background

On October 28, 2020, Unifi Manufacturing, Inc. (“Unifi”) and Nan Ya Plastics Corp. America (“Nan Ya”) (collectively, “Petitioners”), U.S. producers of PTY, filed petitions in these investigations.<sup>1</sup> Petitioners submitted prehearing and posthearing briefs, as well as final comments.<sup>2</sup> Two respondents also participated in the final phase of these investigations. Fils Promptex Yarns, Inc. (“Promptex”), an importer of the subject merchandise, submitted prehearing and posthearing briefs, as well as final comments.<sup>3</sup> In addition, a representative for the government of Indonesia (“GOI”) appeared at the hearing and submitted a prehearing brief.<sup>4</sup> Representatives of each party appeared at the Commission’s hearing, accompanied by counsel.<sup>5</sup>

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<sup>1</sup> Confidential Report, Memorandum INV-TT-126 (Nov. 4, 2021) (“CR”) at I-1 and Table III-1, Public Report (“PR”) at I-1 and Table III-1; *Polyester Textured Yarn From Indonesia, Malaysia, Thailand, and Vietnam; Institution of Anti-Dumping Duty Investigations and Scheduling of Preliminary Phase Investigations*, 85 Fed. Reg. 69643, 69644 (Nov. 3, 2020).

<sup>2</sup> Petitioners’ Confidential Prehearing Brief, EDIS Doc. 753470 (Oct. 5, 2021) (“Pet. Prehr’g Br.”); Petitioners’ Confidential Posthearing Brief, EDIS Doc. 754759 (Oct. 21, 2021) (“Pet. Posthr’g Br.”); Petitioners’ Confidential Final Comments, EDIS Doc. 756336 (Nov. 10, 2021).

<sup>3</sup> Promptex’s Confidential Prehearing Brief, EDIS Doc. 753469 (Oct. 5, 2021) (“Promptex’s Prehr’g Br.”); Promptex’s Confidential Posthearing Brief, EDIS Doc. 754793 (Oct. 21, 2021) (“Promptex’s Posthr’g Br.”); Promptex’s Confidential Final Comments, EDIS Doc. 756298 (Nov. 10, 2021).

<sup>4</sup> GOI Prehearing Brief, EDIS Doc. 753586 (Oct. 6, 2021) (“GOI Prehr’g Br.”).

<sup>5</sup> In light of the restrictions on access to the Commission building due to the COVID-19 pandemic, the Commission conducted the hearing through written witness testimony and video conference, as set forth in procedures provided to the parties and announced on its website.

U.S. industry data are based on the questionnaire responses from six domestic producers that accounted for the large majority of total domestic PTY production in 2020.<sup>6</sup> U.S. import data are based on Commerce official import statistics and the questionnaire responses of 25 U.S. importers of PTY that accounted for 73.8 percent of subject imports and \*\*\* percent of nonsubject imports in 2020.<sup>7</sup> Data concerning the subject industries are based on questionnaire responses from foreign producers/exporters that accounted for \*\*\* percent of subject imports from Indonesia, \*\*\* percent of subject imports from Malaysia, \*\*\* percent of subject imports from Thailand, and \*\*\* percent of subject imports from Vietnam in 2020.<sup>8</sup>

## **II. Domestic Like Product**

### **A. In General**

In determining whether an industry in the United States is materially injured or threatened with material injury by reason of imports of subject merchandise, the Commission first defines the “domestic like product” and the “industry.”<sup>9</sup> Section 771(4)(A) of the Tariff Act of 1930, as amended (“the Tariff Act”), defines the relevant domestic industry as the “producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of

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<sup>6</sup> CR/PR at I-4. The six responding U.S. producers are: (1) Nan Ya, (2) Unifi, (3) CS America, Inc. (“CS America”), (4) Milliken & Company (“Milliken”), (5) Sage Automotive Interiors (“Sage”), and (6) Sapona Manufacturing (“Sapona”). See CR/PR at Table III-4.

<sup>7</sup> CR/PR at I-4. Combined these importers accounted for 76.8 percent of total PTY imports in 2020. *Id.*

<sup>8</sup> CR/PR at VII-3, VII-11, VII-16, VII-22. Specifically, the Commission received useable questionnaire responses from five firms that accounted for approximately \*\*\* percent of PTY production in Indonesia; one firm that accounted for approximately \*\*\* percent of PTY production in Malaysia; three firms that accounted for approximately \*\*\* percent of PTY production in Thailand; and three firms that accounted for approximately \*\*\* percent of PTY production in Vietnam in 2020. CR/PR at VII-3, VII-11, VII-16, VII-22.

<sup>9</sup> 19 U.S.C. § 1677(4)(A).

the product.”<sup>10</sup> In turn, the Tariff Act defines “domestic like product” as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation.”<sup>11</sup>

By statute, the Commission’s “domestic like product” analysis begins with the “article subject to an investigation,” *i.e.*, the subject merchandise as determined by Commerce.<sup>12</sup> Therefore, Commerce’s determination as to the scope of the imported merchandise that is subsidized and/or sold at less than fair value is “necessarily the starting point of the Commission’s like product analysis.”<sup>13</sup> The Commission then defines the domestic like product in light of the imported articles Commerce has identified.<sup>14</sup> The decision regarding the appropriate domestic like product in an investigation is a factual determination, and the Commission has applied the statutory standard of “like” or “most similar in characteristics and uses” on a case-by-case basis.<sup>15</sup> No single factor is dispositive, and the Commission may

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<sup>10</sup> 19 U.S.C. § 1677(4)(A).

<sup>11</sup> 19 U.S.C. § 1677(10).

<sup>12</sup> 19 U.S.C. § 1677(10). The Commission must accept Commerce’s determination as to the scope of the imported merchandise that is subsidized and/or sold at less than fair value. *See, e.g., USEC, Inc. v. United States*, 34 Fed. App’x 725, 730 (Fed. Cir. 2002) (“The ITC may not modify the class or kind of imported merchandise examined by Commerce.”); *Algoma Steel Corp. v. United States*, 688 F. Supp. 639, 644 (Ct. Int’l Trade 1988), *aff’d*, 865 F.3d 240 (Fed. Cir.), *cert. denied*, 492 U.S. 919 (1989).

<sup>13</sup> *Cleo Inc. v. United States*, 501 F.3d 1291, 1298 (Fed. Cir. 2007); *see also Hitachi Metals, Ltd. v. United States*, 949 F.3d 710, 717 (Fed. Cir. 2020) (the statute requires the Commission to start with Commerce’s subject merchandise in reaching its own like product determination).

<sup>14</sup> *Cleo*, 501 F.3d at 1298 n.1 (“Commerce’s {scope} finding does not control the Commission’s {like product} determination.”); *Hosiden Corp. v. Advanced Display Mfrs.*, 85 F.3d 1561, 1568 (Fed. Cir. 1996) (the Commission may find a single like product corresponding to several different classes or kinds defined by Commerce); *Torrington Co. v. United States*, 747 F. Supp. 744, 748–52 (Ct. Int’l Trade 1990), *aff’d*, 938 F.2d 1278 (Fed. Cir. 1991) (affirming the Commission’s determination defining six like products in investigations where Commerce found five classes or kinds).

<sup>15</sup> *See, e.g., Cleo*, 501 F.3d at 1299; *NEC Corp. v. Dep’t of Commerce*, 36 F. Supp. 2d 380, 383 (Ct. Int’l Trade 1998); *Nippon Steel Corp. v. United States*, 19 CIT 450, 455 (1995); *Torrington Co. v. United States*, 747 F. Supp. 744, 749 n.3 (Ct. Int’l Trade 1990), *aff’d*, 938 F.2d 1278 (Fed. Cir. 1991) (“every like

consider other factors it deems relevant based on the facts of a particular investigation.<sup>16</sup> The Commission looks for clear dividing lines among possible like products and disregards minor variations.<sup>17</sup>

## **B. Product Description**

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

{P}olyester textured yarn, is synthetic multifilament yarn that is manufactured from polyester (polyethylene terephthalate). Polyester textured yarn is produced through a texturing process, which imparts special properties to the filaments of the yarn, including stretch, bulk, strength, moisture absorption, insulation, and the appearance of a natural fiber. This scope includes all forms of polyester textured yarn, regardless of surface texture or appearance, yarn density and thickness (as measured in denier), number of filaments, number of plies, finish (luster), cross section, color, dye method, texturing method, or packaging method (such as spindles, tubes, or beams).

The merchandise subject to this investigation is properly classified under subheadings 5402.33.3000 and 5402.33.6000 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs

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product determination ‘must be made on the particular record at issue’ and the ‘unique facts of each case’). The Commission generally considers a number of factors, including the following: (1) physical characteristics and uses; (2) interchangeability; (3) channels of distribution; (4) customer and producer perceptions of the products; (5) common manufacturing facilities, production processes, and production employees; and, where appropriate, (6) price. *See Nippon*, 19 CIT at 455 n.4; *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int’l Trade 1996).

<sup>16</sup> *See, e.g.*, S. Rep. No. 96-249 at 90-91 (1979).

<sup>17</sup> *Nippon*, 19 CIT at 455; *Torrington*, 747 F. Supp. at 748-49; *see also* S. Rep. No. 96-249 at 90-91 (Congress has indicated that the like product standard should not be interpreted in “such a narrow fashion as to permit minor differences in physical characteristics or uses to lead to the conclusion that the product and article are not ‘like’ each other, nor should the definition of ‘like product’ be interpreted in such a fashion as to prevent consideration of an industry adversely affected by the imports under consideration.”).



purposes, the written description of the merchandise is dispositive.<sup>18</sup>

PTY is a textile comprised of multiple filaments that have a textured surface; it is typically used in apparel, home textiles and furnishings, bedding, automotive upholstery, medical supplies and devices, and industrial materials.<sup>19</sup> PTY is characterized by its denier, filament count, luster, shape, and color associated with the texturing or dyeing process.<sup>20</sup>

PTY is manufactured using polyethylene terephthalate (“PET”), which can be derived directly from chemical inputs or can be manufactured from already-formed chips or flakes.<sup>21</sup> PET flakes or chips can be made from virgin chemical inputs or from recycled materials.<sup>22</sup> The PET is then melted at a high temperature to form a syrup-like solution, which is then extruded through the tiny holes of a metal container called a spinneret.<sup>23</sup> The extruded PET filaments cool upon leaving the spinneret and are subsequently collected and wound around a cylinder.<sup>24</sup> The extruded filaments are referred to as partially oriented yarn (“POY”) or partially drawn yarn, which is the primary input for PTY.<sup>25</sup>

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<sup>18</sup> *Polyester Textured Yarn From Indonesia: Final Affirmative Determination of Sales at Less Than Fair Value*, 86 Fed. Reg. 58875 (Oct. 25, 2021); *Polyester Textured Yarn From Thailand: Final Affirmative Determination of Sales at Less Than Fair Value*, 86 Fed. Reg. 58883 (Oct. 25, 2021); *Polyester Textured Yarn From the Socialist Republic of Vietnam: Final Affirmative Determination of Sales at Less Than Fair Value*, 86 Fed. Reg. 58877 (Oct. 25, 2021); *Polyester Textured Yarn From Malaysia: Final Affirmative Determination of Sales at Less-Than Fair-Value*, 86 Fed. Reg. 58869 (Oct. 25, 2021).

<sup>19</sup> CR/PR at I-8.

<sup>20</sup> CR/PR at I-8.

<sup>21</sup> CR/PR at I-9.

<sup>22</sup> CR/PR at I-9. A reaction between monoethylene glycol and purified terephthalic acid is used to produce PET from chemical inputs. *Id.*

<sup>23</sup> CR/PR at I-9.

<sup>24</sup> CR/PR at I-9.

<sup>25</sup> CR/PR at I-9.

POY is further processed through drawing and texturing where the POY is heated and cooled while being twisted and stretched.<sup>26</sup> The drawing process optimizes the orientation of the molecules in the fiber and increases resilience, strength, and tenacity, as well as creates a soft feel to the touch.<sup>27</sup> Texturing introduces distortions to the yarn, including crimps, curls, or loops, that changes the form and appearance of the yarn by increasing apparent volume and imparts special properties including bulk, resilience, abrasion resistance, warmth, and insulation.<sup>28</sup> While some PTY is processed by dyeing, Petitioners indicate that most of the PTY sold is not dyed, as typically the fabric mills dye the product themselves.<sup>29</sup>

### **C. Arguments of the Parties**

Petitioners contend that the Commission should define a single domestic like product coextensive with the scope of these investigations as it did in the preliminary phase of these investigations.<sup>30</sup> Respondents do not contest Petitioners' proposed definition of the domestic like product.<sup>31</sup>

### **D. Domestic Like Product Analysis**

In its preliminary determinations, the Commission defined a single domestic like product that was coextensive with Commerce's scope definition.<sup>32</sup> The issue was not disputed.<sup>33</sup> The

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<sup>26</sup> CR/PR at I-9.

<sup>27</sup> CR/PR at I-9.

<sup>28</sup> CR/PR at I-9.

<sup>29</sup> CR/PR at I-10.

<sup>30</sup> Pet. Prehr'g Br. at 4; Pet. Posthr'g Br., Exh. 2 at 2.

<sup>31</sup> Promptex's Posthr'g Br. at 3. The GOI argues that the scope of the investigations is too broad. GOI Prehr'g Br. at 3. We note, however, that Commerce, and not the Commission, is responsible for defining the scope of antidumping and countervailing duty investigations.

<sup>32</sup> *Polyester Textured Yarn from Indonesia, Malaysia, Thailand, and Vietnam*, Inv. Nos. 731-TA-1550-1553 (Preliminary), USITC Pub. 5148 at 12 (Dec. 2020) ("*Preliminary Determinations*").

<sup>33</sup> *Preliminary Determinations*, USITC Pub. 5148 at 9.

Commission found that all domestically produced PTY within the scope shares the same basic physical characteristics and uses and that, notwithstanding differing levels of integration of PTY producers, the manufacturing process and equipment used to produce PTY are the same.<sup>34</sup> It also found that that all domestically produced PTY is generally sold in the same channels of distribution and that producers and customers perceive PTY to be a unique product that is not interchangeable with other types of yarn.<sup>35</sup> The Commission acknowledged that there was some variation in prices for domestically produced PTY, but indicated that data on the Commission's four pricing products reflected some overlap in domestic pricing across pricing products.<sup>36</sup>

There is no new information in the final phase of these investigations that calls into question the findings the Commission made in the preliminary phase of these investigations.<sup>37</sup> Moreover, as discussed above, no party contests the Commission's domestic like product definition from the preliminary determinations. Therefore, based on our analysis in the preliminary determinations, we define a single domestic like product that is coextensive with the scope of the investigations.

### **III. Domestic Industry**

The domestic industry is defined as the domestic "producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product."<sup>38</sup> In defining the domestic

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<sup>34</sup> *Preliminary Determinations*, USITC Pub. 5148 at 9–10.

<sup>35</sup> *Preliminary Determinations*, USITC Pub. 5148 at 10–11.

<sup>36</sup> *Preliminary Determinations*, USITC Pub. 5148 at 11.

<sup>37</sup> See generally CR/PR at I-7–10.

<sup>38</sup> 19 U.S.C. § 1677(4)(A).

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

We must determine whether any producer of the domestic like product should be excluded from the domestic industry pursuant to section 771(4)(B) of the Tariff Act. This provision allows the Commission, if appropriate circumstances exist, to exclude from the domestic industry producers that are related to an exporter or importer of subject merchandise or which are themselves importers.<sup>39</sup> Exclusion of such a producer is within the Commission's discretion based upon the facts presented in each investigation.<sup>40</sup>

In these investigations three U.S. producers (\*\*\*) are subject to potential exclusion pursuant to the related parties provision because each imported subject merchandise during

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<sup>39</sup> See *Torrington Co. v. United States*, 790 F. Supp. 1161, 1168 (Ct. Int'l Trade 1992), *aff'd without opinion*, 991 F.2d 809 (Fed. Cir. 1993); *Sandvik AB v. United States*, 721 F. Supp. 1322, 1331-32 (Ct. Int'l Trade 1989), *aff'd mem.*, 904 F.2d 46 (Fed. Cir. 1990); *Empire Plow Co. v. United States*, 675 F. Supp. 1348, 1352 (Ct. Int'l Trade 1987).

<sup>40</sup> The primary factors the Commission has examined in deciding whether appropriate circumstances exist to exclude a domestic producer pursuant to the related parties provision include the following:

- (1) the percentage of domestic production attributable to the importing producer;
- (2) the reason the U.S. producer has decided to import the product subject to investigation (whether the firm benefits from the LTFV sales or subsidies or whether the firm must import in order to enable it to continue production and compete in the U.S. market);
- (3) whether inclusion or exclusion of the related party will skew the data for the rest of the industry;
- (4) the ratio of import shipments to U.S. production for the imported product; and
- (5) whether the primary interest of the importing producer lies in domestic production or importation.

*Changzhou Trina Solar Energy Co. v. USITC*, 100 F. Supp.3d 1314, 1326-31 (Ct. Int'l Trade 2015), *aff'd*, 879 F.3d 1377 (Fed. Cir. 2018); see also *Torrington Co. v. United States*, 790 F. Supp. at 1168.

the period of investigation (“POI”), which spans from January 2018 to June 2021.<sup>41</sup> In the preliminary phase of the investigations, the Commission found that appropriate circumstances did not exist to exclude any domestic producers subject to the related parties provision from the domestic industry.<sup>42</sup>

#### **A. Arguments of the Parties**

**Petitioners.** Petitioners argue that appropriate circumstances do not exist to exclude \*\*\* from the domestic industry because its primary interest is in domestic production and because it \*\*\*.<sup>43</sup> They also argue that appropriate circumstances do not exist to exclude either \*\*\* from the domestic industry because each of their imports of subject merchandise were small and their \*\*\*.<sup>44</sup>

**Respondents.** The GOI raised related party arguments based on relationships of domestic producers with foreign producers.<sup>45</sup> Promptex did not address the domestic industry definition.

We provide an analysis below of whether appropriate circumstances exist to exclude any U.S. producer from the domestic industry.

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<sup>41</sup> CR/PR at III-12. A fourth domestic producer, \*\*\*, is \*\*\*. CR/PR at Table III-2. The record, however, does not show that \*\*\* exported subject merchandise to the United States. Therefore, \*\*\* is not a related party subject to possible exclusion pursuant to the related parties provision. *Id.*

<sup>42</sup> *Preliminary Determinations*, USITC Pub. 5148 at 13–15 (considering exclusion of \*\*\* and \*\*\*). \*\*\* did not report that it imported subject merchandise during the preliminary phase of these investigations. Accordingly, the Commission did not consider whether \*\*\* should be excluded from the domestic industry as a related party. *Id.*

<sup>43</sup> Pet. Prehr’g Br. at 8-9.

<sup>44</sup> Pet. Prehr’g Br. at 9–10.

<sup>45</sup> GOI Prehr’g Br. at 2-3. While the GOI argues that the Commission should exclude \*\*\* from the domestic industry definition because it is \*\*\*, the record does not support GOI’s claim that \*\*\* is a related party, as discussed above. *Id.* at 2. The GOI also argues that \*\*\* should be excluded from the domestic industry definition because \*\*\*. *Id.* at 3. \*\*\* did not, however, report any affiliation with a subsidiary in a subject country in its questionnaire response. See CR/PR at Table III-2.

## B. Analysis

\*\*\*. \*\*\* imported \*\*\* pounds of subject imports from Thailand in 2018 and \*\*\* pounds from each Thailand and Vietnam in 2019; it \*\*\* subject merchandise in 2020 or January–June (“interim”) 2021.<sup>46</sup> These volumes of subject imports were equivalent to \*\*\* percent of its U.S. production of PTY in 2018 and \*\*\* percent (collectively) in 2019.<sup>47</sup> \*\*\* was \*\*\* in 2020, when it accounted for \*\*\* percent of domestic production of PTY, and it \*\*\* the petitions.<sup>48</sup> It states that its reason for importing was \*\*\*.<sup>49</sup>

We find that appropriate circumstances do not exist to exclude \*\*\* from the domestic industry. Its primary interest was in domestic production as its U.S. production was \*\*\* than the quantity of subject merchandise that it imported.

\*\*\*. \*\*\* imported \*\*\* pounds of subject imports from Thailand in 2018 and \*\*\* pounds of subject imports from Vietnam in interim 2021; it \*\*\* subject merchandise in 2019 or 2020.<sup>50</sup> These volumes of subject imports were equivalent to \*\*\* percent of its U.S. production of PTY in 2018 and \*\*\* percent in interim 2021.<sup>51</sup> \*\*\* was \*\*\* in 2020, when it accounted for \*\*\* percent of domestic PTY production, and it \*\*\* on the petitions.<sup>52</sup> It states that \*\*\*.<sup>53</sup>

We find that appropriate circumstances do not exist to exclude \*\*\* from the domestic industry. Its primary interest was in domestic production as its U.S. production was \*\*\* than the quantity of subject merchandise that it imported.

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<sup>46</sup> CR/PR at Table III-10.

<sup>47</sup> CR/PR at Table III-10.

<sup>48</sup> CR/PR at Table III-1.

<sup>49</sup> CR/PR at Table III-14.

<sup>50</sup> CR/PR at Table III-12.

<sup>51</sup> CR/PR at Table III-12.

<sup>52</sup> CR/PR at Table III-1.

<sup>53</sup> CR/PR at Table III-14.

\*\*\*. \*\*\* imported \*\*\* pounds of subject imports from Indonesia in 2018 but it \*\*\* subject merchandise in 2019, 2020, or interim 2021.<sup>54</sup> This volume of subject imports was equivalent to \*\*\* percent of its U.S. production of PTY in 2018.<sup>55</sup> \*\*\* was \*\*\* in 2020, when it accounted for \*\*\* percent of domestic PTY production, and it is a petitioner.<sup>56</sup> It states that it imported \*\*\*.<sup>57</sup>

We find that appropriate circumstances do not exist to exclude \*\*\* from the domestic industry. Its primary interest was in domestic production as its U.S. production was \*\*\* than the quantity of subject merchandise that it imported, and its importation of \*\*\* of the POI.

In light of the foregoing, we define the domestic industry to include all U.S. producers of PTY.

#### **IV. Cumulation<sup>58</sup>**

For purposes of evaluating the volume and effects for a determination of material injury by reason of subject imports, section 771(7)(G)(i) of the Tariff Act requires the Commission to

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<sup>54</sup> CR/PR at Table III-13.

<sup>55</sup> CR/PR at Table III-13.

<sup>56</sup> CR/PR at Table III-1.

<sup>57</sup> CR/PR at Table III-14.

<sup>58</sup> Pursuant to Section 771(24) of the Tariff Act, imports from a subject country of merchandise corresponding to a domestic like product that account for less than 3 percent of all such merchandise imported into the United States during the most recent 12 months for which data are available preceding the filing of the petition shall generally be deemed negligible. 19 U.S.C. §§ 1671b(a), 1673b(a), 1677(24)(A)(i), 1677(24)(B). The exceptions to the general provisions on negligibility are not applicable in these investigations.

Subject imports from each of the four subject countries individually exceeded the negligibility threshold. During the applicable 12-month period preceding the filing of the petitions (October 2019 – September 2020), subject imports from Indonesia accounted for 16.1 percent of the quantity of total imports of PTY, subject imports from Malaysia accounted for 13.2 percent, subject imports from Thailand accounted for 14.4 percent, and subject imports from Vietnam accounted for 8.8 percent of total PTY imports. CR/PR at Table IV-3. Thus, we find that subject imports from Indonesia, Malaysia, Thailand, and Vietnam are not negligible.

cumulate subject imports from all countries as to which petitions were filed and/or investigations self-initiated by Commerce on the same day, if such imports compete with each other and with the domestic like product in the U.S. market. In assessing whether subject imports compete with each other and with the domestic like product, the Commission generally has considered four factors:

- (1) the degree of fungibility between subject imports from different countries and between subject imports and the domestic like product, including consideration of specific customer requirements and other quality-related questions;
- (2) the presence of sales or offers to sell in the same geographic markets of subject imports from different countries and the domestic like product;
- (3) the existence of common or similar channels of distribution for subject imports from different countries and the domestic like product; and
- (4) whether the subject imports are simultaneously present in the market.<sup>59</sup>

While no single factor is necessarily determinative, and the list of factors is not exclusive, these factors are intended to provide the Commission with a framework for determining whether the subject imports compete with each other and with the domestic like product.<sup>60</sup> Only a “reasonable overlap” of competition is required.<sup>61</sup>

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<sup>59</sup> See *Certain Cast-Iron Pipe Fittings from Brazil, the Republic of Korea, and Taiwan*, Inv. Nos. 731-TA-278-280 (Final), USITC Pub. 1845 (May 1986), *aff'd*, *Fundicao Tupy, S.A. v. United States*, 678 F. Supp. 898 (Ct. Int’l Trade), *aff'd*, 859 F.2d 915 (Fed. Cir. 1988).

<sup>60</sup> See, e.g., *Wieland Werke, AG v. United States*, 718 F. Supp. 50 (Ct. Int’l Trade 1989).

<sup>61</sup> The Statement of Administrative Action (SAA) to the Uruguay Round Agreements Act (URAA), expressly states that “the new section will not affect current Commission practice under which the statutory requirement is satisfied if there is a reasonable overlap of competition.” H.R. Rep. No. 103-316, Vol. I at 848 (1994) (*citing Fundicao Tupy, S.A. v. United States*, 678 F. Supp. at 902); see *Goss Graphic Sys., Inc. v. United States*, 33 F. Supp. 2d 1082, 1087 (Ct. Int’l Trade 1998) (“cumulation does not require two products to be highly fungible”); *Wieland Werke, AG*, 718 F. Supp. at 52 (“Completely overlapping markets are not required.”).



## **A. Arguments of the Parties**

**Petitioners.** Petitioners request that the Commission cumulate subject imports from all four subject countries in analyzing whether subject imports have materially injured the domestic industry.<sup>62</sup> Petitioners assert that there is a reasonable overlap in competition between subject imports from the subject countries and between subject imports from each source and the domestic like product.<sup>63</sup> They state that a majority of responding firms indicated that domestically produced and subject PTY is interchangeable.<sup>64</sup> Moreover, they maintain that domestically produced PTY and PTY from each subject country were sold in overlapping geographic markets and through the same channels of distribution during each year of the POI.<sup>65</sup>

**Respondents.** Respondents take no position with respect to cumulation for the assessment of material injury in these investigations.

## **B. Analysis and Conclusion**

The statutory threshold for cumulation is satisfied in these investigations because Petitioners filed the antidumping and countervailing duty petitions with respect all four countries on the same day, October 28, 2020.<sup>66</sup> As discussed below, we find a reasonable overlap of competition between the domestic like product and subject imports from each subject country and between and among subject imports from Indonesia, Malaysia, Thailand, and Vietnam.

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<sup>62</sup> Pet. Prehr'g Br. at 12–16.

<sup>63</sup> Pet. Prehr'g Br. at 12–16.

<sup>64</sup> Pet. Prehr'g Br. at 13.

<sup>65</sup> Pet. Prehr'g Br. at 15–16.

<sup>66</sup> CR/PR at I-1. None of the statutory exceptions to cumulation apply in these investigations.

**Fungibility.** The record indicates that in all comparisons between the domestic like product and imports from subject sources and between imports from different subject sources, the majority of U.S. producers found the products “always” interchangeable.<sup>67</sup> In all available comparisons, majorities of importers reported that imports from subject sources are “always” or “frequently” interchangeable with imports from other subject countries.<sup>68</sup> Importers’ perceptions of the interchangeability of domestic and subject products varied, with a majority of importers in all comparisons reporting that the domestically produced product and imports from subject sources are at least “sometimes” interchangeable.<sup>69</sup> Likewise, a majority of purchasers for each comparison between the domestic product and imports from a subject source or between imports from different subject sources reported that the products are at least “sometimes” interchangeable.<sup>70</sup>

In addition, a majority of U.S. producers reported that there are “never” significant differences other than price between subject imports and domestically produced PTY and between imports from different subject countries.<sup>71</sup> U.S. importers, however, generally reported more significant non-price differences. In a majority of the comparisons between subject imports and domestically produced PTY and between imports from different subject

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<sup>67</sup> CR/PR at Table II-12.

<sup>68</sup> CR/PR at Table II-13.

<sup>69</sup> CR/PR at Table II-13. The number of importers finding domestic and subject products “always” or “frequently” interchangeable was five of 13 when comparing the domestic product with subject imports from Indonesia, five of nine with subject imports from Malaysia, five of 10 with subject imports from Thailand, and three of nine with imports from Vietnam. *Id.*

<sup>70</sup> CR/PR at Table II-14.

<sup>71</sup> See CR/PR at Table II-15.

countries, the majority of importers reported that there were “frequently” or “sometimes” significant differences other than price.<sup>72</sup>

Purchasers also reported more significant non-price differences between PTY products from different sources. In comparing the domestic like product to imports from subject sources, a majority of purchasers indicated that there are “always” or “frequently” significant non-price differences.<sup>73</sup> When comparing subject imports from different sources, half or more purchasers reported that there are “frequently” or “sometimes” significant differences other than price.<sup>74</sup>

Purchasers were also asked to assess the comparability of the domestic like product and subject imports with respect to 15 purchase factors.<sup>75</sup> Most purchasers reported that U.S. and subject PTY were comparable on most factors (except for availability, delivery time, and price).<sup>76</sup>

The record indicates an overlap in different product types. U.S. producers and U.S. importers of PTY from each subject source reported U.S. shipments of PTY in five of six denier size ranges in 2020 except for subject imports from Vietnam which were reported in three of six size ranges.<sup>77</sup> There were substantial quantities of the domestic product and subject imports

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<sup>72</sup> See CR/PR at Table II-16.

<sup>73</sup> See CR/PR at Table II-17.

<sup>74</sup> CR/PR at Table II-17.

<sup>75</sup> CR/PR Table II-11.

<sup>76</sup> CR/PR at Table II-11. The majority of purchasers rated U.S. product inferior compared to subject imports on availability and price. *Id.* With respect to delivery time, a majority of purchasers rated U.S. product as comparable or superior when compared to subject imports from Indonesia, Malaysia, and Vietnam. Equal numbers of purchasers rated U.S. product as comparable or superior as they did inferior when compared to subject imports from Thailand. *Id.*

<sup>77</sup> CR/PR at Table IV-4.

from each subject country in the 0–75 denier and/or 76–150 denier yarn sizes.<sup>78</sup> Moreover, there were pricing observations for the domestically produced product and for imports from each of the subject countries for two of the four pricing products.<sup>79</sup>

**Channels of Distribution.** The domestic like product and subject imports from each subject country shared the same main channel of distribution. Throughout the POI, U.S. shipments of domestically produced PTY and subject imports from each subject country were sold almost entirely to end users.<sup>80</sup>

**Geographic Overlap.** During the POI, domestically produced PTY was sold in all regions of the contiguous United States, and there was overlap with imports from each subject country in the Southeast region, where many purchasers are located, as well as in the Northeast and Pacific Coast regions.<sup>81</sup>

**Simultaneous Presence in Market.** Subject imports from Indonesia, Malaysia, and Thailand were present in the U.S. market during every month of the POI, and subject imports from Vietnam were present during 40 of 42 months.<sup>82</sup> Domestically produced PTY was present in the U.S. market throughout the POI.<sup>83</sup>

**Conclusion.** The record in the final phase of these investigations supports a finding that there is a reasonable overlap of competition between and among subject imports and the

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<sup>78</sup> See CR/PR at Table IV-4.

<sup>79</sup> See CR/PR at Tables V-4–7.

<sup>80</sup> CR/PR at Table II-1.

<sup>81</sup> CR/PR at II-3 and Table II-2. Subject imports from Indonesia and those from Malaysia were sold in all regions except for the Midwest, Central Southwest, Mountain, and Other regions. CR/PR at Table II-2. Subject imports from Thailand were sold in all regions except for Other regions. *Id.* Subject imports from Vietnam were sold in all regions except for the Midwest, Central Southwest, and Mountain regions. *Id.*

<sup>82</sup> CR/PR at Table IV-6.

<sup>83</sup> CR/PR at Table IV-6.

domestic like product, and no party has argued to the contrary. Accordingly, we analyze subject imports from Indonesia, Malaysia, Thailand, and Vietnam on a cumulated basis for our analysis of whether the domestic industry is materially injured by reason of subject imports.

## **V. Material Injury by Reason of Subject Imports**

Based on the record in the final phase of these investigations, we find that an industry in the United States is materially injured by reason of imports of PTY from Indonesia, Malaysia, Thailand, and Vietnam sold in the United States at less than fair value.

### **A. Legal Standards**

In the final phase of antidumping and countervailing duty investigations, the Commission determines whether an industry in the United States is materially injured or threatened with material injury by reason of the imports under investigation.<sup>84</sup> In making this determination, the Commission must consider the volume of subject imports, their effect on prices for the domestic like product, and their impact on domestic producers of the domestic like product, but only in the context of U.S. production operations.<sup>85</sup> The statute defines “material injury” as “harm which is not inconsequential, immaterial, or unimportant.”<sup>86</sup> In assessing whether the domestic industry is materially injured by reason of subject imports, we consider all relevant economic factors that bear on the state of the industry in the United States.<sup>87</sup> No single factor is dispositive, and all relevant factors are considered “within the

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<sup>84</sup> 19 U.S.C. §§ 1671d(b), 1673d(b).

<sup>85</sup> 19 U.S.C. § 1677(7)(B). The Commission “may consider such other economic factors as are relevant to the determination” but shall “identify each {such} factor ... and explain in full its relevance to the determination.” 19 U.S.C. § 1677(7)(B).

<sup>86</sup> 19 U.S.C. § 1677(7)(A).

<sup>87</sup> 19 U.S.C. § 1677(7)(C)(iii).

context of the business cycle and conditions of competition that are distinctive to the affected industry.”<sup>88</sup>

Although the statute requires the Commission to determine whether the domestic industry is “materially injured or threatened with material injury by reason of” unfairly traded imports,<sup>89</sup> it does not define the phrase “by reason of,” indicating that this aspect of the injury analysis is left to the Commission’s reasonable exercise of its discretion.<sup>90</sup> In identifying a causal link, if any, between subject imports and material injury to the domestic industry, the Commission examines the facts of record that relate to the significance of the volume and price effects of the subject imports and any impact of those imports on the condition of the domestic industry. This evaluation under the “by reason of” standard must ensure that subject imports are more than a minimal or tangential cause of injury and that there is a sufficient causal, not merely a temporal, nexus between subject imports and material injury.<sup>91</sup>

In many investigations, there are other economic factors at work, some or all of which may also be having adverse effects on the domestic industry. Such economic factors might include nonsubject imports; changes in technology, demand, or consumer tastes; competition

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<sup>88</sup> 19 U.S.C. § 1677(7)(C)(iii).

<sup>89</sup> 19 U.S.C. §§ 1671d(b), 1673d(b).

<sup>90</sup> *Angus Chemical Co. v. United States*, 140 F.3d 1478, 1484-85 (Fed. Cir. 1998) (“{T}he statute does not ‘compel the commissioners’ to employ {a particular methodology}.”), *aff’g*, 944 F. Supp. 943, 951 (Ct. Int’l Trade 1996).

<sup>91</sup> The Federal Circuit, in addressing the causation standard of the statute, observed that “{a}s long as its effects are not merely incidental, tangential, or trivial, the foreign product sold at less than fair value meets the causation requirement.” *Nippon Steel Corp. v. USITC*, 345 F.3d 1379, 1384 (Fed. Cir. 2003). This was further ratified in *Mittal Steel Point Lisas Ltd. v. United States*, 542 F.3d 867, 873 (Fed. Cir. 2008), where the Federal Circuit, quoting *Gerald Metals, Inc. v. United States*, 132 F.3d 716, 722 (Fed. Cir. 1997), stated that “this court requires evidence in the record ‘to show that the harm occurred “by reason of” the LTFV imports, not by reason of a minimal or tangential contribution to material harm caused by LTFV goods.’” *See also Nippon Steel Corp. v. United States*, 458 F.3d 1345, 1357 (Fed. Cir. 2006); *Taiwan Semiconductor Industry Ass’n v. USITC*, 266 F.3d 1339, 1345 (Fed. Cir. 2001).

among domestic producers; or management decisions by domestic producers. The legislative history explains that the Commission must examine factors other than subject imports to ensure that it is not attributing injury from other factors to the subject imports, thereby inflating an otherwise tangential cause of injury into one that satisfies the statutory material injury threshold.<sup>92</sup> In performing its examination, however, the Commission need not isolate the injury caused by other factors from injury caused by unfairly traded imports.<sup>93</sup> Nor does the “by reason of” standard require that unfairly traded imports be the “principal” cause of injury or contemplate that injury from unfairly traded imports be weighed against other factors, such as nonsubject imports, which may be contributing to overall injury to an industry.<sup>94</sup> It is

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<sup>92</sup> SAA at 851–52 (“{T}he Commission must examine other factors to ensure that it is not attributing injury from other sources to the subject imports.”); S. Rep. 96-249 at 75 (1979) (the Commission “will consider information which indicates that harm is caused by factors other than less-than-fair-value imports.”); H.R. Rep. 96-317 at 47 (1979) (“in examining the overall injury being experienced by a domestic industry, the ITC will take into account evidence presented to it which demonstrates that the harm attributed by the petitioner to the subsidized or dumped imports is attributable to such other factors;” those factors include “the volume and prices of nonsubsidized imports or imports sold at fair value, contraction in demand or changes in patterns of consumption, trade restrictive practices of and competition between the foreign and domestic producers, developments in technology and the export performance and productivity of the domestic industry”); *accord Mittal Steel*, 542 F.3d at 877.

<sup>93</sup> SAA at 851–52 (“{T}he Commission need not isolate the injury caused by other factors from injury caused by unfair imports.”); *Taiwan Semiconductor Industry Ass’n*, 266 F.3d at 1345 (“{T}he Commission need not isolate the injury caused by other factors from injury caused by unfair imports ... . Rather, the Commission must examine other factors to ensure that it is not attributing injury from other sources to the subject imports.”); *Asociacion de Productores de Salmon y Trucha de Chile AG v. United States*, 180 F. Supp. 2d 1360, 1375 (Ct. Int’l Trade 2002) (“{t}he Commission is not required to isolate the effects of subject imports from other factors contributing to injury” or make “bright-line distinctions” between the effects of subject imports and other causes); *see also Softwood Lumber from Canada*, Inv. Nos. 701-TA-414 and 731-TA-928 (Remand), USITC Pub. 3658 at 100-01 (Dec. 2003) (Commission recognized that “{i}f an alleged other factor is found not to have or threaten to have injurious effects to the domestic industry, *i.e.*, it is not an ‘other causal factor,’ then there is nothing to further examine regarding attribution to injury”), *citing Gerald Metals*, 132 F.3d at 722 (the statute “does not suggest that an importer of LTFV goods can escape countervailing duties by finding some tangential or minor cause unrelated to the LTFV goods that contributed to the harmful effects on domestic market prices.”).

<sup>94</sup> S. Rep. 96-249 at 74–75; H.R. Rep. 96-317 at 47.

clear that the existence of injury caused by other factors does not compel a negative determination.<sup>95</sup>

Assessment of whether material injury to the domestic industry is “by reason of” subject imports “does not require the Commission to address the causation issue in any particular way” as long as “the injury to the domestic industry can reasonably be attributed to the subject imports.”<sup>96</sup> The Commission ensures that it has “evidence in the record” to “show that the harm occurred ‘by reason of’ the LTFV imports,” and that it is “not attributing injury from other sources to the subject imports.”<sup>97</sup> The Federal Circuit has examined and affirmed various Commission methodologies and has disavowed “rigid adherence to a specific formula.”<sup>98</sup>

The question of whether the material injury threshold for subject imports is satisfied notwithstanding any injury from other factors is factual, subject to review under the substantial

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<sup>95</sup> See *Nippon Steel Corp.*, 345 F.3d at 1381 (“an affirmative material-injury determination under the statute requires no more than a substantial-factor showing. That is, the ‘dumping’ need not be the sole or principal cause of injury.”).

<sup>96</sup> *Mittal Steel*, 542 F.3d at 876 and 878; see also *id.* at 873 (“While the Commission may not enter an affirmative determination unless it finds that a domestic industry is materially injured ‘by reason of’ subject imports, the Commission is not required to follow a single methodology for making that determination ... {and has} broad discretion with respect to its choice of methodology.”), citing *United States Steel Group v. United States*, 96 F.3d 1352, 1362 (Fed. Cir. 1996) and S. Rep. 96-249 at 75. In its decision in *Swift-Train v. United States*, 793 F.3d 1355 (Fed. Cir. 2015), the Federal Circuit affirmed the Commission’s causation analysis as comporting with the Court’s guidance in *Mittal*.

<sup>97</sup> *Mittal Steel*, 542 F.3d at 873 (quoting from *Gerald Metals*, 132 F.3d at 722), 877-79. We note that one relevant “other factor” may involve the presence of significant volumes of price-competitive nonsubject imports in the U.S. market, particularly when a commodity product is at issue. In appropriate cases, the Commission collects information regarding nonsubject imports and producers in nonsubject countries in order to conduct its analysis.

<sup>98</sup> *Nucor Corp. v. United States*, 414 F.3d 1331, 1336, 1341 (Fed. Cir. 2005); see also *Mittal Steel*, 542 F.3d at 879 (“*Bratsk* did not read into the antidumping statute a Procrustean formula for determining whether a domestic injury was ‘by reason’ of subject imports.”).



evidence standard.<sup>99</sup> Congress has delegated this factual finding to the Commission because of the agency's institutional expertise in resolving injury issues.<sup>100</sup>

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

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

### **1. Captive Production**

The domestic industry captively consumes a portion of its production of PTY in the manufacture of downstream articles. We therefore consider the applicability of the statutory captive production provision, and whether to focus our analysis primarily on the merchant market when assessing market share and the factors affecting the financial performance of the domestic industry.<sup>101</sup>

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<sup>99</sup> We provide in our discussion below a full analysis of other factors alleged to have caused any material injury experienced by the domestic industry.

<sup>100</sup> *Mittal Steel*, 542 F.3d at 873; *Nippon Steel Corp.*, 458 F.3d at 1350, citing *U.S. Steel Group*, 96 F.3d at 1357; S. Rep. 96-249 at 75 (“The determination of the ITC with respect to causation is ... complex and difficult, and is a matter for the judgment of the ITC.”).

<sup>101</sup> The captive production provision can be applied only if, as a threshold matter, significant production of the domestic like product is internally transferred and significant production is sold in the merchant market. The captive production provision, 19 U.S.C. § 1677(7)(C)(iv), as amended by the Trade Preferences Extension Act (“TPEA”) of 2015, provides:

(iv) CAPTIVE PRODUCTION – If domestic producers internally transfer significant production of the domestic like product for the production of a downstream article and sell significant production of the domestic like product in the merchant market, and the Commission finds that-

- (I) the domestic like product produced that is internally transferred for processing into that downstream article does not enter the merchant market for the domestic like product, and
- (II) the domestic like product is the predominant material input in the production of that downstream article.

The SAA indicates that where a domestic like product is transferred internally for the production of another article coming within the definition of the domestic like product, such transfers do not

### a. Arguments of the Parties

**Petitioners.** Petitioners argue that the Commission should apply the captive production provision in the final phase of these investigations.<sup>102</sup> They contend that the domestic industry’s internal consumption of domestic shipments during the POI constitutes a significant portion of domestic production.<sup>103</sup> Moreover, Petitioners argue that no domestic producer reported diverting PTY that was to be internally consumed to the merchant market and that both purchasers and importers reported that PTY is the predominant material input in downstream products.<sup>104</sup>

**Respondents.** No respondent directly addresses the applicability of the captive production provision though their arguments appear to assume it is applicable.<sup>105</sup>

### b. Analysis and Recommendation

**Threshold Criterion.** In the final phase of these investigations, internal consumption accounted for between \*\*\* percent and \*\*\* percent of the domestic industry’s total shipments of PTY during each year and interim period of the POI.<sup>106</sup> Commercial shipments accounted for between \*\*\* percent and \*\*\* percent of the domestic industry’s total shipments during each year and interim period of the POI.<sup>107</sup> Accordingly, we find that the threshold criterion is

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constitute internal transfers for the production of a “downstream article” for purposes of the captive production provision. SAA at 853.

The TPEA eliminated what had been the third statutory criterion of the captive production provision. Pub. L. 114-27, § 503(c).

<sup>102</sup> Pet. Prehr’g Br. at 16–20.

<sup>103</sup> Pet. Prehr’g Br. at 17–18.

<sup>104</sup> Pet. Prehr’g Br. at 18–19.

<sup>105</sup> See, e.g., Resp’t. Prehr’g Br. at 61 (arguing no price suppression based on merchant market data).

<sup>106</sup> CR/PR at Table III-7.

<sup>107</sup> CR/PR at Table III-7.

satisfied as a significant portion of the domestic industry's production is internally transferred and a significant portion is sold in the merchant market.<sup>108</sup>

**First Statutory Criterion.** The first criterion of the captive consumption provision focuses on whether any of the domestic like product that is internally transferred for further processing into downstream articles is in fact sold on the merchant market for the domestic like product.<sup>109</sup> No domestic producer reported diverting PTY that was to be internally consumed to the merchant market.<sup>110</sup> Thus, we find that this criterion is also satisfied.

**Second Statutory Criterion.** In applying the second statutory criterion, we generally consider whether the domestic like product is the predominant material input into a downstream product by referring to its share of the raw material cost of the downstream product,<sup>111</sup> but the Commission has also construed "predominant" material input to mean the main or strongest element, and not necessarily a majority, of the inputs by value.<sup>112</sup> In the final phase of these investigations, U.S. producers reported that PTY comprised between \*\*\* percent and \*\*\* percent of the value and about \*\*\* percent of the quantity of the material

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<sup>108</sup> We observe that the Commission found all criteria for application of the captive production provision satisfied in its prior investigations of PTY. *Polyester Textured Yarn from China and India*, Inv. Nos. 701-TA-612-613 and 731-TA-1429-1430 (Final) USITC Pub. 5007 at 21–23 (Jan. 2020) ("*PTY from China and India*").

<sup>109</sup> See, e.g., *Hot-Rolled Steel Products from Argentina and South Africa*, Inv. Nos. 701-TA-404, 731-TA-898, 905 (Final), USITC Pub. 3446 at 15-16 (Aug. 2001); *Certain Cold-Rolled Steel Products from Argentina, Brazil, China, Indonesia, Japan, Russia, Slovakia, South Africa, Taiwan, Turkey and Venezuela*, Inv. Nos. 701-TA-393 and 731-TA-829-40 (Final) (Remand), USITC Pub. 3691 at 2 & n.19 (May 2004).

<sup>110</sup> CR/PR at III-16.

<sup>111</sup> See generally, e.g., *Polyethylene Terephthalate Film, Sheet and Strip from Brazil, China, Thailand, and the United Arab Emirates*, Inv. Nos. 731-TA-1131-1134 (Final), USITC Pub. 4040 at 17 n.103 (Oct. 2008); *Polyethylene Terephthalate Film, Sheet, and Strip from India and Taiwan*, Inv. Nos. 701-TA-415 and 731-TA-933-934 (Final), USITC Pub. 3518 at 11 & n.51 (June 2002).

<sup>112</sup> See *Polyvinyl Alcohol from Germany and Japan*, Inv. Nos. 731-TA-1015-16 (Final), USITC Pub. 3604 at 15 n.69 (June 2003).

inputs of the downstream article.<sup>113</sup> The record also shows that, generally, PTY accounts for a wide range of the reported cost share of different end-use products: 90 percent for socks and hosiery, 5–95 percent for fabrics (depending on the type of fabric), 65 percent for sewing fabric, 40–52 percent for apparel, 35–40 percent for mattress ticking, 20–55 percent of automotive textiles, 11–22 percent in furnishings, 10 percent for automotive seats, and seven percent for area rugs.<sup>114</sup> The record does not indicate that another raw material input is of greater value than PTY in downstream products for which it is used. On balance, we find that this criterion is satisfied.

**Conclusion.** We conclude that all criteria for application of the captive production provision are satisfied in these investigations. We therefore focus primarily on the merchant market in analyzing the market share and financial performance of the domestic industry. We also have considered the total market when appropriate.

## 2. Demand Conditions

U.S. demand for PTY is largely based on demand for the downstream products in which it is used.<sup>115</sup> As discussed above in Section II.A., PTY is primarily used in apparel, home textiles

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<sup>113</sup> CR/PR at Table III-16 and n.13. \*\*\* reported that PTY represented \*\*\* percent of the value and \*\*\* percent of the quantity of the downstream article. CR/PR at III-17, n.13. We note that these figures may be understated. In the final phase of these investigations \*\*\* reported that PTY represented \*\*\* percent of the value of the downstream article; however, it \*\*\*. Specifically, it provided this same estimate in the preliminary phase when it included conversion costs in its calculation of total raw material costs. Despite the instruction to remove conversion costs in the final phase producer questionnaire, by reporting the same number as in the preliminary phase it appears that conversion costs are still included in \*\*\*. *Id.*

<sup>114</sup> See CR/PR at II-10.

<sup>115</sup> CR/PR at II-9.

and furnishings, bedding, and automotive upholstery applications; it is also used in the production of medical supplies and devices and industrial materials.<sup>116</sup>

The Commission requested that market participants report demand trends for the period of January 1, 2018 to December 31, 2019, as well as from January 1, 2020 onward in order to assess the effects of the COVID-19 pandemic on demand.<sup>117</sup> Market participants reported mixed perceptions of U.S. demand trends during the POI. With respect to the period of January 1, 2018 to December 31, 2019, a plurality of responding U.S. producers and U.S. purchasers reported no change in U.S. demand for PTY, while a plurality of U.S. importers reported demand as fluctuating.<sup>118</sup> By comparison, a majority of responding U.S. producers and a plurality of U.S. importers reported that demand decreased since January 1, 2020, while a plurality of purchasers reported that demand increased.<sup>119</sup>

Apparent U.S. consumption of PTY in the merchant market decreased from \*\*\* pounds in 2018 to \*\*\* pounds in 2019 and \*\*\* pounds in 2020, for a total decrease of \*\*\* percent; it was \*\*\* pounds in interim 2020 and \*\*\* pounds in interim 2021.<sup>120</sup>

### **3. Supply Conditions**

The domestic industry was the largest supplier of PTY to the U.S. merchant market during each year of the POI except in 2018, when nonsubject imports were the largest source of

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<sup>116</sup> CR/PR at I-8.

<sup>117</sup> CR/PR at II-12.

<sup>118</sup> CR/PR at Table II-4.

<sup>119</sup> CR/PR at Table II-5.

<sup>120</sup> CR/PR at Tables IV-8 and C-2. Apparent consumption in the total market was 312.8 million pounds in 2018, 283.2 million pounds in 2019, 253.1 million pounds in 2020; it was 120.5 million pounds in interim 2020 and 144.8 million pounds in interim 2021. *Id.* at Tables IV-7 and C-1. Thus, apparent U.S. consumption in the total market was 19.1 percent lower in 2020 than in 2018 and was 20.2 percent higher in interim 2021 than in interim 2020. *Id.*

supply.<sup>121</sup> The industry's share of apparent U.S. consumption in the merchant market increased from \*\*\* percent in 2018 to \*\*\* percent in 2019 before decreasing to \*\*\* percent in 2020.<sup>122</sup> The domestic industry's market share in the merchant market was lower in interim 2021, at \*\*\* percent, than in interim 2020, at \*\*\* percent.<sup>123</sup>

Of the six responding domestic producers, \*\*\*, accounting for \*\*\* percent of domestic PTY production in 2020.<sup>124</sup> The domestic industry's production capacity was stable during between 2018 and 2019, and decreased by 5.4 million pounds or by 1.8 percent from 2018 to 2020.<sup>125</sup> The industry's capacity utilization declined from 65.9 percent in 2018 to 48.6 percent in 2020.<sup>126</sup> Two U.S. producers, \*\*\*, reported captively consuming PTY for the production of downstream articles.<sup>127</sup> Producers of PTY have differing levels of production integration; some firms purchase PET chips or flakes and perform the extrusion, drawing, and texturing, while others purchase POY to draw and texture into PTY.<sup>128</sup>

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<sup>121</sup> CR/PR at Tables IV-8 and C-2.

<sup>122</sup> CR/PR at Tables IV-10 and C-2. The domestic industry's share of apparent U.S. consumption in the total market increased from 54.0 percent in 2018 to 55.2 percent in 2019 before decreasing to 52.5 percent in 2020. *Id.* at Tables IV-9 and C-1.

<sup>123</sup> CR/PR at Tables IV-10 and C-2. The domestic industry's market share in the total market was lower in interim 2021, at 50.9 percent, than in interim 2020, at 55.5 percent. *Id.*

<sup>124</sup> CR/PR at Table III-1.

<sup>125</sup> *Calculated from* CR/PR at Table III-4. The reduction in capacity was due to \*\*\*, which reported that \*\*\*. CR/PR at III-4 n.4. Notwithstanding this decline in capacity in 2020, the domestic industry's total reported capacity exceeded apparent U.S. consumption that year. CR/PR at Table C-1.

<sup>126</sup> CR/PR at Table III-4. Thus, the domestic industry's capacity utilization declined by 17.3 percentage points from 2018 to 2020. *Id.* \*\*\* reported \*\*\* with \*\*\*. CR/PR at Table III-3. Nan Ya and Unifi, however, reported that they were classified as "essential businesses," and that they manufactured personal protective equipment for a short period immediately after the beginning of the outbreak, with demand for regular products recovering since then. CR/PR at II-14. \*\*\*. CR/PR at Table III-3.

<sup>127</sup> CR/PR at III-16. \*\*\* was captively consumed in the production of downstream articles. CR/PR at VI-1.

<sup>128</sup> CR/PR at I-10.

Cumulated subject imports were the third largest source of supply to the U.S. merchant market in 2018 and 2019 and the second largest source of supply in 2020.<sup>129</sup> Their share of apparent U.S. consumption in the merchant market increased from \*\*\* percent in 2018 to \*\*\* percent in 2019 and \*\*\* percent in 2020.<sup>130</sup> Their share was \*\*\* percent in interim 2020 and \*\*\* percent in interim 2021.<sup>131</sup>

Nonsubject imports began the POI as the largest source of PTY supply to the U.S. merchant market in 2018, but their share declined to the second and third largest source of supply in 2019 and 2020, respectively.<sup>132</sup> Nonsubject imports' share of apparent U.S. consumption in the merchant market \*\*\* from \*\*\* percent in 2018 to \*\*\* percent in 2019 and \*\*\* percent in 2020; their share was \*\*\* percent in interim 2020 and \*\*\* percent in interim 2021.<sup>133</sup>

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<sup>129</sup> CR/PR at Tables IV-8 and C-2.

<sup>130</sup> CR/PR at Tables IV-10 and C-2. Thus, cumulated subject imports' share of apparent U.S. consumption in the merchant market increased by \*\*\* percentage points from 2018 to 2020. Cumulated subject imports' share of apparent U.S. consumption in the total market increased from 6.9 percent in 2018 to 15.3 percent in 2019 and to 26.0 percent in 2020. CR/PR Tables IV-9 and C-1. Accordingly, cumulated subject imports' share of apparent U.S. consumption in the total market increased by 19.1 percentage points from 2018 to 2020.

<sup>131</sup> CR/PR at Tables IV-10 and C-2. Thus, cumulated subject imports' share of apparent U.S. consumption in the merchant market was \*\*\* percentage points higher in interim 2021 than in interim 2020. Cumulated subject imports' share of apparent U.S. consumption in the total market was 23.2 percent in interim 2020 and 23.6 percent in interim 2021. CR/PR Tables IV-9 and C-1. Accordingly, cumulated subject imports' share of apparent U.S. consumption in the total market was 0.4 percentage points higher in interim 2021 than in interim 2020.

<sup>132</sup> CR/PR at Tables IV-8 and C-2.

<sup>133</sup> CR/PR at Tables IV-10 and C-2. Thus, nonsubject imports' share of apparent U.S. consumption in the merchant market declined by \*\*\* percentage points from 2018 to 2020, and their share was \*\*\* percentage points higher in interim 2021 than in interim 2020. Nonsubject imports' share of apparent U.S. consumption in the total market decreased from 39.1 percent in 2018 to 29.5 percent in 2019 and to 21.4 percent in 2020; their share was 21.3 in interim 2020 and 25.4 in interim 2020. *Id.* at Tables IV-9 and C-1. Accordingly, nonsubject imports' share of apparent U.S. consumption in the total market declined by 17.7 percentage points from 2018 to 2020, and their share was 4.1 percentage points higher in interim 2021 than in interim 2020.

The leading source of nonsubject imports in the merchant market was China in 2018 and Mexico in 2019 and 2020.<sup>134</sup> Imports of PTY from China and India have been subject to antidumping and countervailing duty orders since January 10, 2020,<sup>135</sup> as a result of petitions filed on October 18, 2018 and final affirmative determinations by Commerce and the Commission.<sup>136</sup> The volume of nonsubject imports from China and India declined from 78.1 million pounds in 2018 to 29.6 million pounds in 2019 and 6.1 million pounds in 2020, for a total decrease of 92.1 percent.<sup>137</sup>

The majority of U.S. purchasers (15 of 22) reported that they did not experience supply constraints from the period January 1, 2018 to October 28, 2020;<sup>138</sup> a smaller majority (13 of 22) reported such constraints since October 28, 2020.<sup>139</sup> Reported supply constraints involved claims of extended lead times, shutdowns, and capacity constraints with respect to U.S.-produced PTY and imports from both subject and nonsubject sources.<sup>140</sup> All five responding U.S. producers reported that they were not unable to supply any specific PTY product since

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<sup>134</sup> CR/PR at Tables IV-10 and C-2.

<sup>135</sup> *Polyester Textured Yarn From the People's Republic of China and India: Countervailing Duty Orders*, 85 Fed. Reg. 1301 (Jan. 10, 2020); *Polyester Textured Yarn From India and the People's Republic of China: Amended Final Antidumping Duty Determination for India and Antidumping Duty Orders*, 85 Fed. Reg. 1298 (Jan. 10, 2020).

<sup>136</sup> *PTY from China and India*, USITC Pub. 5007 at 3. We will further discuss the effects of the antidumping and countervailing duty orders on nonsubject imports from China and India in Sections V.D. and V.E.

<sup>137</sup> CR/PR at Tables IV-8 and C-2.

<sup>138</sup> CR/PR at II-7. Of the seven purchasers reporting supply constraints, two did not specify a supply source while five cited U.S. suppliers. *See id.*

<sup>139</sup> CR/PR at II-8. Of the 13 purchasers reporting supply constraints, three did not specify a source and the remaining purchasers implicated domestic, subject, and/or nonsubject sources of supply. *See id.*

<sup>140</sup> CR/PR at II-8.



January 1, 2018.<sup>141</sup> \*\*\* reported labor shortages in 2021, \*\*\*, but indicated that these labor shortages \*\*\*.<sup>142</sup> Nineteen of 22 responding U.S. importers reported that they did not experience supply constraints between January 1, 2018 and October 28, 2020, while 16 of 20 responding importers reported the same for the period since October 28, 2020.<sup>143</sup>

#### **4. Substitutability and Other Conditions**

The record indicates that there is a moderate-to-high degree of substitutability between domestically produced PTY and PTY from the subject countries.<sup>144</sup> In all comparisons between the domestic like product and imports from subject sources, the majority of U.S. producers described the products as always interchangeable.<sup>145</sup> Importers' responses regarding the degree of interchangeability of domestic and subject products varied, but in all comparisons a majority of importers reported that the domestic product and imports from subject sources were at least sometimes interchangeable.<sup>146</sup> Similarly, in all comparisons a majority of U.S. purchasers reported that the domestic product and imports from subject sources were at least sometimes interchangeable.<sup>147</sup> Moreover, a majority of purchasers reported that U.S.-produced and PTY from each subject country were "comparable" with respect to most purchasing factors, including product range, meeting minimum industry standards, quality

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<sup>141</sup> CR/PR at II-8. As discussed below in Section V.B.4., Petitioners state that they produce the full spectrum of PTY products, and a majority of responding purchasers reported that the product range offered by the domestic producers and by subject imports from all four sources were comparable. Petitioners Posthearing Br. at 5–6, Exhibits 2–4; CR/PR at Table II-11.

<sup>142</sup> CR/PR at II-9.

<sup>143</sup> CR/PR at II-7–8.

<sup>144</sup> CR/PR at II-14.

<sup>145</sup> CR/PR at Table II-12.

<sup>146</sup> CR/PR at Table II-13.

<sup>147</sup> CR/PR at Table II-14.

exceeding minimum industry standards, reliability of supply, and product consistency.<sup>148</sup>

However, the domestic product was generally rated “inferior” to subject imports with respect to availability and price.<sup>149</sup>

A portion of the market is governed by Buy America programs, such as the Berry Amendment, which require use of the domestic like product and therefore limit the substitutability of subject imports with respect to these sales.<sup>150</sup> In addition, access to preference programs under U.S. free trade agreements requires or encourages use of regional content. However, most purchasers reported that 95 percent or more of their purchases did not require purchasing domestically produced product, and 18 of 21 purchasers reported that at least 80 percent of their purchases were not associated with such a requirement.<sup>151</sup> Additionally, a plurality of responding purchasers reported that they never make a purchasing decision based on the PTY’s country of origin.<sup>152</sup>

The record also indicates that price is an important factor in purchasing decisions. Purchasers most frequently reported that quality and price were among the three most important factors affecting purchasing decisions.<sup>153</sup> Price was also among the purchasing factors most often rated as “very important” by purchasers.<sup>154</sup>

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<sup>148</sup> CR/PR at Table II-11. With respect to delivery time, a majority of purchasers rated U.S. product as comparable or superior when compared to subject imports from Indonesia, Malaysia, and Vietnam. Equal numbers of purchasers rated U.S. product as comparable or superior as they did inferior when compared to subject imports from Thailand. *Id.*

<sup>149</sup> CR/PR at Table II-11.

<sup>150</sup> See CR/PR at II-16; Pet. Prehr’g Br. at 23–25; Resp’t Prehr’g Br. at 27–32.

<sup>151</sup> CR/PR at II-16.

<sup>152</sup> CR/PR at Table II-6.

<sup>153</sup> CR/PR at Table II-7.

<sup>154</sup> See CR/PR at Table II-8. Availability, delivery time, product consistency, quality meeting industry standards, and reliability of supply were rated “very important” by slightly more purchasers than was price. *Id.*

PTY production is generally described as capital intensive with a corresponding incentive to maintain high capacity utilization.<sup>155</sup> As noted above, U.S. producers of PTY have differing levels of production integration. Accordingly, they vary in terms of the form of primary inputs used to produce PTY.<sup>156</sup> The main input for PTY and POY is PET, which may be derived from virgin or recycled materials, and the main components of PET are monoethylene glycol and purified terephthalic acid, as discussed above in Section II.B.<sup>157</sup>

Raw material costs accounted for a majority of the domestic industry's cost of goods sold ("COGS") in the merchant market during the POI.<sup>158</sup> U.S. producers and importers generally reported that the cost of the raw materials used to produce PTY had fluctuated or increased since January 1, 2018.<sup>159</sup> Two U.S. producers and five importers stated that their prices were not indexed to raw material costs, but U.S. producer \*\*\* and importer \*\*\* stated that their prices at least sometimes were tied to raw material costs.<sup>160</sup> Nineteen of 22 purchasers indicated that they were familiar with the prices of raw materials used in the production of PTY; ten purchasers indicated that the cost of raw materials had not affected their firm's negotiations to purchase PTY since 2018, while 11 stated that it had.<sup>161</sup>

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<sup>155</sup> CR/PR at VI-12.

<sup>156</sup> CR/PR at I-10. Petitioner Nan Ya manufactures the PET chip, POY, and polyester textured yarn while Unifi purchases POY as a precursor to its PTY production. *Id.* at n.41.

<sup>157</sup> CR/PR at I-9.

<sup>158</sup> CR/PR at Table VI-3. Raw material costs accounted for \*\*\* percent of the domestic industry's COGS for sales in the merchant market in 2018, \*\*\* percent in 2019, and \*\*\* percent in 2020. *Id.* Other factory costs were the second largest component the domestic industry's COGS, ranging from \*\*\* to \*\*\* percent of total COGS from 2018 to 2020 for merchant market sales. *Id.* at Table VI-3.

<sup>159</sup> CR/PR at V-1.

<sup>160</sup> CR/PR at V-5.

<sup>161</sup> CR/PR at V-3.

Both U.S. producers and importers sold PTY almost exclusively to end users during the POI.<sup>162</sup> U.S. producers reported that the majority of their commercial shipments were produced-to-order with lead times averaging \*\*\* days, while the remainder of their commercial shipments, which came from inventories, had average lead times of \*\*\* days.<sup>163</sup> By comparison, U.S. importers reported that their commercial shipments were split, with roughly one-third made-to-order, one-third from foreign inventories, and one-third from importers' inventories. Lead times for each source averaged \*\*\* days, \*\*\* days, and \*\*\* days, respectively.<sup>164</sup>

The record also reflects that a majority (20 to 22) of U.S. purchasers required their suppliers to become certified.<sup>165</sup> The majority of responding purchasers reported that it took 15 to 60 days to qualify a new supplier, although five reported longer certification periods and one reported a shorter period.<sup>166</sup> Most responding purchasers reported that no suppliers had failed a certification process or lost their status as approved suppliers.<sup>167</sup>

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

Section 771(7)(C)(i) of the Tariff Act provides that the "Commission shall consider whether the volume of imports of the merchandise, or any increase in that volume, either in absolute terms or relative to production or consumption in the United States, is significant."<sup>168</sup>

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<sup>162</sup> CR/PR at Table II-1.

<sup>163</sup> CR/PR at II-18. Petitioners acknowledge that the domestic industry experienced extended lead times in 2021, partially due to labor shortages. *Id.*

<sup>164</sup> CR/PR at II-18.

<sup>165</sup> CR/PR at II-18.

<sup>166</sup> CR/PR at II-18.

<sup>167</sup> CR/PR at II-18. Fifteen of 22 responding U.S. purchasers reported that no domestic or foreign suppliers had failed in their attempt to qualify PTY or had lost its approved status since January 1, 2018, while seven reported such failures from U.S. producer and producers of subject merchandise. *Id.*

<sup>168</sup> 19 U.S.C. § 1677(7)(C)(i).

Cumulated subject imports had a significant and rapidly increasing presence in the merchant market and total market during the POI. The volume of cumulated subject imports increased from 21.6 million pounds in 2018 to 43.2 million pounds in 2019 and 65.9 million pounds in 2020, for an overall increase of 204.5 percent; the volume was 27.9 million pounds in interim 2020 and 34.2 million pounds in interim 2021.<sup>169</sup> Cumulated subject imports' share of apparent U.S. consumption in the merchant market increased from \*\*\* percent in 2018 to \*\*\* percent in 2019 and \*\*\* percent in 2020, for an overall increase of \*\*\* percentage points; their share was \*\*\* percent in interim 2020 and \*\*\* percent in interim 2021.<sup>170</sup>

In light of the foregoing, we find that the volume of cumulated subject imports, and their increase in volume, were significant, both in absolute terms and relative to apparent U.S. consumption.<sup>171</sup>

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<sup>169</sup> CR/PR at Table IV-8. The volume of cumulated subject imports was equivalent to 10.7 percent of U.S. production in 2018, 23.5 percent in 2019, and 44.9 percent in 2020; it was equivalent to 37.7 percent of U.S. production in interim 2020 and 40.2 percent in interim 2021. Calculated from CR/PR Tables III-4 and IV-8.

<sup>170</sup> CR/PR at Tables IV-10 and C-2. In the total market, cumulated subject import market share increased from 6.9 percent in 2018 to 15.3 percent in 2019 and to 26.0 percent in 2020; it was higher in interim 2021, at 23.6 percent, than in interim 2020, at 23.2 percent. CR/PR at Tables IV-9 and C-1.

<sup>171</sup> As discussed further below in Section V.E., we note that subject imports surged into the market beginning in 2019 through 2020 as imports of PTY from China and India, then subject to antidumping and countervailing duty investigations, rapidly receded from the U.S. market. CR/PR at Table IV-2. Mr. Talvinder Soor, President of Promptex, a major importer, testified at the hearing that after the commencement of the antidumping and countervailing duty investigations on PTY from China and India, Promptex sought other countries that could replace the imports from China and India. Hearing Transcript (“Hearing Tr.”) at 210–11 (Soor). The record confirms that the volume of cumulated subject imports increased after the earlier petitions on PTY from China and India were filed in October 2018 – even before the antidumping and countervailing duty orders were imposed on PTY from China and India in January 2020. See CR/PR at I-5, Tables IV-8 and C-2.

#### **D. Price Effects of the Subject Imports**

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

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

(II) the effect of imports of such merchandise otherwise depresses prices to a significant degree or prevents price increases, which otherwise would have occurred, to a significant degree.<sup>172</sup>

As discussed above in Section V.B.4., the record indicates there is a moderate-to-high degree of substitutability between subject imports and the domestic like product and that price is an important consideration in purchasing decisions.

We have examined pricing data, import purchase cost data, and information concerning lost sales and revenue in our underselling analysis. The Commission collected quarterly pricing data from U.S. producers and importers for four pricing products shipped to unrelated U.S. customers during January 2018 – June 2021.<sup>173</sup> Five U.S. producers and eleven importers provided usable pricing data for sales of the requested products, although not all firms reported pricing for all products for all quarters.<sup>174</sup> Pricing data reported by these firms accounted for

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<sup>172</sup> 19 U.S.C. § 1677(7)(C)(ii).

<sup>173</sup> CR/PR at V-6. The pricing product descriptions are as follows:

Product 1. – Single ply, 150 denier, 34 to 48 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

Product 2. – Single ply, 70 denier, 34 to 48 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

Product 3. – Single ply, 70 denier, 68 to 72 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

Product 4. – Single ply, 300 denier, 68 to 72 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn. CR/PR at V-6–7.

<sup>174</sup> CR/PR at V-7. Promptex argues that the Commission should disregard the pricing data \*\*\* in the Commission's price comparisons because the data correspond to products that do not strictly meet

approximately 27.0 percent of U.S. producers' commercial U.S. shipments of PTY, 14.0 percent of subject imports from Indonesia, 16.7 percent of subject imports from Malaysia, 42.8 percent of subject imports from Thailand, and 16.3 percent of subject imports from Vietnam in 2020.<sup>175</sup>

The price comparison data show predominant underselling during the POI. Subject imports undersold the domestic like product in 119 of 128 (93.0 percent of) quarterly comparisons and oversold the domestic like product in the remaining 9 instances.<sup>176</sup> Margins of underselling ranged from 3.4 percent to 58.4 percent with an average underselling margin of 31.1 percent, while margins of overselling ranged from 16.4 percent to 543.1 percent and an average overselling margin of 138.8 percent.<sup>177</sup> Underselling was associated with 39.8 million pounds, or 99.9 percent of the volume of subject imports reported for pricing data, while overselling was associated with 42,020 pounds of subject imports.<sup>178</sup>

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the pricing product definitions and because, according to Promptex, there may be significant differences in product requirements and prices across different end-uses of the same denier and filament count. Resp't. Prehr'g Br. at 56. With respect to Promptex's first point, the Commission in its questionnaires requested that if questionnaire respondents had product that was competitive with, although not strictly meeting, a requested pricing product definition, that respondents submit such data for that product and describe it. \*\*\* provided such data and reported that the product at issue was competitive with product covered by the corresponding pricing products. Based on Promptex's reporting, these data have been included in the pricing product compilation and are relevant to our price analysis. CR/PR at V-7, n.8. Promptex has not shown that the pricing data \*\*\* are associated with differences in product requirements or specifications that would result in significant differences in its prices or otherwise render its products non-competitive with each pricing product. With respect to Promptex's point about different end uses, when asked to identify the end uses of the pricing products based on their definitions, Promptex stated it was unable to do so. See Promptex's Posthr'g Br., Exh. 1 at 48. Consequently, we are unpersuaded that Promptex's own reported products do not compete with the products meeting the pricing product definitions. Further, we observe that although responding firms were requested to submit comments on the pricing product definitions in the final phase draft questionnaires that would encompass products they sell, prior to the collection of data for the final phase of these investigation, \*\*\* did not submit any comments on the pricing products.

<sup>175</sup> CR/PR at V-7–8.

<sup>176</sup> CR/PR at Table V-13.

<sup>177</sup> CR/PR at Table V-13.

<sup>178</sup> CR/PR at Table V-13.

The Commission also requested that firms that import PTY from the subject countries for their own use (*i.e.*, not for resale) provide quarterly purchase cost data for the four pricing products. Six importers reported useable import purchase cost data, which accounted for approximately 2.4 percent of imports from Indonesia, 29.6 percent of subject imports from Malaysia, and 0.0 percent of imports from Thailand and Vietnam in 2020.<sup>179</sup> The purchase cost data indicate that landed duty-paid costs for subject imports were below the sales price for U.S.-produced PTY in 43 of 58 (or 74.1 percent of) quarterly comparisons, with price-cost differentials ranging from 0.1 to 63.7 percent and an average differential of 29.1 percent.<sup>180</sup> The volume of subject imports with purchase costs lower than domestic prices was 10.4 million pounds, or 94.4 percent of the volume of subject imports reported in the purchase cost data.<sup>181</sup> Thus, purchase costs for the subject imports were lower than prices for the domestic product in the majority of quarterly comparisons involving a substantial quantity of subject imports.

We recognize that the import purchase cost data may not reflect the total cost of importing and therefore asked importers to report any additional costs associated with importing subject PTY for their own use that they would not incur if they purchased PTY from an alternative source. Even when accounting for the additional costs reported by one importer,

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<sup>179</sup> CR/PR at V-17.

<sup>180</sup> CR/PR at Table V-15. Landed duty-paid costs for subject imports were above the sales price for U.S.-produced PTY in 15 of 58 quarterly (or 25.9 percent of) comparisons (involving 612,959 pounds, or 5.6 percent, of reported subject import purchases), at differentials ranging from 0.0 to 268.3 percent, with an average price-cost differential of 44.6 percent. CR/PR at Table V-15

<sup>181</sup> CR/PR at Table V-15.



subject import purchase costs were predominantly, and significantly, lower than domestic sales prices.<sup>182</sup>

We have also considered information concerning lost sales and revenue in our underselling analysis. Of the 22 purchasers that provided responses to the Commission's questionnaires, 15 reported that they had purchased subject imports instead of the U.S.-produced product.<sup>183</sup> The vast majority of these purchasers – 12 of 15 – reported that subject imports were priced lower than domestically produced PTY, and five purchasers confirmed that the lower price was a primary reason for purchasing subject imports in lieu of domestically produced PTY.<sup>184</sup> These five purchasers reported purchasing a total of \*\*\* pounds of subject imports instead of the domestic product due to the lower price.<sup>185</sup>

Based on the pervasive underselling of the domestic like product by cumulated subject imports, purchasers' confirmation that subject imports are frequently priced lower than the domestic like product, the moderate-to-high degree of substitutability between domestically produced PTY and PTY from subject sources, and the importance of price in purchasing decisions, we find the underselling by cumulated subject imports to be significant. Cumulated subject imports surged into the U.S. market and took market share and sales from the domestic

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<sup>182</sup> We requested that direct importers provide additional information regarding the costs and benefits of directly importing PTY. Five of the six responding importers reported that they did not incur additional costs beyond landed duty-paid costs associated with importing. CR/PR at V-17. One of six responding importers reported that they did incur additional costs that totaled \*\*\* percent compared to the landed duty-paid value. CR/PR at V-17. Another importer that did not provide pricing data estimated additional costs of 23 percent. CR/PR at V-17, n.12.

<sup>183</sup> CR/PR at Table V-18.

<sup>184</sup> CR/PR at Table V-18. We further note that when comparing the domestic like product to PTY imports from each subject country, the vast majority of purchasers reported that prices of the U.S.-produced product were inferior to those of subject imports. CR/PR at Table II-11.

<sup>185</sup> CR/PR at Table V-18. The quantity of confirmed lost sales is equivalent to approximately \*\*\* percent of purchasers' reported purchases of subject imports. *Derived from* CR/PR at Tables V-17–18.

industry during the POI.<sup>186</sup> Indeed, multiple purchasers confirmed that subject imports' lower price was a primary factor in their purchasing decisions. These low-priced subject imports gained the considerable market share previously held by nonsubject imports from China and India, which receded from the market during the POI following the filing of antidumping and countervailing duty petitions on PTY imports from those countries preventing the domestic industry from gaining sales and market share it otherwise would have gained absent the presence of unfairly traded imports in the U.S. market. In addition to replacing nonsubject imports and depriving domestic producers of those sales, subject imports also took market share and sales directly from the domestic industry during the POI.<sup>187</sup>

We have also considered price trends during the POI. Between the first and last quarters for which data were collected, the domestic industry's sales prices for products 1, 2, and 3 fluctuated but rose overall by \*\*\* percent, \*\*\* percent, and \*\*\* percent, respectively, while its sales prices for product 4 fell by \*\*\* percent.<sup>188</sup> Price trends for the subject imports

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<sup>186</sup> CR/PR at Tables IV-10, V-18, and C-2.

<sup>187</sup> See CR/PR at Table C-2 (market share shift in the merchant market); *id.* at Tables V-13 to V-14 (price comparisons), Tables V-15 to V-16 (price-cost comparisons); *accord* Petitioners' Prehr's Brief at 1-3; Petitioners' Posthearing Brief at 3-4; Petitioners' Final Comments at 1. Market share held by nonsubject imports from China and India decreased by \*\*\* percentage points from \*\*\* percent in 2018 to \*\*\* percent in 2020. *Id.* It was \*\*\* percentage points higher across interim periods at \*\*\* percent in interim 2020 and \*\*\* percent in interim 2021. *Id.* Market share held by cumulated subject imports increased by \*\*\* percentage points from \*\*\* percent in 2018 to \*\*\* percent in 2020. *Id.* It was \*\*\* percentage points lower across interim periods at \*\*\* percent in interim 2020 and \*\*\* percent in interim 2021. *Id.* The domestic industry's total market share initially increased by \*\*\* percentage points from \*\*\* percent in 2018 to \*\*\* percent in 2019, but then declined by \*\*\* percentage points to \*\*\* percent in 2020 as subject imports gained \*\*\* percentage points of market share over the same period. *Id.* The domestic industry's share of the merchant market was \*\*\* percentage points lower across interim periods, at \*\*\* percent in interim 2020 and \*\*\* percent in interim 2021. *Id.*

<sup>188</sup> CR/PR at Table V-12. \*\*\*. *Calculated from* Tables V-4-7. We observe that prices for all four pricing products fell in 2019 and 2020. *Id.*

were more mixed, and varied widely, from decreases of 13.7 to 59.4 percent to increases of 20.7 to 29.2 percent.<sup>189</sup>

The domestic industry experienced overall decreases in its per-unit COGS from 2018 to 2020 due to declines in its raw material costs.<sup>190</sup> The unit value of its commercial sales declined to a greater extent than the declines in its per unit COGS,<sup>191</sup> however, and the domestic industry's COGS-to-net-sales ratio for merchant market sales increased from \*\*\* percent in 2018 to \*\*\* in 2019 and \*\*\* percent in 2020.<sup>192</sup> This increase reflects a further deterioration in the domestic industry's COGS-to-net-sales ratio from what the Commission observed in the earlier investigation concerning PTY from China and India.<sup>193</sup> However, given that the industry's

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<sup>189</sup> CR/PR at V-27. \*\*\* percent. Over the same period, subject import purchase costs for \*\*\*.  
*Calculated from* Tables V-4–7.

<sup>190</sup> The domestic industry's unit COGS for its merchant market operations were \$\*\*\* per pound in 2018, \$\*\*\* per pound in 2019, and \$\*\*\* per pound in 2020. CR/PR at Table VI-3. They were \$\*\*\* per pound in interim 2020 and interim 2021. *Id.* The domestic industry's raw material costs for its merchant market operations expressed in dollars per pound declined from \$\*\*\* in 2018 to \$\*\*\* in 2019 to \$\*\*\* in 2020. They were \$\*\*\* per pound in interim 2020 and \$\*\*\* per pound in interim 2021. CR/PR at Table VI-3.

The domestic industry's unit COGS for its total market operations were \$1.55 per pound in 2018, \$1.62 per pound in 2019, and \$1.57 per pound in 2020. CR/PR at Table VI-1. They were \$1.62 per pound in interim 2020 and \$1.66 per pound interim 2021. *Id.* The domestic industry's raw material costs for its total market operations expressed in dollars per pound increased from \$1.01 in 2018 to \$1.02 in 2019 and then fell to \$0.93 per pound in 2020. They were \$0.96 per pound in interim 2020 and \$0.99 per pound in interim 2021. CR/PR at Table VI-1.

<sup>191</sup> The domestic industry's commercial sales average unit value ("AUV") fell from \$\*\*\* in 2018 to \$\*\*\* in 2019 and \$\*\*\* in 2020. CR/PR at Table VI-3. It was \$\*\*\* in interim 2020 and \$\*\*\* in interim 2021. *Id.*

<sup>192</sup> CR/PR at Table C-2. The industry's COGS-to-net-sales ratio for merchant market sales was \*\*\* percent in interim 2020 and \*\*\* percent in interim 2021. *Id.* Based on its total market operations, the industry's COGS to net sales ratio increased from \*\*\* percent in 2018 to \*\*\* percent in 2019 and \*\*\* percent in 2020. CR/PR at Table C-1. The ratio was \*\*\* percent in interim 2020 and \*\*\* percent in interim 2021. *Id.*

<sup>193</sup> CR/PR at Tables VI-3 and C-2. The domestic industry's merchant market COGS to net sales ratio increased from \*\*\* percent in 2016 to \*\*\* percent in 2017, and to \*\*\* percent in 2018. *PTY from China and India Confidential Views*, EDIS Doc. 698503 at 41. These data include data from an additional U.S. producer, Aquafil O'Mara, which provided a questionnaire response in the *PTY from China and India* investigations but not in the current investigations. Resp't Posthr'g Br. at 10, n.44.

total COGS and raw material costs decreased on a per-unit basis, and apparent U.S. consumption in the merchant market declined by \*\*\* percent during the full years of the POI, we do not find that the subject imports prevented price increases which would have otherwise occurred to a significant degree.

We nonetheless recognize that the domestic industry's sales values fell faster than its costs so that the domestic industry was increasingly unable to recover its costs, even with nonsubject imports from China and India, previously a large source of supply to the U.S. market, exiting the market over the POI. Although apparent U.S. consumption declined between 2018 and 2020, cumulated low-priced subject imports rose significantly over the POI – doubling in volume from 2018 to 2019 and continuing to grow through the remainder of the POI, placing downward pricing pressure on U.S. prices and forcing the domestic industry to spread its fixed costs over a smaller number of sales than would otherwise be the case, resulting in a continued cost-price squeeze experienced by the domestic industry.

In sum, we find that the underselling by cumulated subject imports was significant. This significant underselling facilitated cumulated subject imports' capture of significant market share in the U.S. market, precluding the domestic industry from gaining any of the substantial market share ceded by imports from China and India and causing it to lose sales and market share. We accordingly conclude that the cumulated subject imports had significant price effects.

## E. Impact of the Subject Imports<sup>194</sup>

Section 771(7)(C)(iii) of the Tariff Act provides that examining the impact of subject imports, the Commission “shall evaluate all relevant economic factors which have a bearing on the state of the industry.”<sup>195</sup> These factors include output, sales, inventories, capacity utilization, market share, employment, wages, productivity, gross profits, net profits, operating profits, cash flow, return on investment, return on capital, ability to raise capital, ability to service debts, research and development (“R&D”), and factors affecting domestic prices. No single factor is dispositive and all relevant factors are considered “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”<sup>196</sup>

In *PTY from China and India*, which had an overlapping period of investigation with the current investigations, the Commission found that the domestic industry had been materially

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<sup>194</sup> The statute instructs the Commission to consider the “magnitude of the dumping margin” in an antidumping proceeding as part of its consideration of the impact of imports. 19 U.S.C. § 1677(7)(C)(iii)(V). In its final determinations, Commerce found dumping margins of 7.47 and 26.07 percent for imports from Indonesia, 8.50 percent for imports from Malaysia, 14.47 percent and 56.80 percent for imports from Thailand, and 2.58 percent and 22.36 percent for imports from Vietnam. *Polyester Textured Yarn From Indonesia: Final Affirmative Determination of Sales at Less Than Fair Value*, 86 Fed. Reg. 58875, 58876 (Oct. 25, 2021); *Polyester Textured Yarn From Malaysia: Final Affirmative Determination of Sales at Less-Than Fair-Value*, 86 Fed. Reg. 58869, 58870 (Oct. 25, 2021); *Polyester Textured Yarn From Thailand: Final Affirmative Determination of Sales at Less Than Fair Value*, 86 Fed. Reg. 58883, 58884 (Oct. 25, 2021); *Polyester Textured Yarn From the Socialist Republic of Vietnam: Final Affirmative Determination of Sales at Less Than Fair Value*, 86 Fed. Reg. 58877 (Oct. 25, 2021). We take into account in our analysis the fact that Commerce has made final findings that subject producers in China and India are selling subject imports in the United States at less than fair value. In addition to this consideration, our impact analysis has considered factors affecting domestic prices. Our analysis of the significant underselling and price effects of subject imports, described in both the price effects discussion and below, is particularly probative to an assessment of the impact of the subject imports.

<sup>195</sup> 19 U.S.C. § 1677(7)(C)(iii); see also SAA at 851 and 885 (“In material injury determinations, the Commission considers, in addition to imports, other factors that may be contributing to overall injury. While these factors, in some cases, may account for the injury to the domestic industry, they also may demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports.”).

<sup>196</sup> 19 U.S.C. § 1677(7)(C)(iii). This provision was amended by the TPEA, Pub. L. 114–27.

injured by imports of PTY from China and India.<sup>197</sup> Accordingly, we find that the domestic industry began the POI in an injured state. The domestic industry's trade indicators continued to deteriorate overall during the POI. The domestic industry's production declined from 202.4 million pounds in 2018 to 183.7 million pounds in 2019 and to 146.6 million pounds in 2020; it was 74.1 million pounds in interim 2020 and 85.1 million pounds in interim 2021.<sup>198</sup> The domestic industry's production capacity remained relatively stable at 307.2 million pounds in 2018 and 2019 before declining to 301.8 million pounds in 2020; it was 155.9 million pounds in interim 2020 and 150.6 million pounds in interim 2021.<sup>199</sup> Its capacity utilization rate declined from 65.9 percent in 2018 to 59.8 percent in 2019 and to 48.6 percent in 2020; it was 47.5 percent in interim 2020 and 56.5 percent in interim 2021.<sup>200</sup> The quantity of the domestic industry's U.S. commercial shipments declined from \*\*\* pounds in 2018 to \*\*\* pounds in 2019 and to \*\*\* pounds in 2020; it was \*\*\* pounds in interim 2020 and \*\*\* pounds in interim 2021.<sup>201</sup> The value of the domestic industry's U.S. commercial shipments also declined from \$\*\*\* in 2018 to \$\*\*\* in 2019 and to \$\*\*\* in 2020; it was \$\*\*\* in interim 2020 and \$\*\*\* in interim 2021.<sup>202</sup> The domestic industry's share of apparent U.S. consumption in the merchant

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<sup>197</sup> *PTY from China and India*, USITC Pub. 5007 at 3.

<sup>198</sup> CR/PR Tables III-4 and C-1.

<sup>199</sup> CR/PR Tables III-4 and C-1.

<sup>200</sup> CR/PR Tables III-4 and C-1.

<sup>201</sup> CR/PR at Table C-2. The quantity of the domestic industry's U.S. shipments in the total market declined from 169.0 million pounds in 2018 to 156.4 million pounds in 2019, and to 133.0 million pounds in 2020; it was 66.9 million pounds in interim 2020 and 73.8 in interim 2021. *Id.* at Table C-1.

<sup>202</sup> CR/PR at Table C-2. The value of the domestic industry's U.S. shipments in the total market declined from \$279.8 million in 2018 to \$258.2 million in 2019, and to \$213.1 million in 2020; it was \$109.8 million in interim 2020 and \$120.4 million in interim 2021. CR/PR at Table C-1.

market initially increased from \*\*\* percent in 2018 to \*\*\* percent in 2019 before declining to \*\*\* percent in 2020; it was \*\*\* percent in interim 2020 and \*\*\* percent in interim 2021.<sup>203</sup>

Similarly, the domestic industry's employment indicators generally declined overall during the POI. Its number of production and related workers ("PRWs") increased from 1,036 in 2018 to 1,076 in 2019 before decreasing by a greater amount to 965 in 2020; PRWs totaled 996 in interim 2020 and 1,083 in interim 2021.<sup>204</sup> The industry's total hours worked increased from 2.1 million hours in 2018 to 2.2 million hours in 2019 before decreasing to a period low of 1.9 million hours in 2020; it was 1.0 million hours in interim 2020 and 1.1 million hours in interim 2021.<sup>205</sup> Its wages paid followed a similar pattern, increasing from \$47.6 million in 2018 to \$48.1 million in 2019 before decreasing to \$45.6 million in 2020; it was \$23.9 million in interim 2020 and \$27.1 million in interim 2021.<sup>206</sup> Hourly wages fluctuated, decreasing from \$22.47 dollars per hour in 2018 to \$22.13 dollars per hour in 2019 before increasing to \$23.93 dollars per hour in 2020; they were \$23.75 dollars per hour in interim 2020 and \$24.57 dollars per hour in interim 2021.<sup>207</sup> Productivity per hour declined from 95.5 pounds per hour in 2018 to 84.5 pounds per hour in 2019 and to 77.0 pounds per hour in 2020; it was 73.6 pounds per hour in interim 2020 and 77.1 pounds per hour in interim 2021.<sup>208</sup> The domestic industry's unit

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<sup>203</sup> CR/PR at Table C-2. Thus, the domestic industry's share of apparent U.S. consumption in the merchant market declined \*\*\* percentage points from 2018 to 2020, and was \*\*\* percentage points lower in interim 2021 compared to interim 2020. The domestic industry's share of apparent U.S. consumption in the total market increased from 50.4 percent in 2018, to 55.2 percent in 2019 before declining to 52.5 percent in 2020; it was 55.5 percent in interim 2020 and 50.9 percent in interim 2021. *Id.* at Table C-1.

<sup>204</sup> CR/PR at Tables III-15 and C-1.

<sup>205</sup> CR/PR at Tables III-15 and C-1.

<sup>206</sup> CR/PR at Tables III-15 and C-1.

<sup>207</sup> CR/PR at Tables III-15 and C-1.

<sup>208</sup> CR/PR at Tables III-15 and C-1.

labor costs increased from \$0.24 dollars per pounds in 2018 to \$0.26 dollars per pound in 2019 and to \$0.31 dollars per pound in 2020; it was \$0.32 dollars per pound in both interim 2020 and interim 2021.<sup>209</sup>

The domestic industry's financial indicators also declined during the POI. Its net commercial sales revenue in the merchant market declined from \$\*\*\* in 2018 to \$\*\*\* in 2019 and to \$\*\*\* in 2020; it was \$\*\*\* in interim 2020 and \$\*\*\* in interim 2021.<sup>210</sup> Its gross profits in the merchant market declined from \$\*\*\* in 2018 to \$\*\*\* in 2019 and to \$\*\*\* in 2020; gross profits were \$\*\*\* in interim 2020 and \$\*\*\* in interim 2021.<sup>211</sup> The industry's operating income in the merchant market declined from a \$\*\*\* in 2018 to a \$\*\*\* in 2019 and a \$\*\*\* in 2020; it was a \$\*\*\* in interim 2020 and a \$\*\*\* in interim 2021.<sup>212</sup> The domestic industry's net income in the merchant market declined from a \$\*\*\* in 2018 to a \$\*\*\* in 2019 and to a \$\*\*\* in 2020; it was a \$\*\*\* in interim 2020 and a \$\*\*\* in interim 2021.<sup>213</sup> Its operating-income-to-net-sales ratio in the merchant market declined from \*\*\* percent in 2018 to \*\*\* percent in 2019 and to \*\*\* percent in 2020; it was \*\*\* percent in interim 2020 and \*\*\* percent in interim 2021.<sup>214</sup> Its

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<sup>209</sup> CR/PR at Tables III-15 and C-1.

<sup>210</sup> CR/PR at Tables VI-3 and C-2.

<sup>211</sup> CR/PR at Tables VI-3 and C-2. The domestic industry's gross profits in the total market declined from \$28.6 million in 2018 to \$13.4 million in 2019 and to \$7.6 million in 2020; it was \$3.5 million in interim 2020 and a \$948,000 loss in interim 2021. CR/PR at Tables V-1 and C-1.

<sup>212</sup> CR/PR at Tables VI-3 and C-2. Its operating income in the total market declined from \$5.7 million in 2018 to a \$4.8 million loss in 2019 and to a \$10.0 million loss in 2020; it was a \$5.7 million loss in interim 2020 and a \$10.5 million loss in interim 2021. CR/PR at Tables V-1 and C-1.

<sup>213</sup> CR/PR at Tables VI-3 and C-2. The domestic industry's net income in the total market \*\*\* from \$\*\*\* in 2018 to a \$\*\*\* in 2019 and to a \$\*\*\* in 2020; it was a \$\*\*\* in interim 2020 and an \$\*\*\* in interim 2021. CR/PR at Tables V-1 and C-1.

<sup>214</sup> CR/PR at Tables VI-3 and C-2. Its operating-income-to-net-sales ratio in the total market declined from 1.7 percent in 2018 to negative 1.5 percent in 2019 and to negative 4.0 percent in 2020; it was negative 4.4 percent in interim 2020 and negative 7.3 percent in interim 2021. CR/PR at Tables V-1 and C-1.



net-income-to-net-sales ratio in the merchant market declined from \*\*\* percent in 2018 to \*\*\* percent in 2019 and to \*\*\* percent in 2020; it was \*\*\* percent in interim 2020 and \*\*\* percent in interim 2021.<sup>215</sup> These declines in the domestic industry's profitability stemmed from its decreasing revenue on its commercial sales (which declined by \*\*\* percent during 2018 to 2020) relative to its COGS (which decreased by \*\*\* percent during 2018 to 2020), resulting in an increasing COGS to net sales ratio over the POI.<sup>216</sup>

The domestic industry's capital expenditures increased while R&D expenses fluctuated during the POI. Capital expenditures increased from \$\*\*\* in 2018, to \$\*\*\* in 2019 and to \$\*\*\* million in 2020; they were \$\*\*\* in interim 2020 and \$\*\*\* in interim 2021.<sup>217</sup> The industry's R&D expenses increased from \$\*\*\* in 2018 to \$\*\*\* in 2019, before declining to \$\*\*\* in 2020; they were \$\*\*\* in 2020 and \$\*\*\* in interim 2021.<sup>218</sup> Three U.S. producers reported that they experienced negative effects on investments and negative effects on growth and development \*\*\*.<sup>219</sup>

As noted above, the domestic industry began the POI in an injured state (in 2018) because of the effects of dumped and subsidized imports from China and India.<sup>220</sup> Over the POI, increasing and significant volume of low-priced subject imports not only replaced

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<sup>215</sup> CR/PR at Tables VI-3 and C-2. Its net-income-to-net-sales ratio in the total market declined from \*\*\* percent in 2018, to \*\*\* percent in 2019, and to \*\*\* percent in 2020; the ratio was \*\*\* percent in interim 2020 and \*\*\* percent in interim 2021. CR/PR at Tables V-1 and C-1.

<sup>216</sup> CR/PR at Tables VI-3 and C-2. Although raw material costs decreased, direct labor costs and other factory costs increased as a share of total COGS as the industry's costs were spread across a diminishing quantity of commercial sales. As previously indicated, the domestic industry was prevented from increasing sales by low-priced cumulated subject imports.

<sup>217</sup> CR/PR at Tables VI-7 and C-1.

<sup>218</sup> CR/PR at Table VI-15.

<sup>219</sup> CR/PR at Table VI-15.

<sup>220</sup> *PTY from China and India*, USITC Pub. 5007 at 3.

nonsubject imports from China and India as they retreated from the U.S. market between 2018 and 2020, but also captured \*\*\* percentage points of market share in the merchant market from the domestic industry from 2019 to 2020.<sup>221</sup> The aggressive pricing of cumulated subject imports deprived the domestic industry of the benefit of the antidumping and countervailing duty orders on imports from China and India, resulting in the industry's inability to gain sales and market share as well as its overall loss of sales and market share in the merchant and total market, as well as reduced profitability. Consequently, the domestic industry's output and revenues were lower than they would have been otherwise and its financial condition deteriorated.

We are unpersuaded by Promptex's assertions that the domestic industry's loss of market share is attributable to a focus on the automotive sector by the domestic industry, which exhibited greater declines in demand than did the overall or merchant PTY markets.<sup>222</sup> Promptex had the opportunity to request the Commission to collect data on end use market segments in its final phase questionnaires but failed to do so. Instead, Promptex provides its own analysis of U.S. demand for PTY for automotive end uses based upon its aggregation of certain purchaser responses that indicate they are engaged in production of automotive components.<sup>223</sup> Promptex's limited analysis of selected purchaser responses does not

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<sup>221</sup> CR/PR at Tables IV-10 and C-2. Overall, the domestic industry was effectively prevented from gaining any of the \*\*\* percentage points of apparent U.S. consumption in the merchant market ceded by imports from China and India from 2018 to 2020. *Id.* The domestic industry lost \*\*\* percentage points of market share in the total market as well. CR/PR at Tables IV-9 and C-1.

<sup>222</sup> Promptex's Prehr'g Br. at 5–11; Promptex's Posthr'g Br. at 8–9. Similarly, Promptex argues that that demand in the U.S. mattress market increased and claim that subject imports supply the majority of this market while the domestic industry does not. Promptex's Prehearing Br. at 52–55 and Exh. 8. We reject this argument for the same reasons discussed above.

<sup>223</sup> Promptex's Prehr'g Br. at 54 and Exh. 2.

conclusively demonstrate the volume of sales for different end uses or changes in demand for specific end uses during the POI, nor does it accurately represent the degree of any demand fluctuations.<sup>224</sup> Indeed, Petitioners provide documentation that the U.S. automotive sector experienced declines in demand, but to a lesser degree than the U.S. PTY market overall.<sup>225</sup> Moreover, Promptex's analysis ignores the other significant segments of the U.S. market such as the apparel and industrial applications, which Petitioners assert account for \*\*\* percent of U.S. PTY sales and which are supplied by both domestic producers and subject imports.<sup>226</sup>

We are also not persuaded by Promptex's arguments that U.S. producers cannot or will not supply certain PTY products, such as some dyed PTY, high denier PTY, PTY produced from non-recycled material, commodity PTY, no-splice PTY, PTY of certain quality specifications, and FDA-compliant PTY.<sup>227</sup> In response to inquiries at the hearing, Petitioners submitted a breakdown of the end user groups it serves as an overall portion of \*\*\* PTY operations, generally indicating that these product types total a relatively small portion of the overall PTY market.<sup>228</sup> Further, in addition to providing affidavits indicating Petitioners produce all types of PTY listed above (as well as listing some of the purchasers that they have sold to),<sup>229</sup> Petitioners

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<sup>224</sup> Promptex acknowledges that the automotive segment analysis it provided did not represent a complete picture of the market, claiming that it only represents trends, yet it relies heavily on this analysis to argue that the industry's loss of market share is attributable to different demand trends in end-use sectors and different concentrations between domestic industry and subject import shipments. Promptex's Posthr'g Br. at 8–9 and Exh. 1 at I-15. Promptex also states that it is unaware of any source of data regarding U.S. PTY demand by market segment. *Id.* at I-13.

<sup>225</sup> Pet. Posthr'g Br. at 13 and Exh. 3, Attachment 6. In any event, subject imports themselves supplied the automotive segment and would also have been impacted by declining demand in that segment.

<sup>226</sup> Pet. Posthr'g Br. at 7 and Exh. 3 (Ingle Declaration), Attachment 1.

<sup>227</sup> See Promptex's Prehr'g Br. at 35–38.

<sup>228</sup> See Pet. Posthr'g Br. at Exhs. 3 and 4.

<sup>229</sup> Pet. Posthr'g Br. at Exhs. 3 and 4.

also provide contemporaneous documentation showing they offered to provide high denier PTY,<sup>230</sup> dyed yarns,<sup>231</sup> commodity PTY,<sup>232</sup> and FDA-compliant PTY, contrary to purchaser claims.<sup>233</sup> In addition, as discussed above in Section V.B.3, a majority of responding purchasers reported that the product range offered by the domestic producers and by subject imports from all four sources were comparable.

At the hearing, the Commission requested that purchasers and/or counsel for Promptex provide contemporaneous evidence that U.S. producers indicated they could not supply PTY or did not respond to an inquiry for supply.<sup>234</sup> The only contemporaneous evidence Promptex provided reflecting any difficulties sourcing from domestic producers are two email exchanges between representatives of \*\*\* and \*\*\* in 2021; these exchanges reflect a \*\*\* and an approximate \*\*\*.<sup>235</sup> As previously discussed in Section V.B.3., \*\*\* that resulted in \*\*\*.<sup>236</sup>

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<sup>230</sup> Pet. Posthr'g Br. at Exh. 1, Attachment 2.

<sup>231</sup> Pet. Posthr'g Br. at Exh. 1, Attachment 3 (offering pricing on "1/150/34 Set DTY Black Polyester") and Attachment 10 (communicating a price increase for all "dyed filament poly yarns" in 2021). Petitioners also explain that a purchaser who testified that \*\*\* product had failed to meet certain product specifications were referring to a shipment of out-of-scope nylon yarn. Pet. Posthr'g Br. at Exh 3 and Attachment 5.

<sup>232</sup> Pet. Posthr'g Br. at Exh. 1, Attachment 3.

<sup>233</sup> Pet. Posthr'g Br. at Exh. 1, Attachment 4. Petitioners also provided their FDA approval certificates. Pet. Posthr'g Br. at Exh. 1, Attachment 7. While Promptex provided affidavits from purchasers indicating they were unable to source certain types of yarn from the domestic industry, the purchasers did not include similar contemporaneous documentation to support their claims that the domestic industry had refused to supply the above-mentioned PTY types. Promptex's Posthr'g Br. at Exhs. 5, 7, and 10.

<sup>234</sup> See Hearing Tr. at 64, 186–187, and 215–216.

<sup>235</sup> Promptex's Posthr'g Br. at Exh. 11, Exhibits A and B.

<sup>236</sup> CR/PR at II-18.

These extended lead times cannot explain the surge of cumulated subject imports into the U.S. market over the POI.<sup>237</sup>

We have also considered whether there are other factors that may have had an impact on the domestic industry to ensure that we are not attributing injury from such other factors to subject merchandise. With respect to demand, while apparent U.S. consumption in the merchant market declined from 2018 to 2020, we observe that the domestic industry's U.S. commercial shipments declined by a greater percentage than apparent U.S. consumption even with a substantially reduced supply of nonsubject imports in the U.S. market.

We have also considered the presence of nonsubject imports in the market because, as noted, we have previously found that imports of PTY from China and India were responsible for material injury that the industry suffered early in the POI. The volume of nonsubject imports, including those from Mexico, declined overall during the three full years of the POI.<sup>238</sup> This declining volume of nonsubject imports does not explain the domestic industry's lost sales and market share to subject imports, particularly from 2019 to 2020 after antidumping and

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<sup>237</sup> We also disagree with Promptex's assertion that purchasers, U.S. textile and apparel manufacturers in particular, should have access to low-priced PTY because they must compete with imported textiles and apparel which can be made with PTY from foreign sources. Resp't Prehr'g Br. at 23–27; Resp't Posthr'g Br. at 5–6. It has long been recognized that “the antidumping law is not to be concerned with effects on U.S. purchasers . . .”, *Mitsubishi Electric Corp. v. United States*, 700 F. Supp. 538, 559 (Ct. Int'l Trade 1988), *aff'd*, 898 F.2d 1577 (Fed. Cir. 1990). To the extent that purchasers are particularly price-sensitive, that only further supports our finding that price plays an important role in purchasing decisions and that purchasers will switch to subject imports because they are lower priced.

<sup>238</sup> CR/PR at Tables IV-8 and C-2. This excludes the change in volume from imports from China and India. *Id.* The Commission also collected pricing data for nonsubject imports from Mexico. Prices for PTY imported from Mexico were higher than prices for PTY imported from subject countries in 85 instances and lower in 33 instances. *Id.* at Table D-8. In addition, nonsubject imports from both Mexico and other nonsubject sources had higher AUV's for their U.S. shipments than subject imports from any source during each year of the POI, with the exception of nonsubject imports from India in 2018. *Id.* at Tables IV-2 and C-2. Moreover, nonsubject imports cannot explain the loss in market share, output, and revenues that we have attributed to the subject imports.

countervailing duty orders were imposed on imports of PTY from China and India. Rather than gain sales and market share in light of the receding volume of nonsubject imports, whose share of the merchant market declined by \*\*\* percentage points from 2019 to 2020, the domestic industry's share of the merchant market declined by \*\*\* percentage points, while subject imports' share of the merchant market increased by \*\*\* percentage points.<sup>239</sup>

Accordingly, we determine that the domestic industry is materially injured by reason of cumulated subject imports from Indonesia, Malaysia, Thailand, and Vietnam.

## **VI. Conclusion**

For the reasons stated above, we determine that an industry in the United States is materially injured by reason of subject imports of PTY from Indonesia, Malaysia, Thailand, and Vietnam that are sold in the United States at less than fair value.

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<sup>239</sup> CR/PR at Tables IV-10 and C-2.

# Part I: Introduction

## Background

These investigations result from petitions filed with the U.S. Department of Commerce (“Commerce”) and the U.S. International Trade Commission (“USITC” or “Commission”) by Nan Ya Plastics Corp. America (“Nan Ya”), Lake City, South Carolina, and Unifi Manufacturing, Inc. (“Unifi”), Greensboro, North Carolina on October 28, 2020, alleging that an industry in the United States is materially injured and threatened with material injury by reason of less-than-fair-value (“LTFV”) imports of polyester textured yarn (“PTY”)<sup>1</sup> from Indonesia, Malaysia, Thailand, and Vietnam. The following tabulation provides information relating to the background of these investigations.<sup>2 3</sup>

Effective date	Action
October 28, 2020	Petitions filed with Commerce and the Commission; institution of the Commission's investigations (85 FR 69643, November 3, 2020)
November 17, 2020	Commerce's notice of initiation (85 FR 74680, November 23, 2020)
December 14, 2020	Commission's preliminary determinations (85 FR 82514, December 18, 2020)
June 3, 2021	Commerce's preliminary determinations (86 FR 29742, 86 FR 29748, 86 FR 29746, 86 FR 29750, June 03, 2021); scheduling of final phase of Commission investigations (86 FR 33354, June 24, 2021)
October 14, 2021	Commission's hearing
October 25, 2021	Commerce's final determinations (86 FR 58875, 86 FR 58869, 86 FR 58883, 86 FR 58877, October 25, 2021)
November 16, 2021	Commission's vote
December 7, 2021	Commission's views

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

<sup>2</sup> Pertinent Federal Register notices are referenced in appendix A and may be found at the Commission's website ([www.usitc.gov](http://www.usitc.gov)).

<sup>3</sup> Appendix B presents the witnesses who appeared at the Commission's hearing.

## Statutory criteria

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

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

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

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

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



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

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

## **Organization of report**

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

## **Market summary**

PTY is generally used in weaving and knitting of synthetic fabrics, which are ultimately manufactured into numerous products such as socks/hosiery and apparel, footwear, home textiles and furnishings, bedding, medical supplies and devices, industrial materials, and automotive seating and upholstery. The leading U.S. producer of PTY is \*\*\*, while the leading producers of PTY in each subject country include \*\*\* and \*\*\* of Indonesia, \*\*\* of Malaysia, \*\*\* and \*\*\* of Thailand, and \*\*\* of Vietnam. The leading U.S. importer of PTY from Malaysia and Thailand is \*\*\*, while the leading U.S. importers of PTY from Indonesia and Vietnam are \*\*\* and \*\*\*, respectively. Leading importers of PTY from nonsubject countries (primarily China, India, Mexico, and Taiwan) include \*\*\*, and \*\*\*. U.S. purchasers of PTY include firms that weave or knit the yarn into synthetic fabrics; leading

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

purchasers include \*\*\*, \*\*\*, \*\*\*, and \*\*\*.

Apparent U.S. merchant market consumption of PTY totaled approximately \*\*\* pounds (\$\*\*\*) in 2020. Currently, six firms are known to produce PTY in the United States. U.S. producers' commercial U.S. shipments of PTY totaled \*\*\* pounds (\$\*\*\*) in 2020 and accounted for \*\*\* percent of apparent U.S. merchant market consumption by quantity and \*\*\* percent by value. U.S. imports from subject sources totaled \*\*\* pounds (\$\*\*\*) in 2020 and accounted for \*\*\* percent of apparent U.S. merchant market consumption by quantity and \*\*\* percent by value. U.S. imports from nonsubject sources totaled \*\*\* pounds (\$\*\*\*) in 2020 and accounted for \*\*\* percent of apparent U.S. merchant market consumption by quantity and \*\*\* percent by value.

Apparent U.S. total market consumption of PTY totaled approximately 253.1 million pounds (\$334.1 million) in 2020. U.S. producers' U.S. shipments of PTY totaled 133.0 million pounds (\$213.1 million) in 2020 and accounted for 52.5 percent of apparent U.S. consumption by quantity and 63.8 percent by value. U.S. imports from subject sources totaled 65.9 million pounds (\$50.1 million) in 2020 and accounted for 26.0 percent of apparent U.S. consumption by quantity and 15.0 percent by value. U.S. imports from nonsubject sources totaled 54.2 million pounds (\$70.9 million) in 2020 and accounted for 21.4 percent of apparent U.S. consumption by quantity and 21.2 percent by value.

## Summary data and data sources

A summary of data collected in these investigations is presented in appendix C, tables C-1 and C-2. Except as noted, U.S. industry data are based on questionnaire responses of six firms that accounted for the large majority<sup>6</sup> of U.S. production of PTY during 2020. U.S. imports are based on Commerce's official import statistics under statistical reporting numbers 5402.33.3000 and 5402.33.6000, and the questionnaire responses of 25 U.S. importers of PTY that are believed to account for 76.8 percent of total imports, 73.8 percent of combined subject imports, and \*\*\* percent of combined nonsubject imports during 2020.

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<sup>6</sup> Petitioners' postconference brief, exhibit 1 p. 2.

## Previous and related investigations

PTY has been the subject of one prior countervailing and antidumping duty investigation in the United States. As a result of petitions filed on October 18, 2018, on behalf of Nan Ya and Unifi, the Commission conducted countervailing and antidumping duty investigations concerning PTY from China and India. On January 3, 2020, the Commission determined that an industry in the United States was materially injured by reason of imports of PTY from China and India, that had been found by Commerce to be sold in the United States at LTFV and to be subsidized by the governments of China and India.<sup>7</sup> Commerce published the countervailing duty orders and antidumping duty orders on subject imports of PTY from China and India on January 10, 2020.<sup>8 9</sup>

## Nature and extent of sales at LTFV

On June 3, 2021, Commerce published notices in the Federal Register of its preliminary determinations of sales at LTFV with respect to imports from Indonesia,<sup>10</sup> Malaysia,<sup>11</sup> Thailand,<sup>12</sup> and Vietnam.<sup>13</sup> On October 25, 2021, Commerce published a notice of its final determinations of sales at LTFV with respect to imports from Indonesia, Malaysia, Thailand, and Vietnam. Tables I-1 through I-4 present Commerce's dumping margins with respect to imports of PTY from Indonesia,<sup>14</sup> Malaysia,<sup>15</sup> Thailand,<sup>16</sup> and Vietnam.<sup>17</sup>

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<sup>7</sup> 85 FR 1183, January 9, 2020. See Polyester Textured Yarn from China and India, Inv. Nos. 701-TA-612-613 and 731-TA-1429-1430 (Final), USITC Publication 5007, January 2020 ("China and India PTY publication").

<sup>8</sup> Countervailable subsidy margins ranged from 32.18 to 473.09 percent for imports of PTY from China and 4.29 to 21.83 percent for imports of PTY from India. 85 FR 1301, January 10, 2021.

<sup>9</sup> Estimated dumping margins ranged from 76.07 to 77.15 percent for imports of PTY from China. Estimated weighted-average dumping margins ranged from 17.98 to 47.98 percent for imports of PTY from India. 85 FR 1298, January 10, 2020.

<sup>10</sup> 86 FR 29742, June 3, 2021.

<sup>11</sup> 86 FR 29748, June 3, 2021.

<sup>12</sup> 86 FR 29746, June 3, 2021.

<sup>13</sup> 86 FR 29750, June 3, 2021.

<sup>14</sup> 86 FR 58875, October 25, 2021.

<sup>15</sup> 86 FR 58869, October 25, 2021.

<sup>16</sup> 86 FR 58883, October 25, 2021.

<sup>17</sup> 86 FR 58877, October 25, 2021.

**Table I-1****PTY: Commerce's final weighted-average LTFV margins with respect to imports from Indonesia**

Exporter	Producer	Final dumping margin (percent)
PT Polyfin Canggih	PT Polyfin Canggih	26.07
PT. Asia Pacific Fibers Tbk	PT. Asia Pacific Fibers Tbk	26.07
PT. Mutu Gading Teksti	PT. Mutu Gading Teksti	7.47
All others	All others	7.47

Source: 86 FR 58875, October 25, 2021

**Table I-2****PTY: Commerce's final weighted-average LTFV margins with respect to imports from Malaysia**

Exporter	Producer	Final dumping margin (percent)
Recron (Malaysia) Sdn. Bhd	Recron (Malaysia) Sdn. Bhd	8.50
All others	All others	8.50

Source: 86 FR 58869, October 25, 2021

**Table I-3****PTY: Commerce's final weighted-average LTFV margins with respect to imports from Thailand**

Exporter	Producer	Final dumping margin (percent)
Sunflag Thailand Ltd	Sunflag Thailand Ltd	14.47
Jong Stit Co., Ltd	Jong Stit Co., Ltd	56.80
All others	All others	14.47

Source: 86 FR 58883, October 25, 2021

**Table I-4****PTY: Commerce's final weighted-average LTFV margins with respect to imports from Vietnam**

Exporter	Producer	Final dumping margin (percent)
Century Single Entity	Century Single Entity	2.58
All others	All others	22.36

Source: 86 FR 58877, October 25, 2021

## The subject merchandise

### Commerce's scope

In the current proceeding, Commerce has defined the scope as follows:<sup>18</sup>

*The merchandise covered by this investigation, polyester textured yarn, is synthetic multifilament yarn that is manufactured from polyester (polyethylene terephthalate). Polyester textured yarn is produced through a texturing process, which imparts special properties to the filaments of the yarn, including stretch, bulk, strength, moisture absorption, insulation, and the appearance of a natural fiber. This scope includes all forms of polyester textured yarn, regardless of surface texture or appearance, yarn density and thickness (as measured in denier), number of filaments, number of plies, finish (luster), cross section, color, dye method, texturing method, or packaging method (such as spindles, tubes, or beams).*

### Tariff treatment

Based upon the scope set forth by the U.S. Department of Commerce, information available to the Commission indicates that the merchandise subject to these investigations is provided for in subheadings 5402.33.30 and 5402.33.60 of the Harmonized Tariff Schedule of the United States ("HTS"). The general rate of duty is 8.8 percent ad valorem for HTS subheading 5402.33.30 (single yarn) and 8.0 percent ad valorem for HTS subheading 5402.33.60 (multiple (folded) or cabled yarn).<sup>19</sup> Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

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<sup>18</sup> 86 FR 29748, June 3, 2021.

<sup>19</sup> These HTS subheadings provide duty-free entry for eligible goods of Australia, Bahrain, Chile, Colombia, Israel, Jordan, South Korea, Morocco, Oman, Panama, Peru, Singapore, USMCA and CAFTA-DR countries. Products of China under these tariff provisions are subject to additional duties of 25 percent ad valorem under Section 301 of the Trade Act of 1974, effective May 10, 2019. Section 301 duties initially applied to the subject merchandise at a rate of 10 percent ad valorem on September 24, 2018. *Notice of Modification of Section 301 Action: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation*, 83 Fed. Reg. 47974 (Sept. 21, 2018); *Notice of Modification of Section 301 Action: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation*, 84 Fed. Reg. 20459 (May 9, 2019).

## The product

### Description and applications

Polyester textured yarn is made from molten polyethylene terephthalate (“PET”) and is comprised of multiple filaments that have a textured surface.<sup>20</sup> The scope of these investigations specifically excludes yarns of other manmade fibers such as nylon, polypropylene or polyethylene. The texturing process imparts physical characteristics such as bulk to the yarn, which gives it a soft feel.<sup>21</sup> PTY is therefore typically used in apparel, home textiles and furnishings, bedding, and automotive upholstery.<sup>22</sup> PTY is also used in other applications, including medical supplies and devices and industrial materials.

PTY is characterized by its denier,<sup>23</sup> filament count<sup>24</sup>, luster,<sup>25</sup> shape<sup>26</sup>, and color associated with the texturing or dyeing process.<sup>27</sup> The petitioners state that customers generally request PTY of a denier between 20 and 400; however, PTY can be manufactured in sizes outside this range to specifications requested by the customer.<sup>28</sup> The petitioners also state that filament count can typically range from 44 to 288 and in general, the higher the filament count the finer the yarn.<sup>29</sup>

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<sup>20</sup> Conference transcript, p. 15-16 (Nations).

<sup>21</sup> Conference transcript, p. 17 (Nations).

<sup>22</sup> Ibid.

<sup>23</sup> Denier is used to convey the relative thickness of the yarn. It is measured by the weight in grams of 9,000 meters of yarn or filament. In general, the lower the denier, the finer the yarn. Hoechst Celanese, Dictionary of Fiber & Textile Technology, p. 42, 1990.

<sup>24</sup> Filament count is the number of individual filaments (or strands) that make up a thread or yarn. Hoechst Celanese, Dictionary of Fiber & Textile Technology, p. 60, 1990.

<sup>25</sup> Luster refers to the quality of shining with reflected light. Luster is frequently referenced on a scale of bright to dull. According to the petitioners, polyester textured yarn is most commonly semi-dull or bright. Other lusters include super bright, full-dull, cationic dyeable, and trilobal bright. Hoechst Celanese, Dictionary of Fiber & Textile Technology, p. 42, 1990; Conference transcript, p. 17 (Nations)

<sup>26</sup> Shape refers to the structure of the individual fibers, which may change the luster, tenacity and unevenness of the yarn. Typical shapes include round or trilobal. Babaarslan, O. and Hacioğullari, S.Ö. Effect of fibre cross-sectional shape on the properties of POY continuous filaments yarns. *Fibers and Polymers* 14, 146–151 (2013).

<sup>27</sup> Conference transcript, p. 17 (Nations).

<sup>28</sup> Conference transcript, p. 17 (Nations); Hearing transcript, p. 92 (Mangaldas). Unifi states that they manufacture in sizes ranging from 70-1200 but may make lower than 70 denier in specific situations.

<sup>29</sup> Hearing transcript, p. 94 (Nations); Hearing transcript, p. 95 (Ingle)

## Manufacturing processes

PTY is manufactured using PET, which can be derived directly from chemical inputs or it can be manufactured from already-formed chips or flakes. When formed from chemical inputs, the reaction of monoethylene glycol (“MEG”) and purified terephthalic acid (“PTA”) produces the PET.<sup>30</sup> PTY manufacturers can also purchase PET chips or flakes, which are subsequently melted and used to produce PTY. PET flakes or chips can be made from virgin chemical inputs (MEG and PTA) or from recycled materials.<sup>31</sup> The PET is melted at a high temperature to form a syrup-like solution and then extruded through the tiny holes of a metal device called a spinneret. The extruded PET filaments cool upon leaving the spinneret and are collected and wound around a cylinder. At this point in the manufacturing process, the extruded filaments are referred to as partially oriented yarn (POY—also known as partially drawn yarn, or PDY), the primary input for PTY.<sup>32</sup>

The POY is further processed through drawing and texturing. The POY is first subjected to heating and cooling while being twisted and stretched. This drawing process optimizes the orientation of the molecules in the fiber and increases resilience, strength, and tenacity. It also creates the soft feel to the touch.<sup>33</sup> \*\*\*.<sup>34</sup> The yarn may also be spliced or non-spliced. Splicing is the process of tying the ends of the yarn together.<sup>35</sup>

After texturing, the yarn passes into a secondary heater tub. The yarn then passes over a break detector and lubricating rollers, before being wound onto a tube.<sup>36</sup> Multiple strands of finished PTY may also be wound onto a beam tube, which can then be placed directly on a loom

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<sup>30</sup> Polyester Textured Yarn from China and India, Inv. Nos. 701-TA-612-613 and 731-TA-1429-1430 (Final), USITC Publication 5007, January 2020 (“China and India PTY publication”), p. I-9.

<sup>31</sup> Conference transcript, p. 16 (Nations).

<sup>32</sup> Ibid.

<sup>33</sup> Ibid.

<sup>34</sup> \*\*\*.

<sup>35</sup> Hearing transcript, p. 93

<sup>36</sup> Conference transcript, p. 16 (Nations).

for weaving by the downstream textile manufacturing customer.<sup>37</sup> The yarn is then taken for testing and/or inspection and is packed for shipment.<sup>38</sup>

PTY can be dyed either at the beginning or at the end of the process. Solution dyeing (also referred to as dope dyeing) occurs when highly concentrated colored chips are combined with non-colored PET chips or flakes and melted and mixed together in the extruder to produce “solution dyed” fiber. Package dyeing occurs at the end of the PTY production process by immersing an entire spool or spindle of PTY in a dye bath.<sup>39</sup> In the conference for PTY from China and India, petitioners indicated that most of the PTY sold is not dyed, as typically the fabric mills dye the product themselves.<sup>40</sup>

There are varying levels of integration amongst the firms producing PTY.<sup>41</sup> Some firms purchase PET chips or flakes and perform the extrusion, drawing, and texturing. Others, known as a throwster, purchase POY to draw and texture into PTY.<sup>42</sup>

## Domestic like product issues

No issues with respect to the domestic like product have been raised in these investigations. The petitioners propose the Commission define the domestic like product to consist of all PTY, coextensive with the scope of the investigations.<sup>43</sup> Respondent party, Promptex, took no position with this definition of the domestic like product.<sup>44</sup> In the preliminary phase of these investigations the Commission defined a single domestic like product consisting of all PTY, coextensive with the scope of these investigations.<sup>45</sup> In these final phase investigations, no party requested data or other information concerning a different definition of the domestic like product.<sup>46</sup>

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<sup>37</sup> China and India PTY publication, p. I-11.

<sup>38</sup> Conference transcript, p. 16 (Nations).

<sup>39</sup> China and India PTY publication, p. I-11; Marjory L. Joseph, *Essentials of Textiles*, 4<sup>th</sup> edition (United States: Holt, Rinehart and Winston, Inc., 1988), p. 292.

<sup>40</sup> Polyester Textured Yarn from China and India, Inv. Nos. 701-TA-612-613 and 731-TA-1429-1430 (Preliminary), Conference transcript, p. 37 (Cole).

<sup>41</sup> Petitioner Nan Ya manufactures the PET chip, POY, and polyester textured yarn. Unifi purchases POY as a precursor to its PTY. Conference transcript, p. 57 (Freeman and Ingle).

<sup>42</sup> \*\*\*.

<sup>43</sup> Petitioners’ postconference brief, p. 3 and petitioners’ prehearing brief, p. 4.

<sup>44</sup> Respondent’s postconference brief, p. 3 and Respondent’s prehearing brief, p. 3.

<sup>45</sup> Polyester Textured Yarn from Indonesia, Malaysia, Thailand, and Vietnam, Inv. Nos. 731-TA-1550-1553 (Preliminary), USITC Publication 5148, December 2020 (“Original publication”).

<sup>46</sup> Comments on draft questionnaires on behalf of the petitioners, February 5, 2021. Respondents did not comment on the draft questionnaires.



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

## U.S. market characteristics

The domestic PTY market is served by multiple U.S. producers, subject importers, and nonsubject importers. Apparent U.S. consumption of PTY decreased by nearly 20 percent during 2018-20 but was more than 20 percent higher in the first half of 2021 than in the first half of 2020.

PTY is a textile used mainly in fabrics. It is created when polyester POY is textured through one of several processes, including heating, drawing, twisting, crimping, or air drawing. POY is produced from polyester chips or flakes or directly from PET resin.<sup>1</sup> PTY can be made from virgin or recycled PET resin. Some purchasers prefer PTY made from recycled materials, which allows them to market their downstream products as made from recycled materials.<sup>2</sup>

Almost all PTY is sold to purchasers who weave or knit the yarn into synthetic fabrics. These fabrics are ultimately manufactured into products such as socks, hosiery and apparel, home textiles and furnishings, bedding, medical supplies and devices, industrial materials, food netting, and automotive seating upholstery. Most reported U.S. production facilities for PTY are located in North or South Carolina. Most U.S. importers and purchasers are headquartered in the Southeast.<sup>3</sup>

PTY is produced in a variety of filaments, finishes (lustres), colors, and deniers. PTY commonly ranges from 20 to 400 denier and is sold on the basis of the number of filaments, or strands of individual fibers, it contains. Finishes or “lustres” of PTY also vary, with several available lustres including semi-dull, full-dull, bright, and cationic dyeable. Numerous colors of PTY can be produced, either through solution (or “dope”) dye or packaged dye.<sup>4</sup>

Two U.S. producers and 17 importers<sup>5</sup> indicated that there had not been any changes to the product range, product mix, and/or marketing of PTY since January 1, 2018. Two U.S. producers and six importers stated that there had been. \*\*\* described increased marketing of PTY made from recycled raw materials. \*\*\* described knit ticking fabric as increasing its share of product range at the expense of woven

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<sup>1</sup> China and India PTY publication, p. II-1.

<sup>2</sup> Conference transcript, p. 42 (Ingle and Freeman).

<sup>3</sup> China and India PTY publication, p. II-1.

<sup>4</sup> China and India PTY publication, p. II-1.

<sup>5</sup> \*\*\* submitted both U.S. producers’ and importers’ questionnaires. Unless otherwise indicated, their responses are compiled in this chapter as both U.S. producers and importers.

fabric, while \*\*\* described the opposite happening in the automotive segment. \*\*\* described the product range as having increased due to increased additives and increased use of recycled and/or biodegradable raw materials.

## U.S. purchasers

The Commission received 22 usable questionnaire responses from firms that had purchased PTY since January 2018.<sup>6 7 8</sup> Nineteen responding purchasers are end users, one (\*\*\*) is a distributor,<sup>9</sup> and one (\*\*\*) \*\*\*. Seventeen responding U.S. purchasers were located in the Southeast (Alabama, Georgia, North Carolina, and South Carolina). The responding purchasers usually represented firms producing textiles or apparel. Large purchasers of PTY include \*\*\*.

## Channels of distribution

Both U.S. producers and importers sold almost entirely to end users, as shown in table II-1.

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<sup>6</sup> The following firms provided purchaser questionnaire responses: \*\*\*. \*\*\* also submitted importers' questionnaires. Purchasers \*\*\* are related.

<sup>7</sup> Twenty responding purchasers purchased domestic PTY, 13 purchased subject imports from Indonesia, 7 purchased subject imports from Malaysia, 7 purchased subject imports from Thailand, 6 purchased subject imports from Vietnam, and 18 purchased imports of PTY from other sources. Other sources included Mexico (10 purchasers), India (6 purchasers), China (6 purchasers), Taiwan (6 purchasers), South Korea (3 purchasers), Spain (3 purchasers), Honduras, and Japan.

<sup>8</sup> Seventeen purchasers indicated they had marketing/pricing knowledge of domestic product, 12 of Indonesian product, 6 of Malaysian product, 9 of Thai product, 6 of Vietnamese product, and 14 of product from nonsubject countries.

<sup>9</sup> \*\*\*.

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

Shares in percent

Source	Channel	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
United States	Distributors	***	***	***	***	***
Indonesia	Distributors	***	***	***	***	***
Malaysia	Distributors	***	***	***	***	***
Thailand	Distributors	***	***	***	***	***
Vietnam	Distributors	***	***	***	***	***
Subject sources	Distributors	***	***	***	***	***
Nonsubject sources	Distributors	***	***	***	***	***
All import sources	Distributors	***	***	***	***	***
United States	End users	***	***	***	***	***
Indonesia	End users	***	***	***	***	***
Malaysia	End users	***	***	***	***	***
Thailand	End users	***	***	***	***	***
Vietnam	End users	***	***	***	***	***
Subject sources	End users	***	***	***	***	***
Nonsubject sources	End users	***	***	***	***	***
All import sources	End users	***	***	***	***	***

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.

## Geographic distribution

U.S. producers and importers reported selling PTY to all regions in the contiguous United States (table II-2), and in particular to the Southeast, where many purchasers are located. For U.S. producers, 21.3 percent of sales were within 100 miles of their production facility, 69.1 percent were between 101 and 1,000 miles, and 9.6 percent were over 1,000 miles. Importers sold 12.7 percent within 100 miles of their U.S. point of shipment, 82.8 percent between 101 and 1,000 miles, and 4.5 percent over 1,000 miles.

**Table II-2**

**PTY: Count of U.S. producers' and U.S. importers' geographic markets**

<b>Region</b>	<b>U.S. producers</b>	<b>Indonesia</b>	<b>Malaysia</b>	<b>Thailand</b>	<b>Vietnam</b>	<b>Subject sources</b>
Northeast	4	1	2	3	1	4
Midwest	3	0	0	2	0	2
Southeast	5	12	6	7	6	16
Central Southwest	3	0	0	2	0	2
Mountain	1	0	0	1	0	1
Pacific Coast	2	2	1	5	1	5
Other	3	0	0	0	1	1
All regions (except Other)	1	0	0	1	0	1
Reporting firms	5	12	6	7	7	16

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

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

## **Supply and demand considerations**

### **U.S. supply**

Table II-3 provides a summary of the supply factors regarding PTY from U.S. producers and from subject countries. All the countries showed decreasing capacity utilization, to varying degrees.

**Table II-3**  
**PTY: Supply factors that affect the ability to increase shipments to the U.S. market, by country**

Quantity in 1,000 pounds; ratio and share in percent; count is number of “yes” responses

Factor	Measure	United States	Indonesia	Malaysia	Thailand	Vietnam
Capacity 2018	Quantity	***	***	***	***	***
Capacity 2020	Quantity	***	***	***	***	***
Capacity utilization 2018	Ratio	***	***	***	***	***
Capacity utilization 2020	Ratio	***	***	***	***	***
Inventories to total shipments 2018	Ratio	***	***	***	***	***
Inventories to total shipments 2020	Ratio	***	***	***	***	***
Home market shipments 2020	Share	***	***	***	***	***
Non-US export market shipments 2020	Share	***	***	***	***	***
Ability to shift production	Count	***	***	***	***	***

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

Note: Responding U.S. producers accounted for a large majority of U.S. production of PTY in 2020. Responding foreign producer/exporter firms accounted for approximately 85 percent or more of such imports from Indonesia, Malaysia, and Vietnam during 2020, and approximately 46 percent of such imports from Thailand. For additional data on the number of responding firms and their share of U.S. production and of U.S. imports from subject countries, please refer to Part I, “Summary data and data sources.”

### Domestic production

Based on available information, U.S. producers of PTY have the ability to respond to changes in demand with moderately large changes in the quantity of shipments of U.S.-produced PTY to the U.S. market. The main contributing factor to this degree of responsiveness of supply is the availability of unused capacity.<sup>10</sup> There is limited ability to shift shipments from alternate markets, and limited ability to shift production to or from alternate products.

### Subject imports from Indonesia

Based on available information, producers of PTY from Indonesia have the ability to respond to changes in demand with moderately large changes in the quantity of shipments of PTY to the U.S. market. The main contributing factor to this degree of responsiveness of supply is the existence of moderately large alternate markets and moderate capacity utilization, restrained by an inability to produce alternate products on the same equipment.

<sup>10</sup> As discussed below, multiple purchasers stated that U.S. producers are at capacity and delaying shipments. The analysis here is based on the data from U.S. producers.

### **Subject imports from Malaysia**

Based on available information, producers of PTY from Malaysia have the ability to respond to changes in demand with large changes in the quantity of shipments of PTY to the U.S. market. The main contributing factors to this degree of responsiveness of supply are the availability of unused capacity and the ability to shift shipments from large alternate markets, restrained by an inability to produce alternate products on the same equipment.

### **Subject imports from Thailand**

Based on available information, producers of PTY from Thailand have the ability to respond to changes in demand with large changes in the quantity of shipments of PTY to the U.S. market. The main contributing factor to this degree of responsiveness of supply is the existence of very large alternate markets and moderately high capacity utilization, restrained by an inability to produce alternate products on the same equipment. Additionally, foreign producers that did not respond to Commission questionnaires may have more capacity to respond to changes in demand.

### **Subject imports from Vietnam**

Based on available information, producers of PTY from Vietnam have the ability to respond to changes in demand with moderately large changes in the quantity of shipments of PTY to the U.S. market. The main contributing factor to this degree of responsiveness of supply is the existence of moderately large alternate markets and moderately high capacity utilization, restrained by an inability to produce alternate products on the same equipment.

### **Imports from nonsubject sources**

Imports from nonsubject sources accounted for approximately 45 percent of total U.S. imports in 2020. Sources of these imports during January 2018-June 2021 include China, India, and Mexico, as well as Belgium, Italy, Spain, and Turkey.

### **Supply constraints**

#### ***Availability***

Purchasers were asked if the availability of PTY in the U.S. market had changed since January 1, 2018. Fourteen indicated that they had changed from U.S. suppliers, while seven indicated that they had not. Those describing a change described constraints from U.S. suppliers for various reasons, including COVID-19, an alleged lack of U.S. capacity, an alleged

lack of U.S. suppliers' willingness to supply "commodity" PTY, and an alleged focus of U.S. suppliers on recycled over virgin PTY.

Eleven purchasers indicated that the availability of subject imports had not changed since January 1, 2018, while four indicated that it had. Nine purchasers indicated that the availability of nonsubject imports had not changed, while four indicated that it had. Those indicating that the availability of subject or nonsubject imports had changed attributed changes to COVID-19, port closures, and the antidumping duties on PTY from China and India. \*\*\* indicated that subject imports continue to offer substantial cost savings. \*\*\* stated that Mexican producers are at full capacity and not increasing capacity. \*\*\* stated that price and delivery had made subject imports uncompetitive.

Purchaser \*\*\*, while indicating that there had not been a change in availability of U.S., subject, or nonsubject product, stated that lead times had grown for PTY from all sources.

### ***Constraints***

U.S. producers and importers were asked if they had been unable to supply PTY during two periods: first, between January 1, 2018 and October 28, 2020 (when these petitions were filed); and second, after October 28, 2020. Five U.S. producers<sup>11</sup> indicated that they had not experienced any such supply constraints in either period.

For the period between January 1, 2018 and October 28, 2020, 19 importers indicated that they had not experienced any such supply constraints. Three importers stated that they had experienced difficulties between January 1, 2018 and October 28, 2020, with all three citing the COVID-19 pandemic as the reason, including its effects on supply chains through shortages of shipping containers.

Similarly, purchasers were asked if any suppliers had been unable to supply PTY to them over the same period. Fifteen answered no, and seven answered yes. Two of those seven described long lead times or suppliers unable to meet requirements but did not specify a source of supply. The other five cited U.S. suppliers as unable to supply, with \*\*\* stating that it does not get timely supply \*\*\* and \*\*\* stating that \*\*\* had exited the commodity segment of the PTY market. \*\*\* stated that "close to 100 percent" of orders from U.S. suppliers were late. \*\*\* described both \*\*\* as having placed \*\*\* on allocation.

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<sup>11</sup> The other U.S. producer did not respond.

For the period since October 28, 2020, 16 importers indicated that they had not experienced any such supply constraints. Four<sup>12</sup> importers indicated that they had. Importer \*\*\* stated that “90 percent” of the world’s PTY production is in the four subject countries, and that U.S. and Mexican suppliers have not been able to make up for the loss in supply from those countries. Importer \*\*\* stated that lead times from U.S. producers had increased. Importer \*\*\* stated that the Suez Canal blockage in March 2021 had led to delays in supply that were still not completely resolved in August 2021. Importer \*\*\* stated that it had to find suppliers in other countries, but that sometimes its customers would not accept such suppliers.

Among purchasers, however, 13 reported experiencing supply constraints since October 28, 2020, while 8 indicated that they had not. Among those experiencing supply constraints, three (\*\*\*) described longer lead times or constrained supplier capacity but did not specify a source. \*\*\* indicated that domestic suppliers had low or no available capacity, while suppliers of imports were over a month late on delivery. \*\*\* stated that North American suppliers were at capacity and refusing to take new business, stretching production timeframes that had been two to three weeks up to six to eight weeks. \*\*\* stated that its customers have told it that domestic suppliers cannot keep up with demand. \*\*\* stated that there had been problems finding shipping containers. \*\*\* reported that Mexican producer Akra had shut production due to the winter storm in Texas, leading to a two- to three-week delay in restarting. \*\*\* indicated that Malaysian producer Recron had experienced capacity constraints.

Some U.S. purchasers (below) stated that U.S. producers were unable to supply PTY in specific deniers or with specific features (such as unspliced yarn). Petitioners stated that the domestic industry could supply all types of PTY, and added that some of the specific products mentioned by purchasers were not a large share of the overall market.<sup>13</sup>

U.S. producers and importers were also asked whether they had been unable to supply specific polyester textured yarn products (such as unspliced yarn) since January 1, 2018. Five U.S. producers and 19 importers indicated that they had not been unable to supply any such specific products, although \*\*\* noted that it does not produce all possible products. Importer Venus indicated that it had experienced difficulty supplying its own finished products and the raw material used for dyeing.

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<sup>12</sup> \*\*\*.

<sup>13</sup> Petitioners’ posthearing brief, Exh. 3, pp. 2-3.



Purchasers were asked whether certain types/grades/sizes of PTY were only available from single country sources. Eleven answered no, but nine reported that there were. Among those reporting that there were, \*\*\* stated that U.S. suppliers will not supply unspliced yarn; \*\*\* stated that its low-filament-count PTY is only produced by \*\*\*; \*\*\* stated that grades and quality of North American PTY are not consistent; \*\*\* stated that dope-dyed yarn with a twisting process and bio component is only available from Indonesia; and \*\*\* stated that there was limited U.S. capacity to produce PTY with denier greater than 1200D.

Petitioners stated that they did not experience any labor shortages in 2018 through 2020. They added that there had been some labor market shortages in 2021, but that these shortages \*\*\*. \*\*\*.<sup>14</sup> Some purchasers stated that, due to domestic labor shortages, lead times from domestic producers had been increasing.<sup>15</sup> See also Lead times below.

### **New suppliers**

Twenty of 21 responding purchasers indicated that there were no new suppliers that had entered the U.S. market since January 1, 2018. However, \*\*\* cited the entry of Unitex.

### **U.S. demand**

Based on available information, the overall demand for PTY is likely to experience small to moderate changes in response to changes in price. The main contributing factors are the limited range of substitute products, tempered by the often (but not always) large cost share of PTY in its end-use products, leading to potential loss of competitiveness for downstream products.

### **End uses and cost share**

U.S. demand for PTY depends on the demand for a wide variety of U.S.-produced downstream products in the textile industry. End uses include apparel (including athletic, medical, and government/military apparel), industrial fabric (including fabric used in food production), knitted fabric, upholstered furniture, automotive seats, mattress ticking, and

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<sup>14</sup> Petitioners' posthearing brief, Exh. 1, pp. 12-13.

<sup>15</sup> Promptex's posthearing brief, Exh. 1, p. I-11.

rugs.<sup>16</sup> Unifi described the 2019 end use shares of the U.S. market as \*\*\*.<sup>17</sup>

PTY accounts for a variable share of the cost of the end-use products in which it is used, depending on the end use. Reported cost shares for some end uses were as follows: 7 percent for area rugs; 10 percent for automotive seats; 11-22 percent in furnishings; 20-55 percent of automotive textiles; 40-52 percent for apparel; 35-40 percent for mattress ticking; 65 percent for sewing fabric; 90 percent for socks and hosiery; and 5-95 percent for fabrics (depending on the type of fabric).

Purchasers were asked to describe how demand for their firm's final products incorporating PTY changed since January 1, 2018. Their answers varied widely. Eight reported that demand for their end use products had increased, six stated that it had fluctuated, four stated that it had decreased, and two stated that it was unchanged.

Seventeen of 20 responding purchasers indicated that changes in demand for their end uses had changed their demand for PTY. The COVID-19 pandemic was cited by one purchaser as increasing its demand for PTY used in bedding, and by another as having caused fluctuations in its demand for PTY. \*\*\* described decreased demand for PTY because of downstream demand issues, in turn due to COVID-19, the Texas winter storm of 2021, and the semiconductor shortage (which has shuttered some automotive production). \*\*\* reported losing a large customer due to import competition, and thus reducing its demand for PTY. \*\*\* stated that increased domestic PTY prices had led to increased imports of downstream products.

### **Import competition for end-use products**

Purchasers were asked if the downstream products they produced were subject to competition from imports of that downstream product. Eighteen of 20 responding purchasers answered that they did, listing numerous downstream products such as the ones described above in "End uses and cost share."

Sixteen of these 20 purchasers indicated that import competition for downstream products affects the price they are able to pay for PTY. (Two stated that it did not.) Twelve of those 16 elaborated that such downstream import competition resulted in them needing to have competitive pricing on PTY. \*\*\* stated that it needed to be mindful of PTY pricing, but

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<sup>16</sup> Questionnaire responses of U.S. producers, importers, and purchasers as well as conference transcript, p. 33 (Ingle) and p. 44 (Mangaldas).

<sup>17</sup> Petitioners' posthearing brief, Exh. 3, pp. 1-2.

that PTY was a small portion of its total product costs. However, \*\*\* indicated that PTY accounts for \*\*\* percent of the products it produces for the automotive industry, which demands annual cost reductions from PTY suppliers.

Thirteen of 19 responding purchasers indicated that the “yarn-forward” provisions of U.S. trade agreements had not affected how their firm sources PTY. Seven stated that such provisions had. \*\*\* elaborated that such provisions promoted its purchases of U.S. or Central American PTY.

### **Business cycles**

Four of 5 responding U.S. producers, 15 of 23 responding importers, and 14 of 21 responding purchasers indicated that the U.S. market for PTY was not subject to unique business cycles or conditions of competition. However, one U.S. producer (\*\*\*), four importers, and six purchasers indicated that there were unique business cycles. Additionally, that U.S. producer, six importers, and four purchasers indicated that the market was subject to unique conditions of competition.

Describing those conditions, five importers indicated that raw material costs (including oil prices, as oil is an upstream input into PTY production) were a business cycle or condition of competition unique to the PTY market. U.S. producer \*\*\* cited government contracts and the replacement of nylon with PTY. Importer \*\*\* stated that the U.S. industry does not have enough capacity to supply the U.S. market, and that PTY prices are constrained by production of downstream products. Importer \*\*\* cited the antidumping duty orders on Chinese and Indian PTY as unique conditions, and other importers cited global demand for PTY as unique conditions. Two purchasers and one importer described seasonality as a condition but did not elaborate. Another purchaser described global market disruptions such as petroleum constraints, logistic constraints, and the COVID-19 pandemic.

One U.S. producer, seven importers, and nine purchasers described the conditions of competition in the U.S. PTY market as having changed since January 1, 2018. Three of these purchasers described the COVID-19 pandemic as the reason for the change. Three other purchasers and two importers described the change as the antidumping investigations, either these or the past investigations of PTY from China and India. Three importers described changes in petrochemical prices and/or global sea freight. Importer \*\*\* stated that imports from nonsubject countries, especially Mexico, are rising because U.S. suppliers cannot produce enough PTY for the U.S. market and because nonsubject imports from Mexico in particular are low-priced.

## Demand trends

U.S. producers, importers, and purchasers were asked to assess demand trends for the period from January 1, 2018 to December 31, 2019 separately for demand trends for the period since January 1, 2020. This separation allows analysis for the periods before and after the COVID-19 pandemic and lockdowns.

For the period from January 1, 2018 to December 31, 2019, majorities or pluralities of U.S. producers and purchasers reported unchanged demand, while a majority of U.S. importers reported fluctuating demand (table II-4). U.S. producers and purchasers had a wide range of answers on trends in foreign demand for the period, while importers were most likely to describe foreign demand as fluctuating. Importers reporting increased U.S. and/or foreign demand attributed that increase to increased athletic apparel demand, increased automotive demand, company-specific demand increases, and increased general market demand. Importer \*\*\* described demand as decreasing due to increased imports of downstream apparel. Importer \*\*\* described demand as fluctuating due to oil prices, textile industry demand, and government policies. Among purchasers reporting increased domestic demand between January 2018 and December 31, 2019, \*\*\* attributed such demand growth to general U.S. economic growth over the period, and \*\*\* attributed it to increased demand from the agricultural sector. U.S. producer \*\*\* described demand in foreign countries as varying by region.

**Table II-4**

**PTY: Count of firms' responses regarding overall domestic and foreign demand, January 1, 2018 to December 31, 2019**

Market	Firm type	Increase	No change	Decrease	Fluctuate
Domestic demand	U.S. producers	1	2	1	0
Domestic demand	Importers	4	3	3	10
Domestic demand	Purchasers	4	6	2	5
Foreign demand	U.S. producers	1	1	0	2
Foreign demand	Importers	5	1	0	12
Foreign demand	Purchasers	3	5	0	4

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

Regarding U.S. demand since January 1, 2020, majorities or pluralities of U.S. producers and importers described U.S. demand as decreasing, but a plurality of purchasers described it as increasing, although both purchaser and importers had a wide range of answers (table II-5). The three U.S. producers and six of the importers describing demand as decreasing cited COVID-19 as the reason for the decrease, although \*\*\* stated that the decline was in the first half of 2020, followed by an increase

afterwards. Importer \*\*\* described demand as decreasing due to a decrease in the number of end users in the United States. Importer \*\*\* attributed increased demand for PTY to increased demand from the automotive sector, but importers \*\*\* stated that automotive demand for PTY had decreased, with \*\*\* attributing that decrease to COVID-19. Similarly, among purchasers, the COVID-19 pandemic was listed as a cause of both decreases and a “large increase” in demand. \*\*\* described decreased demand for the first eight months of 2020 but increased demand since then. \*\*\* stated that due to long international shipping times, it had increased demand for domestic product.

At the hearing, both parties described trends in specific downstream sectors as having affected demand for PTY differently. Counsel for both petitioners and Promptex cited the global semiconductor shortage as having reduced demand for PTY used in the automotive industry,<sup>18</sup> while U.S. producers and purchasers also described demand for PTY in the mattress industry as having increased.<sup>19</sup> Promptex also described demand for PTY used in medical applications as having increased,<sup>20</sup> and purchaser Carriff described demand for PTY used in agricultural and homebuilding applications as having increased.<sup>21</sup>

U.S. producers, importers, and purchasers had a wide range of responses regarding trends in foreign demand since January 1, 2020. U.S. producers and importers generally cited the same reasons for changes in U.S. demand (i.e., COVID-19, automotive demand, oil prices) as reasons for reported changes in foreign demand.

**Table II-5**  
**PTY: Count of firms’ responses regarding overall domestic and foreign demand, since January 1, 2020**

Market	Firm type	Increase	No change	Decrease	Fluctuate
Domestic demand	U.S. producers	0	1	3	1
Domestic demand	Importers	4	2	8	7
Domestic demand	Purchasers	8	2	4	2
Foreign demand	U.S. producers	0	1	2	1
Foreign demand	Importers	4	1	5	8
Foreign demand	Purchasers	4	2	3	3

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

<sup>18</sup> Hearing transcript, pp. 41 (Rosenthal) and 163 (Lutz). See also Promptex’s prehearing brief, pp. 5-9, and Promptex’s posthearing brief, Exh. 1, pp. I-17-19.

<sup>19</sup> Hearing transcript, pp. 124 (Mangaldas) and 146 (Cleyman). See also Promptex’s prehearing brief, pp. 10-11 and hearing transcript, p. 143 (Soor).

<sup>20</sup> Hearing transcript, p. 143 (Soor).

<sup>21</sup> Hearing transcript, p.159 (Bryson statement, read by Smith).

Unifi and Nan Ya described the COVID-19 outbreak as having a minimal effect on U.S. demand, stating that demand declined only for a couple months in the second quarter of 2020. Moreover, both added that they were classified as “essential” businesses - and were able to manufacture personal protective equipment for a short period immediately after the beginning of the outbreak - and that demand for regular products has recovered since then, as many of their customers have also been declared “essential.”<sup>22</sup> As noted earlier, however, purchasers at the hearing described demand in different sectors as having reacted differently to the outbreak.<sup>23</sup>

### **Substitute products**

Substitutes for PTY are very limited. Five U.S. producers,<sup>24</sup> 18 importers, and 21 purchasers stated that there were no substitutes for PTY. Unifi stated that yarns made of other materials are not suitable for the same end uses.<sup>25</sup> However, one purchaser (\*\*\*) and one importer (\*\*\*) described spun polyester and/or polypropylene as substitutes in weaving or in home and contract furnishings.

### **Substitutability issues**

This section will assess the degree to which U.S.-produced PTY and imports of PTY from subject countries can be substituted for one another by examining the importance of certain purchasing factors and the comparability of PTY 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 PTY and PTY imported from subject sources. A majority of responding firms described U.S. product and subject imports as interchangeable, although some firms described differences in the availability of specific products and other purchasing factors.<sup>26</sup> Factors contributing to this level of substitutability include purchasers

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<sup>22</sup> Conference transcript, pp. 14-15, 41, 66 (Ingle) and 23 (Nations), hearing transcript p. 113 (Freeman). See also Petitioners’ postconference brief, answers to staff questions, p. 5.

<sup>23</sup> See, for example, hearing transcript, p. 153 (McBride), describing an increase in demand from medical end users, while, as noted earlier, Promptex described automotive demand as decreasing. Promptex’s prehearing brief, pp. 5-9.

<sup>24</sup> One of these five U.S. producers is \*\*\*

<sup>25</sup> Conference transcript, p. 17 (Nations).

<sup>26</sup> The degree of substitution between domestic and imported PTY depends upon the extent of product differentiation between the domestic and imported products and reflects how easily purchasers can switch from domestically produced PTY to the PTY imported from subject countries (or vice versa) when prices change. The degree of substitution may include such factors as relative prices (discounts/rebates), quality differences (e.g., grade standards, defect rates, etc.), and differences in

*(continued...)*

reporting similar quality between domestically produced PTY and PTY imported from subject countries. Factors reducing substitutability potentially include some reported differences in availability and production of specific products.<sup>27</sup>

## **Factors affecting purchasing decisions**

### **Purchaser decisions based on source**

Sixteen purchasers stated that neither they nor their customers ever order PTY from a specific supply source. Six reported that they did, with two reporting that they purchase U.S. product due to domestic-purchase requirements for military end uses. \*\*\* indicated a preference for domestic PTY due to shorter lead times. \*\*\* indicated it purchased PTY from Indonesia and Taiwan in order to avoid tariffs. \*\*\* described purchasing from Indonesia due to quality. \*\*\* described purchasing PTY from \*\*\* due to quality and capacity issues.

As shown in table II-6, a majority of purchasers indicated that both they and their customers sometimes or never make decisions based on the country of origin of the PTY that they purchase. However, among those purchasers describing why they may make decisions based on producer or country of origin, firms cited quality, pricing, service, domestic requirements for government purchases, ability to make specific products, origin specification in trade agreements, and capacity. Purchaser \*\*\* noted that it \*\*\*. In describing why their customers may make decisions based on producer or country of origin, purchasers indicated reasons including government use, service levels, quality, and customer direction on issues of color.

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sales conditions (e.g., lead times between order and delivery dates, reliability of supply, product services, etc.).

<sup>27</sup> Petitioners stated that the U.S. industry overall produces “the full gamut” of PTY products. Hearing transcript, p. 28 (Nations), petitioners’ posthearing brief, p. 4, and petitioners’ prehearing brief, p. 14. However, Promptex stated that the U.S. industry will not supply all market segments. Hearing transcript, pp. 141-144 (Soor) and Promptex’s prehearing brief, p. 35.

**Table II-6**

**PTY: Count of purchasing decisions by purchaser or their customer, based on producer and country of origin**

<b>Firm making decision</b>	<b>Decision based on</b>	<b>Always</b>	<b>Usually</b>	<b>Sometimes</b>	<b>Never</b>
Purchaser	Producer	6	3	7	6
Customer	Producer	0	2	5	13
Purchaser	Country	3	2	7	10
Customer	Country	0	1	4	15

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

### **Importance of purchasing domestic product**

Eighteen of 21 responding purchasers reported that at least 80 percent of their purchases did not require purchasing U.S.-produced product. (Most reported such percentages as 95 percent or more.) Eight reported that domestic product was required by law (for 1 to 90 percent of their purchases), five reported it was required by their customers (for 2 to 13 percent of their purchases), and three reported other preferences for domestic product. Reasons cited for preferring domestic product included supply stability and shorter lead times, as well as specific products only available domestically.

At the hearing, Unifi described Buy America and yarn-forward programs as not applying to the bulk of U.S. consumption of PTY,<sup>28</sup> while counsel for Promptex described such programs as applying to a larger portion of the market.<sup>29</sup>

### **Most important purchase factors**

The most often cited top three factors firms consider in their purchasing decisions for PTY were quality (21 firms), price (18 firms), and availability/supply/capacity (13 firms) as shown in table II-7. Quality<sup>30</sup> was the most frequently cited first-most important factor (cited by 14 firms), followed by price (4 firms); availability was the most frequently reported second-most important factor (7 firms); and price the most frequently reported third-most important factor (9 firms).

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<sup>28</sup> Hearing transcript, pp. 31-32, 105 (Johnson). See also Petitioners' prehearing brief, p. 25, and Petitioners' posthearing brief, Exh. 1 p. 38.

<sup>29</sup> Hearing transcript, p. 230 (Smith), and Promptex's posthearing brief, Exh. 1 p. 30.

<sup>30</sup> Purchasers were asked to describe the factors that determine quality for PTY. Purchasers listed numerous factors, including meeting specifications, smoothness, fineness, ability to work well in production processes, consistency, dyeability, runnability, appearance, size, and color.



**Table II-7****PTY: Count of ranking of factors used in purchasing decisions as reported by U.S. purchasers, by factor**

Factor	First	Second	Third	Total
Quality	14	5	2	21
Price	4	5	9	18
Availability/reliability/supply/capacity	1	7	5	13
Ability to meet specifications/regulations	3	0	2	5
Delivery/lead times	0	3	1	4
All other factors	0	2	3	5

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

Note: Other factors include service, “business economics,” supplier inventory, and domestic purchase requirements.

Nine purchasers reported that they usually purchase the lowest-priced product, eleven reported that they sometimes did, and three reported that they never did.

**Importance of specified purchase factors**

Purchasers were asked to rate the importance of 15 factors in their purchasing decisions (table II-8). The factors rated as very important by at least 18 responding purchasers were availability, delivery time, price, product consistency, quality meeting industry standards, and reliability of supply. No other factor was reported as very important by half or more of the purchasers.

**Table II-8****PTY: Count of importance of purchase factors, as reported by U.S. purchasers, by factor**

Factor	Very important	Somewhat important	Not important
Availability	21	1	0
Delivery terms	9	12	1
Delivery time	21	1	0
Discounts offered	2	11	8
Minimum quantity requirements	5	9	8
Packaging	10	9	3
Payment terms	7	11	3
Price	19	3	0
Product consistency	21	1	0
Product range	4	13	5
Quality meets industry standards	21	1	0
Quality exceeds industry standards	10	8	4
Reliability of supply	21	1	0
Technical support/service	10	12	0
U.S. transportation costs	8	13	1

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

## Lead times

PTY is sold both produced-to-order and from inventory. 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. U.S. importers reported that \*\*\* percent of their commercial shipments were produced-to-order, with lead times averaging \*\*\* days. \*\*\* percent of commercial shipments came from foreign inventories, with lead times averaging \*\*\* days. The remaining \*\*\* percent of their commercial shipments came from U.S. inventories, with lead times averaging \*\*\* days.

Promptex stated that U.S. producers' lead times had extended in sectors that were demanding more PTY.<sup>31</sup> Counsel for petitioners stated that in 2021, due to labor shortages in 2021 and to these investigations, U.S. producers' lead times had extended, but were still shorter than lead times for subject imports.<sup>32</sup>

## Supplier certification

Twenty of 22 purchasers require their suppliers to become certified or qualified to sell PTY to their firm. Most responding purchasers reported that the time to qualify a new supplier ranged from 15 to 60 days, although five reported it could take longer (from 90 to 365 days), and \*\*\* indicated it would take one day. Qualification involved examining quality, supplier history, efficiency and performance in downstream production processes, uniformity of product, delivery, and lead times. For some purchasers, qualification can involve lab testing and/or trial runs. Fifteen purchasers reported that no domestic or foreign suppliers had failed in their attempt to qualify PTY or had lost its approved status since January 1, 2018. Seven did report such failures, citing failures by \*\*\*.

Additionally, some types of PTY, particularly food-grade PTY, are sold to end uses that must meet Food and Drug Administration (FDA) regulations.<sup>33</sup> Some purchasers described such regulations as extending to the PTY used in their own products. Thus, these purchasers require certification for their suppliers of PTY.<sup>34</sup>

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<sup>31</sup> Hearing transcript, p. 143 (Soor). See also Promptex's posthearing brief, pp. I-9-11.

<sup>32</sup> Hearing transcript, pp. 45 and 51 (Rosenthal).

<sup>33</sup> See hearing transcript, pp. 29 (Nations) and 148-50 (Bylenga). See also Petitioners' posthearing brief, Exh. 1, pp. 36-37.

<sup>34</sup> Promptex's posthearing brief, Exh. 1, pp. I-20-22.

## Minimum quality specifications

As can be seen from table II-9, most responding purchasers reported that domestically produced product as well as PTY imported from any source always or usually met minimum quality specifications.

**Table II-9**  
**PTY: Count of firms' responses regarding suppliers' ability to meet minimum quality specifications, by source**

Source of purchases	Always	Usually	Sometimes	Rarely or never	Don't Know
United States	8	10	2	0	2
Indonesia	6	5	0	1	7
Malaysia	4	4	0	0	11
Thailand	5	4	0	0	10
Vietnam	5	1	0	0	10
Nonsubject sources	7	8	0	0	1

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

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

## Changes in purchasing patterns

Purchasers were asked about changes in their purchasing patterns from different sources since 2018 (table II-10). U.S. purchasers reported constant, fluctuating, or decreasing purchases of U.S. and Malaysian PTY, while generally reporting increasing, constant, or fluctuating purchases from Indonesia, Thailand, and Vietnam. Reasons reported for these changes in sourcing included the COVID-19 pandemic, changes in demand, availability, price, quality, and lead times. Several purchasers reported decreases in purchases of subject imports and increases in purchases of imports from nonsubject countries.

Thirteen responding purchasers reported that they had not changed suppliers since January 1, 2018. Nine reported that they had. These firms most frequently reported dropping various suppliers, including Chinese and Indian suppliers, due to antidumping duties. Purchasers also reported adding suppliers to diversify their supply base, to replace lost Chinese and Indian supply with Indonesian and Vietnamese product, or because of consistent high quality from specific new suppliers. One purchaser indicated that it dropped \*\*\* as a supplier due to quality issues.

**Table II-10****PTY: Count of changes in purchase patterns from U.S., subject, and nonsubject countries**

Source of purchases	Decreased	Increased	Constant	Fluctuated	Did not purchase
United States	4	3	6	7	1
Indonesia	2	3	2	4	6
Malaysia	2	1	1	3	11
Thailand	0	7	0	2	8
Vietnam	1	3	1	1	8
Nonsubject sources	9	3	1	3	2
Sources unknown	2	0	0	0	11

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 PTY produced in the United States, subject countries, and nonsubject countries. First, purchasers were asked for a country-by-country comparison on the same 15 factors (table II-11) for which they were asked to rate the importance in table II-8. Most purchasers reported that U.S. and nonsubject PTY were comparable on most factors (except for delivery time and price). When comparing subject imports to U.S. PTY on the factors that were most often rated “very important,”<sup>35</sup> purchasers often described U.S. product as inferior to subject imports in availability and price, but comparable in product consistency and quality meeting industry standards. Comparisons were mixed in relation to delivery time.

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<sup>35</sup> Availability, delivery time, product consistency, quality meeting industry standards, price, and reliability of supply (see table II-8).

**Table II-11****PTY: Count of purchasers' responses comparing U.S.-produced and imported product**

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

Table continued.

**Table II-11 Continued****PTY: Count of purchasers' responses comparing U.S.-produced and imported product**

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

Table continued on next page.

**Table II-11 Continued****PTY: Count of purchasers' responses comparing U.S.-produced and imported product**

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

Table continued.

**Table II-11 Continued****PTY: Count of purchasers' responses comparing U.S.-produced and imported product**

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

Table continued on next page.

**Table II-11 Continued****PTY: Count of purchasers' responses comparing U.S.-produced and imported product**

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

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

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

### **Comparison of U.S.-produced and imported PTY**

In order to determine whether U.S.-produced PTY can generally be used in the same applications as imports from Indonesia, Malaysia, Thailand, and Vietnam, 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-12, most U.S. producers described U.S. and subject product as always interchangeable. Most importers reported that PTY produced in the United States is always or frequently interchangeable with imports from Malaysia and Thailand, but that it is only sometimes or never interchangeable with imports from Indonesia and Vietnam (table II-13). As shown in table II-14, purchasers reported mixed responses for the interchangeability of PTY produced in the United States and subject imports.

**Table II-12****PTY: Count of U.S. producers reporting the interchangeability between PTY produced in the United States and in other countries, by country pair**

Country pair	Always	Frequently	Sometimes	Never
U.S. vs. Indonesia	4	0	1	0
U.S. vs. Malaysia	4	0	1	0
U.S. vs. Thailand	4	0	1	0
U.S. vs. Vietnam	4	0	1	0
U.S. vs. other	4	0	1	0
Indonesia vs. Malaysia	4	0	1	0
Indonesia vs. Thailand	4	0	1	0
Indonesia vs. Vietnam	4	0	1	0
Malaysia vs. Thailand	4	0	1	0
Malaysia vs. Vietnam	4	0	1	0
Thailand vs. Vietnam	4	0	1	0
Indonesia vs. Other	4	0	1	0
Malaysia vs. Other	4	0	1	0
Thailand vs. Other	4	0	1	0
Vietnam vs. Other	4	0	1	0

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

**Table II-13****PTY: Count of importers reporting the interchangeability between PTY produced in the United States and in other countries, by country pair**

Country pair	Always	Frequently	Sometimes	Never
U.S. vs. Indonesia	2	3	5	3
U.S. vs. Malaysia	2	3	3	1
U.S. vs. Thailand	3	2	4	1
U.S. vs. Vietnam	2	1	5	1
U.S. vs. other	2	4	7	1
Indonesia vs. Malaysia	2	4	2	0
Indonesia vs. Thailand	3	4	1	0
Indonesia vs. Vietnam	2	2	3	0
Malaysia vs. Thailand	3	3	1	0
Malaysia vs. Vietnam	2	2	2	0
Thailand vs. Vietnam	0	2	1	0
Indonesia vs. Other	2	3	4	0
Malaysia vs. Other	2	3	3	0
Thailand vs. Other	3	2	2	0
Vietnam vs. Other	0	1	5	0

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



**Table II-14****PTY: Count of purchasers reporting the interchangeability between PTY produced in the United States and in other countries, by country pair**

Country pair	Always	Frequently	Sometimes	Never
U.S. vs. Indonesia	2	1	4	4
U.S. vs. Malaysia	1	2	2	2
U.S. vs. Thailand	1	3	3	1
U.S. vs. Vietnam	1	1	4	1
U.S. vs. other	2	3	8	0
Indonesia vs. Malaysia	1	1	4	0
Indonesia vs. Thailand	2	1	3	0
Indonesia vs. Vietnam	0	1	3	0
Malaysia vs. Thailand	1	1	3	0
Malaysia vs. Vietnam	0	1	2	0
Thailand vs. Vietnam	0	1	1	0
Indonesia vs. Other	1	1	5	0
Malaysia vs. Other	0	1	3	0
Thailand vs. Other	0	2	3	0
Vietnam vs. Other	0	1	3	0

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

In further comments, purchaser \*\*\* stated that some domestic suppliers will not produce the specifications that its set-up requires. Purchaser \*\*\* stated that interchangeability depends on whether the finished fabric requires no-splice yarn.<sup>36</sup> Other purchasers described supplier differences such as quality, fabric requirements, and the ability to meet process requirements.

Among U.S. producers and importers, \*\*\* stated that products with dyes and modified cross-sections are not always interchangeable. Importer \*\*\* described whether the PTY is no-splice or not can affect interchangeability. Importer \*\*\* stated that the filament count of Indonesian PTY is different than that of U.S. PTY, and that its customer required filament counts like those in Indonesian PTY. Importer \*\*\* also cited filament count as a difference among PTY from many sources, including the United States, China, India, Indonesia, Malaysia, and Vietnam. Other importers cited quality, meeting their own customers' requirements, density, and packaging as limitations on interchangeability. One of those importers, \*\*\*, stated that "quality from supplier to supplier can be vastly different."

In addition, U.S. producers, importers, and purchasers were asked to assess how often differences other than price were significant in sales of PTY from the United States, subject, or

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<sup>36</sup> No-splice yarn is generally used for higher-end, more luxurious fabrics. Hearing transcript, p. 94 (Nations).

nonsubject countries. As seen in tables II-15 to II-17, most U.S. producers described factors other than price were never significant differences between U.S. and subject product, but importers and purchasers' responses varied widely based on country, and were more likely to describe such factors as always or frequently significant.

**Table II-15**

**PTY: Count of U.S. producers reporting the significance of differences other than price between PTY produced in the United States and in other countries, by country pair**

Country pair	Always	Frequently	Sometimes	Never
U.S. vs. Indonesia	1	1	0	3
U.S. vs. Malaysia	1	1	0	3
U.S. vs. Thailand	1	1	0	3
U.S. vs. Vietnam	1	1	0	3
U.S. vs. other	1	1	0	3
Indonesia vs. Malaysia	1	0	0	4
Indonesia vs. Thailand	1	0	0	4
Indonesia vs. Vietnam	1	0	0	4
Malaysia vs. Thailand	1	0	0	4
Malaysia vs. Vietnam	1	0	0	4
Thailand vs. Vietnam	1	0	0	4
Indonesia vs. Other	1	0	1	3
Malaysia vs. Other	1	0	1	3
Thailand vs. Other	1	0	1	3
Vietnam vs. Other	1	0	1	3

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

**Table II-16****PTY: Count of importers reporting the significance of differences between PTY produced in the United States and in other countries, by country pair**

Country pair	Always	Frequently	Sometimes	Never
U.S. vs. Indonesia	4	3	3	2
U.S. vs. Malaysia	1	4	3	1
U.S. vs. Thailand	2	3	3	2
U.S. vs. Vietnam	3	4	1	1
U.S. vs. other	4	5	2	1
Indonesia vs. Malaysia	1	2	3	2
Indonesia vs. Thailand	1	2	3	2
Indonesia vs. Vietnam	1	2	2	2
Malaysia vs. Thailand	1	1	3	2
Malaysia vs. Vietnam	1	2	2	1
Thailand vs. Vietnam	1	1	3	1
Indonesia vs. Other	1	2	3	2
Malaysia vs. Other	1	2	3	1
Thailand vs. Other	1	1	4	1
Vietnam vs. Other	1	2	4	2

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

**Table II-17****PTY: Count of purchasers reporting the significance of differences between PTY produced in the United States and in other countries, by country pair**

Country pair	Always	Frequently	Sometimes	Never
U.S. vs. Indonesia	8	1	2	0
U.S. vs. Malaysia	2	2	3	0
U.S. vs. Thailand	3	3	3	0
U.S. vs. Vietnam	4	2	2	1
U.S. vs. Other	7	2	4	1
Indonesia vs. Malaysia	2	1	2	0
Indonesia vs. Thailand	2	0	3	1
Indonesia vs. Vietnam	2	1	1	1
Malaysia vs. Thailand	2	0	2	0
Malaysia vs. Vietnam	2	1	1	0
Thailand vs. Vietnam	2	0	1	0
Indonesia vs. Other	3	1	2	2
Malaysia vs. Other	2	1	1	0
Thailand vs. Other	2	2	2	0
Vietnam vs. Other	2	1	1	1

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

In further comments, purchasers described important factors other than price as including quality, availability, availability of non-spliced yarn, meeting customer specifications, customer service, and lead times. Purchaser \*\*\* stated that the domestic industry

does not have the capacity to supply the majority of products that either it or the overall U.S. market needs. \*\*\* added that specifically, the U.S. industry does not produce enough virgin PTY nor enough PTY at higher deniers. Purchaser \*\*\* stated that it needs \*\*\*, but that domestic suppliers will not supply it, while foreign suppliers offer \*\*\*.

Among U.S. producers and importers, importers (\*\*\*) described lead-time, technical support, product range, availability of yarn without splicing, quality, product assortment, capacity constraints, and meeting customer/fabric customer requirements<sup>37</sup> as important factors other than price. Importer \*\*\* stated that price differences between the United States and other countries are “not that close” and can make it advantageous to buy from other countries.

In additional comments, importer \*\*\* stated that PTY from \*\*\* is too low-quality \*\*\*, \*\*\*, and not available in sufficient quantity. \*\*\* continued that \*\*\* is at full capacity. Importer \*\*\* stated that, while it has not had any supply disruptions, it has been approached by numerous customers which are seeking Indonesian and Thai PTY after the imposition of antidumping duties on China and India.

## **Elasticity estimates**

This section discusses elasticity estimates; parties were encouraged to comment on these estimates in their prehearing briefs. Promptex did so, as discussed below.

### **U.S. supply elasticity**

The domestic supply elasticity for PTY measures the sensitivity of the quantity supplied by U.S. producers to changes in the U.S. market price of PTY. 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 PTY. Analysis of these factors above indicates that the U.S. industry has the ability to increase or decrease shipments to the U.S. market at a moderately high level; an estimate in the range of 4 to 8 is suggested. Promptex submitted statements from purchasers that stated they had been unable to obtain PTY from U.S. producers, and concluded that U.S. producers’ data on capacity “exaggerated”

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<sup>37</sup> For example, importer \*\*\* described needing to meet the automotive requirements of Japanese automotive producers.

available capacity.<sup>38</sup> If the U.S. producer data are overstated, then the U.S. supply elasticity would be lower.

### **U.S. demand elasticity**

The U.S. demand elasticity for PTY measures the sensitivity of the overall quantity demanded to a change in the U.S. market price of PTY. 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 PTY in the production of any downstream products. Based on the available information, the aggregate demand for PTY is likely to be moderately inelastic; a range of -0.5 to -1.0 is suggested. In its prehearing brief, Promptex noted that some end uses for PTY have higher cost shares that come from PTY and stated that end users may need to control their own costs (the price of PTY) or lose sales to downstream competition. Staff notes that, to the extent these factors impact specific market segments, demand for PTY in those segments may tend toward the more elastic end (i.e., -1.0) of the range.

### **Substitution elasticity**

The elasticity of substitution depends upon the extent of product differentiation between the domestic and imported products.<sup>39</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 PTY and imported PTY is likely to be in the range of 3 to 5. While firms rated U.S.-produced and imported PTY as interchangeable on some factors, there were also reports of some products not being available from all sources.

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<sup>38</sup> Promptex's prehearing brief, pp. 46-47.

<sup>39</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: U.S. producers’ production, shipments, and employment

The Commission analyzes a number of factors in making injury determinations (see 19 U.S.C. §§ 1677(7)(B) and 1677(7)(C)). Information on the dumping margins was presented in *Part I* of this report and information on the volume and pricing of imports of the subject merchandise is presented in *Part IV* and *Part V*. Information on the other factors specified is presented in this section and/or *Part VI* and (except as noted) is based on the questionnaire responses of six firms that accounted for the large majority of U.S. production of PTY during 2020.

### U.S. producers

The Commission issued a U.S. producer questionnaire to nine firms based on information contained in the petition. Six firms provided usable data on their operations. Staff believe that these responses represent the large majority of U.S. production of PTY.<sup>1</sup>

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

**Table III-1**

**PTY: U.S. producers of PTY, their positions on the petition, production locations, and shares of reported production, 2020**

Shares in percent

Firm	Position on petition	Production location(s)	Share of production	Captive producer	Merchant producer
CS America	***	Burlington, NC	***	***	***
Milliken	***	Williamston, SC	***	***	***
Nan Ya	Petitioner	Lake City, SC	***	***	***
Sage Automotive	***	Toccoa, GA	***	***	***
Sapona	***	Cedar Falls, NC	***	***	***
Unifi	Petitioner	Yadkinville, NC Madison, NC	***	***	***
All firms	Various	Various	100.0	***	***

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

<sup>1</sup> Petitioners’ postconference brief, p. 6.

Table III-2 presents information on U.S. producers' ownership, related and/or affiliated firms. As indicated in table III-2, two U.S. producers are related to foreign producers of the subject merchandise. In addition, as discussed in greater detail below, four U.S. producers (\*\*\*, \*\*\*, \*\*\*, and \*\*\*) directly import the subject merchandise.

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

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

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



Table III-3 presents U.S. producers' reported changes in operations since January 1, 2018.<sup>2 3</sup>

**Table III-3**  
**PTY: U.S. producers' reported changes in operations, since January 1, 2018**

Item	Firm name and accompanying narrative response
Plant closings	***
Expansions	***
Acquisitions	***
Consolidations	***
Prolonged shutdowns or curtailments	***
Prolonged shutdowns or curtailments	***
Prolonged shutdowns or curtailments	***
Prolonged shutdowns or curtailments	***
Other	***

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

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<sup>2</sup> U.S. producer \*\*\* ceased operations in September 2017. \*\*\* reported 2017 capacity and production was \*\*\* pounds and \*\*\* pounds respectively. Investigation Nos. 701-TA- 612-613 and 731-TA-1429-1430 (Final): Polyester Textured Yarn from China and India, Confidential Report, INV-RR-129, December 4, 2019 (“China and India PTY confidential staff report”), p. III-4.

<sup>3</sup> Sapona was purchased by Universal Fibers Systems, LLC on April 30, 2021 and has continued manufacturing under its new name Sapona Yarns, LLC. \*\*\*. \*\*\* Emails from \*\*\*, September 7-9, 2021.

## U.S. production, capacity, and capacity utilization

Table III-4 and figure III-1 present U.S. producers' production, capacity, and capacity utilization. U.S. producers' capacity remained unchanged during 2018-19, decreased by 1.8 percent during 2019-20, and was 3.4 lower during interim 2021 compared to interim 2020. Only one company reported changes in capacity: \*\*\* reported a \*\*\* percent decline in capacity during 2019-20 and \*\*\* percent lower capacity during interim 2021 compared to interim 2020.<sup>4</sup>

U.S. producers' production decreased by 9.2 percent during 2018-19, and then further decreased by 20.2 percent during 2019-20, but was 14.9 percent higher during interim 2021 compared to interim 2020. All but one responding U.S. producer, \*\*\*, reported a \*\*\* in production during 2018-19, while only \*\*\* reported an \*\*\* in production during 2019-20.<sup>5</sup> Three U.S. producers \*\*\*, \*\*\*, and \*\*\* reported \*\*\* production during interim 2021 compared to interim 2020.

U.S. producers' capacity utilization decreased by \*\*\* percentage points during 2018-19, and then further decreased by \*\*\* percentage points during 2019-20. Capacity utilization was \*\*\* percentage points higher during interim 2021 compared to interim 2020.

**Table III-4**  
**PTY: U.S. producers' capacity, by firm and period**

Quantity in 1,000 pounds

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	307,222	307,222	301,843	155,911	150,546

Table continued.

<sup>4</sup> Regarding their changes in capacity, \*\*\* stated \*\*\*. Email from \*\*\*.

<sup>5</sup> In response to the COVID-19 pandemic, Nan Ya's operations were deemed essential, and it increased its production of PTY to supply raw material for PPE manufacturing. Hearing transcript, p. 26 (Freeman).

**Table III-4 Continued**  
**PTY: U.S. producers' production, by firm and period**

Quantity in 1,000 pounds

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	202,420	183,737	146,662	74,075	85,114

Table continued.

**Table III-4 Continued**  
**PTY: U.S. producers' capacity utilization, by firm and period**

Capacity utilization ratio is production to production capacity in percent

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	65.9	59.8	48.6	47.5	56.5

Table continued.

**Table III-4 Continued**  
**PTY: U.S. producers' share of production, by firm and period**

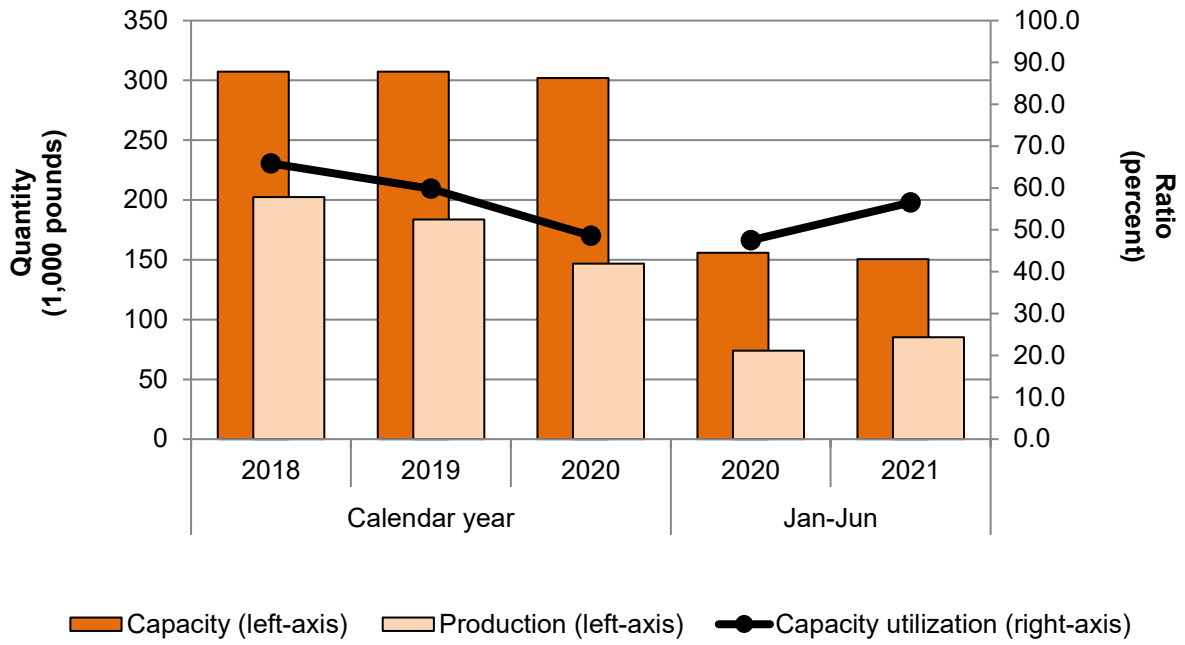
Share in percent

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	100.0	100.0	100.0	100.0	100.0

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

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

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



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

## Alternative products

As shown in table III-5, \*\*\* percent of the product produced during 2020 by U.S. producers was PTY. Two firms, \*\*\* and \*\*\*, reported producing nylon yarns. Overall capacity decreased by \*\*\* percent during 2018-20 and was \*\*\* percent lower during interim 2021 compared to interim 2020. Only one firm, \*\*\*, reported a change in capacity during the period for which data were collected. Total production decreased by \*\*\* percent during 2018-20 but was \*\*\* percent higher during interim 2021 compared to interim 2020.

**Table III-5**  
**PTY: U.S. producers' overall plant capacity and production on the same equipment as subject production, by period**

Quantity in 1,000 pounds; ratio is production to production capacity in percent; share is share of total production in percent

Item	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Overall capacity	Quantity	314,722	314,722	306,499	159,411	157,635
PTY production	Quantity	202,420	183,737	146,662	74,075	85,114
Other production: Nylon yarns	Quantity	***	***	***	***	***
Other production: Other products	Quantity	***	***	***	***	***
Other production: All out-of-scope products	Quantity	***	***	***	***	***
Total production	Quantity	***	***	***	***	***
Overall capacity utilization	Ratio	***	***	***	***	***
PTY production	Share	***	***	***	***	***
Other production: Nylon yarns	Share	***	***	***	***	***
Other production: Other products	Share	***	***	***	***	***
Other production: All out-of-scope products	Share	***	***	***	***	***
Total production	Share	100.0	100.0	100.0	100.0	100.0

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

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

Table III-6 presents U.S. producers' shipments by destination and period. U.S. shipments by quantity decreased by 21.3 percent during 2018-20 and were 10.2 percent higher during interim 2021 compared to interim 2020. At least \*\*\* percent of U.S. producers' total shipments, by quantity, were U.S. shipments during 2018-20, interim 2020, and interim 2021. Unit values for U.S. shipments decreased by 0.2 percent during 2018-19, further decreased by 3.0 percent during 2019-20, and were 0.6 percent lower during interim 2021 compared to interim 2020. Four firms, \*\*\*, \*\*\*, \*\*\*, and \*\*\*, had export shipments over the period for which data were collected. Unit values for export shipments were \*\*\* than unit values for U.S. shipments during 2018-20 and interim 2021.

**Table III-6**  
**PTY: U.S. producers' shipments, by destination and period**

Quantity in 1,000 pounds; value in 1,000 dollars; unit value in dollars per pound; share of quantity is the share of total shipments by quantity in percent; share of value is the share of total shipments by value in percent

Item	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
U.S. shipments	Quantity	169,007	156,352	132,990	66,905	73,756
Export shipments	Quantity	***	***	***	***	***
Total shipments	Quantity	***	***	***	***	***
U.S. shipments	Value	279,789	258,232	213,124	109,796	120,374
Export shipments	Value	***	***	***	***	***
Total shipments	Value	***	***	***	***	***
U.S. shipments	Unit value	1.66	1.65	1.60	1.64	1.63
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.

Table III-7 presents U.S. producers' U.S. shipments by product type. Commercial U.S. shipments' share of total shipments by quantity ranged from \*\*\* to \*\*\* percent while the share reported as internal consumption ranged from \*\*\* to \*\*\* percent. Two responding U.S. producers, \*\*\* and \*\*\*, reported internally consuming PTY.<sup>6</sup> \*\*\*.

**Table III-7**  
**PTY: U.S. producers' U.S. shipments, by type and period**

Quantity in 1,000 pounds; value in 1,000 dollars; unit value in dollars per pound; share of quantity is the share of U.S. shipments by quantity in percent; share of value is the share of U.S. shipments by value in percent

Item	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Commercial U.S. shipments	Quantity	***	***	***	***	***
Internal consumption	Quantity	***	***	***	***	***
Transfers to related firms	Quantity	***	***	***	***	***
U.S. shipments	Quantity	169,007	156,352	132,990	66,905	73,756
Commercial U.S. shipments	Value	***	***	***	***	***
Internal consumption	Value	***	***	***	***	***
Transfers to related firms	Value	***	***	***	***	***
U.S. shipments	Value	279,789	258,232	213,124	109,796	120,374
Commercial U.S. shipments	Unit value	***	***	***	***	***
Internal consumption	Unit value	***	***	***	***	***
Transfers to related firms	Unit value	***	***	***	***	***
U.S. shipments	Unit value	1.66	1.65	1.60	1.64	1.63
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	100.0	100.0	100.0	100.0	100.0
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	100.0	100.0	100.0	100.0	100.0

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

<sup>6</sup> \*\*\* reported internally consuming all PTY it produced and stated it \*\*\*. \*\*\* producer questionnaire response, section II-17.

Table III-8 presents U.S. producers' export shipments by destination and period. U.S. producers' export shipments by quantity decreased by \*\*\* percent during 2018-19, and then further decreased by \*\*\* percent during 2019-20 but were \*\*\* percent higher during interim 2021 compared to interim 2020. Four U.S. producers reported export shipments of PTY to USMCA and CAFTA-DR countries, while two of these producers also reported exporting to other markets.<sup>7 8</sup>

**Table III-8**  
**PTY: U.S. producers' export shipments, by destination market and period**

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

Destination market	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
USMCA or CAFTA-DR	Quantity	***	***	***	***	***
All other markets	Quantity	***	***	***	***	***
All destination markets	Quantity	***	***	***	***	***
USMCA or CAFTA-DR	Value	***	***	***	***	***
All other markets	Value	***	***	***	***	***
All destination markets	Value	***	***	***	***	***
USMCA or CAFTA-DR	Unit value	***	***	***	***	***
All other markets	Unit value	***	***	***	***	***
All destination markets	Unit value	***	***	***	***	***
USMCA or CAFTA-DR	Share of quantity	***	***	***	***	***
All other markets	Share of quantity	***	***	***	***	***
All destination markets	Share of quantity	100.0	100.0	100.0	100.0	100.0
USMCA or CAFTA-DR	Share of value	***	***	***	***	***
All other markets	Share of value	***	***	***	***	***
All destination markets	Share of value	100.0	100.0	100.0	100.0	100.0

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

<sup>7</sup> Reported USMCA and CAFTA-DR markets include \*\*\*, \*\*, \*\*\*, \*\*\*, \*\*\*, \*\*\*, \*\*\*, \*\*\*, and \*\*\*.

<sup>8</sup> Reported other markets include \*\*\*, \*\*\*, \*\*\*, and \*\*\*.



## U.S. producers' inventories

Table III-9 presents U.S. producers' end-of-period inventories and the ratio of these inventories to U.S. producers' production, U.S. shipments, and total shipments. U.S. producers' end-of-period inventories decreased by \*\*\* percent during 2018-19, then further decreased by \*\*\* percent during 2019-20 and were \*\*\* percent lower during interim 2021 compared to interim 2020.<sup>9 10</sup> All but two U.S. producers, \*\*\* and \*\*\*, reported a decline in inventories during 2018-19. The ratio of inventories to U.S. production decreased by 4.8 percentage points during 2018-20 and was 5.4 percentage points lower during interim 2021 compared to interim 2020. The ratio of inventories to U.S. shipments decreased by \*\*\* percentage points during 2018-20 and was \*\*\* percentage points lower during interim 2021 compared to interim 2020.

**Table III-9**

**PTY: U.S. producers' inventories and their ratio to select items, by period**

Quantity in 1,000 pounds; ratio are inventories to production and shipments

Item	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
End-of-period inventory quantity	19,553	16,946	7,172	12,885	5,605
Inventory ratio to U.S. production	9.7	9.2	4.9	8.7	3.3
Inventory ratio to U.S. shipments	11.6	10.8	5.4	9.6	3.8
Inventory ratio to total shipments	***	***	***	***	***

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

<sup>9</sup> The decrease in inventories during 2019-20 was driven by \*\*\* percent and \*\*\* percent decreases in inventories reported by \*\*\* and \*\*\* respectively. During the same time period, U.S. producers \*\*\* and \*\*\* reported an increase in inventories, while \*\*\* reported no change in inventories and \*\*\* reported no inventories. The decrease in inventories during interim 2021 compared to interim 2020 was driven by \*\*\* percent, \*\*\* percent, and \*\*\* percent decreases in inventories reported by \*\*\*, \*\*\*, and \*\*\* respectively.

<sup>10</sup> Unifi noted their decline in inventories during 2020 and 2021 were in response to various COVID pandemic disruptions. Hearing transcript, p. 96-98 (Mangaldas). Unifi also stated their decline in inventories were \*\*\*. Email from \*\*\*.

## U.S. producers' imports and purchases

U.S. producers' imports of PTY are presented in tables III-10, III-11, III-12, and III-13. U.S. producers' reasons for importing are presented in table III-14. Four U.S. producers, \*\*\*, \*\*\*, \*\*\*, and \*\*\*, imported PTY during 2018-20. U.S. producer \*\*\* imported from Vietnam only in 2019, while its imports from Thailand declined during 2018-19 and \*\*\* in 2020. \*\*\* imports from nonsubject sources, its largest source of imports, decreased from \*\*\* pounds in 2018 to \*\*\* pounds in 2020 (a \*\*\* percent decrease) but increased to \*\*\* pounds in interim 2021 from \*\*\* pounds during interim 2020 (a \*\*\* percent increase). \*\*\* ratio to U.S. production of imports from Thailand decreased from \*\*\* percent to \*\*\* percent during 2018-19, while its ratio to U.S. production of imports from Vietnam was \*\*\* percent during 2019. \*\*\* ratio to U.S. production of imports from nonsubject sources \*\*\* during 2018-19 before decreasing to \*\*\* percent during 2019-20 and was \*\*\* percent during interim 2021 compared to \*\*\* percent during interim 2020.

\*\*\* imported PTY from nonsubject sources, China and Turkey, only in 2018 and 2020, accounting for less than \*\*\* percent of its production in both years.

\*\*\* imported from Thailand only in 2018 with a ratio to U.S. production of \*\*\* percent. \*\*\* imported from nonsubject sources Mexico during 2018-20 and interim 2021, and China only during 2018-19. \*\*\* ratio to U.S. production of imports from Mexico increased from \*\*\* percent to \*\*\* percent during 2018-19 before further increasing to \*\*\* percent in 2020 but was \*\*\* percent during interim 2021 compared to \*\*\* percent during interim 2020. \*\*\* ratio to U.S. production of imports from China decreased from \*\*\* percent to \*\*\* percent during 2018-19.

\*\*\* imported PTY from Indonesia only in 2018, equivalent to \*\*\* percent of its production.

No firms reported purchases of PTY from subject sources while only one firm, \*\*\*, reported purchases from nonsubject sources and from other U.S. producers.

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

Quantity in 1,000 pounds; ratios are ratios of imports to U.S. production in percent

Item	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
U.S. production	Quantity	***	***	***	***	***
Imports from Thailand	Quantity	***	***	***	***	***
Imports from Vietnam	Quantity	***	***	***	***	***
Imports from subject sources	Quantity	***	***	***	***	***
Imports from nonsubject sources (Central America)	Quantity	***	***	***	***	***
Imports from all import sources	Quantity	***	***	***	***	***
Imports from Thailand to U.S. production	Ratio	***	***	***	***	***
Imports from Vietnam to U.S. production	Ratio	***	***	***	***	***
Imports from subject sources to U.S. production	Ratio	***	***	***	***	***
Imports from nonsubject sources to U.S. production	Ratio	***	***	***	***	***
Imports from all import sources to U.S. production	Ratio	***	***	***	***	***

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

**Table III-11****PTY: \*\*\*'s U.S. production, imports, and purchases, by period**

Quantity in 1,000 pounds; ratios are ratios of imports to U.S. production in percent

Item	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
U.S. production	Quantity	***	***	***	***	***
Imports from nosubject sources (China and Turkey)	Quantity	***	***	***	***	***
Imports from nonsubject sources (China and Turkey) to U.S. production	Ratio	***	***	***	***	***

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

**Table III-12**  
**PTY: \*\*\*'s U.S. production, imports, and purchases, by period**

Quantity in 1,000 pounds; ratios are ratios of imports to U.S. production in percent

Item	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
U.S. production	Quantity	***	***	***	***	***
Imports from Thailand	Quantity	***	***	***	***	***
Imports from Vietnam	Quantity	***	***	***	***	***
Imports from subject sources	Quantity	***	***	***	***	***
Imports from Mexico	Quantity	***	***	***	***	***
Imports from all other sources	Quantity	***	***	***	***	***
Imports from nonsubject sources	Quantity	***	***	***	***	***
Imports from all import sources	Quantity	***	***	***	***	***
Imports from Thailand to U.S. production	Ratio	***	***	***	***	***
Imports from Vietnam to U.S. production	Ratio	***	***	***	***	***
Imports from subject sources to U.S. production	Ratio	***	***	***	***	***
Imports from Mexico to U.S. production	Ratio	***	***	***	***	***
Imports from all other sources to U.S. production	Ratio	***	***	***	***	***
Imports from nonsubject sources	Ratio	***	***	***	***	***
Imports from all import sources to U.S. production	Ratio	***	***	***	***	***

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

**Table III-13**  
**PTY: \*\*\*'s U.S. production, imports, and purchases, by period**

Quantity in 1,000 pounds; ratios are ratios of imports to U.S. production in percent

Item	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
U.S. production	Quantity	***	***	***	***	***
Imports from Indonesia	Quantity	***	***	***	***	***
Imports from Indonesia to U.S. production	Ratio	***	***	***	***	***

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

**Table III-14****PTY: U.S. producers' reasons for importing**

Item	Firm's narrative response
***'s reason for importing	***
***'s reason for importing	***
***'s reason for importing	***
***'s reason for importing	***

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

## U.S. employment, wages, and productivity

Table III-15 shows U.S. producers' employment-related data. U.S. producers' production and related workers (PRWs), total hours worked, total wages paid, and unit labor costs increased during 2018-19, but only hourly wages and unit labor costs increased during 2019-20. All aggregate employment-related data except unit labor costs were higher during interim 2021 compared to interim 2020.

**Table III-15****PTY: U.S. producers' employment related information, by period**

Item	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Production and related workers (PRWs) (number)	1,036	1,076	965	996	1,083
Total hours worked (1,000 hours)	2,119	2,175	1,905	1,007	1,104
Hours worked per PRW (hours)	2,045	2,022	1,974	1,011	1,020
Wages paid (\$1,000)	47,603	48,142	45,589	23,910	27,134
Hourly wages (dollars per hour)	\$22.47	\$22.13	\$23.93	\$23.75	\$24.57
Productivity (pounds per hour)	95.5	84.5	77.0	73.6	77.1
Unit labor costs (dollars per pound)	\$0.24	\$0.26	\$0.31	\$0.32	\$0.32

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

## Captive consumption

Section 771(7)(C)(iv) of the Act states that—<sup>11</sup>

*If domestic producers internally transfer significant production of the domestic like product for the production of a downstream article and sell significant production of the domestic like product in the merchant market, and the Commission finds that—*

- (I) the domestic like product produced that is internally transferred for processing into that downstream article does not enter the merchant market for the domestic like product,*
- (II) the domestic like product is the predominant material input in the production of that downstream article, and*

*then the Commission, in determining market share and the factors affecting financial performance . . . , shall focus primarily on the merchant market for the domestic like product.*

## Transfers and sales

As reported in table III-7 above, internal consumption accounted for between \*\*\* and \*\*\* percent of responding U.S. producers' U.S. shipments of PTY by quantity between January 2018 and June 2021.

## First statutory criterion in captive consumption

The first requirement for application of the captive consumption provision is that the domestic like product that is internally transferred for processing into that downstream article not enter the merchant market for the domestic like product. U.S. producers \*\*\* and \*\*\* reported internal consumption of PTY for the production of downstream products.<sup>12</sup> No U.S. producer, however, reported diverting PTY intended for internal consumption to the merchant market.

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<sup>11</sup> Amended by PL 114-27 (as signed, June 29, 2015), Trade Preferences Extension Act of 2015.

<sup>12</sup> These products included \*\*\*, \*\*\*, \*\*\*, and \*\*\*.

## Second statutory criterion in captive consumption

The second criterion of the captive consumption provision concerns whether the domestic like product is the predominant material input in the production of the downstream article that is captively produced. Table III-16 presents PTY's share of downstream fabrics produced by responding U.S. producers. With respect to the downstream articles resulting from captive production, PTY reportedly comprises \*\*\* percent of the value of the finished cost of downstream product on average.<sup>13</sup>

**Table III-16**  
**PTY: U.S. producers' PTY share of downstream fabrics produced**

Shares in percent

Item	Share of value	Share of quantity
PTY	***	***
All other material inputs	***	***
All material inputs	100.0	100.0

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

Note: \*\*\* did not report the share of quantity PTY comprises of its finished downstream products.

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<sup>13</sup> \*\*\* reported that PTY represented \*\*\* percent of the value and \*\*\* percent of the quantity of the downstream article, while \*\*\* reported that PTY represented \*\*\* percent of the value. The remaining \*\*\* percent of \*\*\* total manufacturing costs may be inclusive of conversion costs although U.S. Producers were requested to exclude such costs in their reported shares. During the preliminary phase of these investigations, \*\*\* also reported that PTY represented \*\*\* percent of the value of the downstream article but noted the remaining \*\*\* percent of its total manufacturing costs were inclusive of manufacturing costs. \*\*\* producer questionnaire response, section II-16. Email from \*\*\*.





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

## U.S. importers

The Commission issued importer questionnaires to 57 firms believed to be importers of subject PTY, as well as to all U.S. producers of PTY.<sup>1</sup> Usable questionnaire responses were received from 25 companies, representing 76.8 percent of total imports, 73.8 percent of combined subject imports, and 80.4 percent of combined nonsubject imports in 2020 under HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000.<sup>2 3</sup> Table IV-1 lists all responding U.S. importers of PTY from all sources, their locations, and their shares of U.S. imports, in 2020.

**Table IV-1**  
**PTY: U.S. importers, their headquarters, and share of total imports by source, 2020**

Firm	Headquarters	Subject sources	Nonsubject sources	All import sources
Akra	Monterrey, NL	***	***	***
Altex	Costa Mesa, CA	***	***	***
Ashfar Enterprises	Edison, NJ	***	***	***
BekaertDeslee	Winston-Salem, NC	***	***	***
Bradford Industries	Lowell, MA	***	***	***
Chori	Jersey City, NJ	***	***	***
CS America	Burlington, NC	***	***	***
Culp	High Point, NC	***	***	***
Dillon Yarn	Ft. Lauderdale, FL	***	***	***
Lava	York, SC	***	***	***
Lear	Southfield, MI	***	***	***
Master Weavers	Sanford, ME	***	***	***
Milliken	Spartanburg, SC	***	***	***
Orian Rugs	Anderson, SC	***	***	***
Promptex	Dorval, QC	***	***	***
RSM	Charlotte, NC	***	***	***

Table continued.

<sup>1</sup> The Commission issued questionnaires to those firms identified in the petition, along with firms that, based on a review of data from third-party sources, may have accounted for more than one percent of total imports under HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000 in 2020.

<sup>2</sup> Three firms, \*\*\*, \*\*\*, and \*\*\*, certified not having imported any PTY since January 1, 2018.

<sup>3</sup> Usable questionnaire responses represented \*\*\* percent of imports from Indonesia, \*\*\* percent from Malaysia, \*\*\* percent from Thailand, and \*\*\* percent from Vietnam.

**Table IV-1 Continued****PTY: U.S. importers, their headquarters, and share of total imports by source, 2020**

Firm	Headquarters	Subject sources	Nonsubject sources	All import sources
Sage Automotive	Greenville, SC	***	***	***
Seiren	Morganton, NC	***	***	***
Shawmut	Burlington, NC	***	***	***
Style Fashion	Cazzano S. Andrea (Bg), IT	***	***	***
Toray	New York, NY	***	***	***
Unifi	Greensboro, NC	***	***	***
Venus Thread	Atlanta, GA	***	***	***
William Barnet & Son	Spartanburg, SC	***	***	***
YKK	Macon, GA	***	***	***
All firms	Various	100.0	100.0	100.0

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

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

## U.S. imports

Table IV-2 and figure IV-1 present data for U.S. imports of PTY from Indonesia, Malaysia, Thailand, Vietnam, China, India, Mexico, and all other sources. Imports from subject sources increased by 204.5 percent by quantity during 2018-20 and were 22.5 percent higher during interim 2021 compared to interim 2020. Imports from nonsubject sources decreased by 55.6 percent during 2018-20, but were 43.5 percent higher during interim 2021 compared to interim 2020.<sup>4</sup> During 2018-20, U.S. imports from Indonesia, Thailand, Malaysia, and Vietnam increased by 115.0 percent, 80.3 percent, 582.9 percent, and 1,200.5 percent respectively. Imports from all subject sources, except Malaysia, were higher during interim 2021 compared to interim 2020. During 2018-20, imports from China and India decreased by 97.4 percent and 81.9 percent respectively.<sup>5 6</sup> Imports from China were 43.5 percent lower during interim 2021 compared to interim 2020, whereas imports from India were 72.5 percent higher during interim 2021 compared to interim 2020. Imports from Mexico, currently the largest source of nonsubject imports, increased by 10.0 percent during 2018-19, before decreasing by 17.0 percent during 2019-20 and were higher during interim 2021 compared to interim 2020.

<sup>4</sup> The higher levels of nonsubject imports during interim 2021 compared to interim 2020 were primarily driven by imports from Korea, Mexico, Turkey, and Taiwan.

<sup>5</sup> Antidumping and countervailing duty orders on imports of PTY from China and India were issued by the Department of Commerce on January 10, 2020. 85 FR 1298 and 85 FR 1301.

<sup>6</sup> PTY from China are subject to additional duties of 25 percent ad valorem under Section 301 of the Trade Act of 1974, effective May 10, 2019. 84 FR 20459, May 9, 2019. Section 301 duties initially applied to PTY at a rate of 10 percent ad valorem on September 24, 2018. 83 FR 47974, Sept. 21, 2018.

Unit values for imports from subject sources decreased by 7.5 percent during 2018-19 before further decreasing by 14.3 percent during 2019-20, and were 2.3 percent lower during interim 2021 compared to interim 2020. During 2018-20, unit values for imports from Indonesia, Malaysia, Thailand, and Vietnam declined by 21.6 percent, 23.3 percent, 22.9 percent, and 18.0 percent respectively. Unit values for imports from all subject countries, except Vietnam, were lower during interim 2021 compared to interim 2020. Unit values for nonsubject sources, which were consistently higher than those of imports from subject sources, increased by 17.3 percent during 2018-20 and were higher during interim 2021 compared to interim 2020.

The share of U.S. imports from subject sources increased by 39.9 percentage points during 2018-20 and was 3.9 percentage points lower during interim 2021 compared to interim 2020.

**Table IV-2**  
**PTY: U.S. imports by source and period**

Quantity in 1,000 pounds; value in 1,000 dollars

Source	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Indonesia	Quantity	8,989	15,186	19,324	10,069	15,779
Malaysia	Quantity	9,052	12,716	16,323	4,990	3,570
Thailand	Quantity	2,679	9,942	18,291	8,792	9,865
Vietnam	Quantity	919	5,401	11,957	4,088	5,019
Subject sources	Quantity	21,639	43,245	65,895	27,939	34,234
China	Quantity	51,567	10,786	1,339	779	440
India	Quantity	26,565	18,844	4,811	2,579	4,450
Nonsubject under existing orders	Quantity	78,132	29,630	6,149	3,358	4,890
Mexico	Quantity	30,569	33,634	27,929	12,981	15,713
All other sources	Quantity	13,449	20,346	20,131	9,336	16,242
Nonsubject not under existing orders	Quantity	44,018	53,980	48,060	22,317	31,955
Nonsubject sources	Quantity	122,150	83,610	54,209	25,674	36,845
All import sources	Quantity	143,788	126,855	120,104	53,613	71,079
Indonesia	Value	9,083	14,375	15,309	8,331	12,599
Malaysia	Value	8,128	10,202	11,238	3,944	2,787
Thailand	Value	2,618	8,570	13,775	6,918	6,904
Vietnam	Value	914	5,213	9,752	3,520	4,915
Subject sources	Value	20,742	38,360	50,073	22,715	27,204
China	Value	53,732	12,541	1,652	907	716
India	Value	24,482	18,688	7,034	4,008	7,117
Nonsubject under existing orders	Value	78,214	31,228	8,685	4,916	7,833
Mexico	Value	36,624	42,074	35,224	16,081	21,132
All other sources	Value	21,465	30,185	27,037	13,450	21,357
Nonsubject not under existing orders	Value	58,089	72,259	62,261	29,530	42,489
Nonsubject sources	Value	136,303	103,487	70,946	34,446	50,322
All import sources	Value	157,046	141,847	121,020	57,160	77,526

Table continued.

**Table IV-2 Continued**  
**PTY: U.S. imports by source and period**

Unit value in dollars per pound

Source	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Indonesia	Unit value	1.01	0.95	0.79	0.83	0.80
Malaysia	Unit value	0.90	0.80	0.69	0.79	0.78
Thailand	Unit value	0.98	0.86	0.75	0.79	0.70
Vietnam	Unit value	0.99	0.97	0.82	0.86	0.98
Subject sources	Unit value	0.96	0.89	0.76	0.81	0.79
China	Unit value	1.04	1.16	1.23	1.16	1.63
India	Unit value	0.92	0.99	1.46	1.55	1.60
Nonsubject under existing orders	Unit value	1.00	1.05	1.41	1.46	1.60
Mexico	Unit value	1.20	1.25	1.26	1.24	1.34
All other sources	Unit value	1.60	1.48	1.34	1.44	1.31
Nonsubject not under existing orders	Unit value	1.32	1.34	1.30	1.32	1.33
Nonsubject sources	Unit value	1.12	1.24	1.31	1.34	1.37
All import sources	Unit value	1.09	1.12	1.01	1.07	1.09

Table continued.

**Table IV-2 Continued**  
**PTY: Share of U.S. imports by source and period**

Share of quantity is the share of U.S. imports by quantity in percent

Source	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Indonesia	Share of quantity	6.3	12.0	16.1	18.8	22.2
Malaysia	Share of quantity	6.3	10.0	13.6	9.3	5.0
Thailand	Share of quantity	1.9	7.8	15.2	16.4	13.9
Vietnam	Share of quantity	0.6	4.3	10.0	7.6	7.1
Subject sources	Share of quantity	15.0	34.1	54.9	52.1	48.2
China	Share of quantity	35.9	8.5	1.1	1.5	0.6
India	Share of quantity	18.5	14.9	4.0	4.8	6.3
Nonsubject under existing orders	Share of quantity	54.3	23.4	5.1	6.3	6.9
Mexico	Share of quantity	21.3	26.5	23.3	24.2	22.1
All other sources	Share of quantity	9.4	16.0	16.8	17.4	22.9
Nonsubject not under existing orders	Share of quantity	30.6	42.6	40.0	41.6	45.0
Nonsubject sources	Share of quantity	85.0	65.9	45.1	47.9	51.8
All import sources	Share of quantity	100.0	100.0	100.0	100.0	100.0

Table continued.

**Table IV-2 Continued****PTY: Share of U.S. imports by source and period**

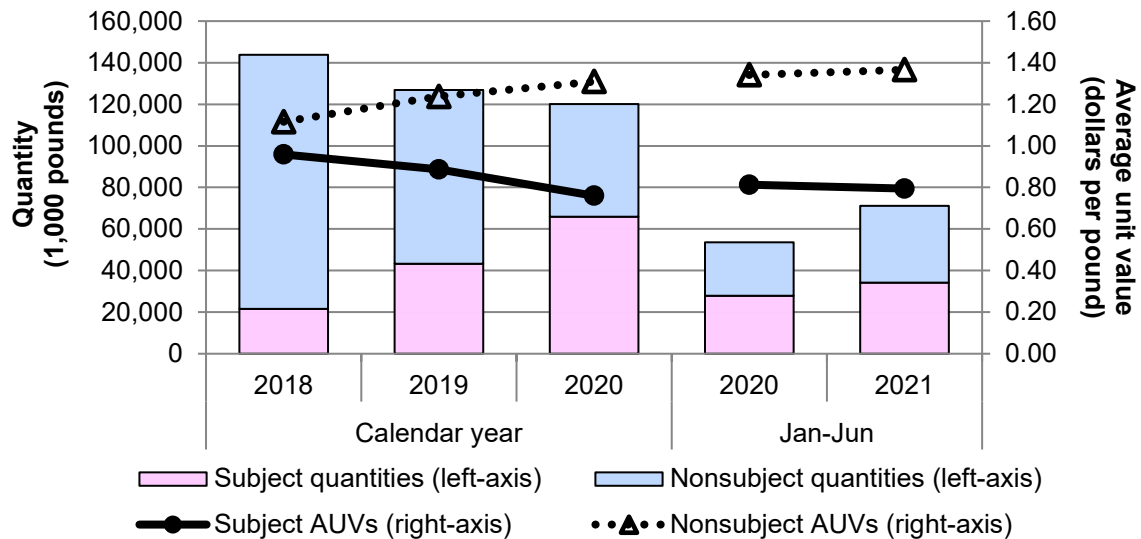
Share of value is the share of U.S. imports by value in percent; ratio are U.S. imports to production in percent

Source	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Indonesia	Share of value	5.8	10.1	12.6	14.6	16.3
Malaysia	Share of value	5.2	7.2	9.3	6.9	3.6
Thailand	Share of value	1.7	6.0	11.4	12.1	8.9
Vietnam	Share of value	0.6	3.7	8.1	6.2	6.3
Subject sources	Share of value	13.2	27.0	41.4	39.7	35.1
China	Share of value	34.2	8.8	1.4	1.6	0.9
India	Share of value	15.6	13.2	5.8	7.0	9.2
Nonsubject under existing orders	Share of value	49.8	22.0	7.2	8.6	10.1
Mexico	Share of value	23.3	29.7	29.1	28.1	27.3
All other sources	Share of value	13.7	21.3	22.3	23.5	27.5
Nonsubject not under existing orders	Share of value	37.0	50.9	51.4	51.7	54.8
Nonsubject sources	Share of value	86.8	73.0	58.6	60.3	64.9
All import sources	Share of value	100.0	100.0	100.0	100.0	100.0
Indonesia	Ratio	4.4	8.3	13.2	***	***
Malaysia	Ratio	4.5	6.9	11.1	***	***
Thailand	Ratio	1.3	5.4	12.5	***	***
Vietnam	Ratio	0.5	2.9	8.2	***	***
Subject sources	Ratio	10.7	23.5	44.9	***	***
China	Ratio	25.5	5.9	0.9	***	***
India	Ratio	13.1	10.3	3.3	***	***
Nonsubject under existing orders	Ratio	38.6	16.1	4.2	***	***
Mexico	Ratio	15.1	18.3	19.0	***	***
All other sources	Ratio	6.6	11.1	13.7	***	***
Nonsubject not under existing orders	Ratio	21.7	29.4	32.8	***	***
Nonsubject sources	Ratio	60.3	45.5	37.0	***	***
All import sources	Ratio	71.0	69.0	81.9	***	***

Source: Official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000 accessed August 12, 2021. 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. Ratios represent the ratio of U.S. imports to U.S. production.

**Figure IV-1**  
**PTY: U.S. imports quantity and average unit value, by source and period**



Source: Official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000 accessed August 12, 2021. Imports are based on the imports for consumption data series. Value data reflect landed duty-paid values.

## Negligibility

The statute requires that an investigation be terminated without an injury determination if imports of the subject merchandise are found to be negligible.<sup>7</sup> Negligible imports are generally defined in the Act, as amended, as imports from a country of merchandise corresponding to a domestic like product where such imports account for less than 3 percent of the volume of all such merchandise imported into the United States in the most recent 12-month period for which data are available that precedes the filing of the petition or the initiation of the investigation. However, if there are imports of such merchandise from a number of countries subject to investigations initiated on the same day that individually account for less than 3 percent of the total volume of the subject merchandise, and if the imports from those countries collectively account for more than 7 percent of the volume of all such merchandise imported into the United States during the applicable 12-month period, then imports from such countries are deemed not to be negligible.<sup>8</sup> Imports from Indonesia, Malaysia, Thailand, and Vietnam accounted for 16.1 percent, 13.2 percent, 14.4 percent, and 8.8 percent of total imports of PTY by quantity during October 2019 through September 2020.

<sup>7</sup> Sections 703(a)(1), 705(b)(1), 733(a)(1), and 735(b)(1) of the Act (19 U.S.C. §§ 1671b(a)(1), 1671d(b)(1), 1673b(a)(1), and 1673d(b)(1)).

<sup>8</sup> Section 771 (24) of the Act (19 U.S.C § 1677(24)).

**Table IV-3**

**PTY: U.S. imports in the twelve-month period preceding the filing of the petition, October 2019 through September 2020**

Quantity in 1,000 pounds; share of quantity is the share of total imports by quantity in percent

<b>Source of imports</b>	<b>Quantity</b>	<b>Share of quantity</b>
Indonesia	18,562	16.1
Malaysia	15,193	13.2
Thailand	16,610	14.4
Vietnam	10,203	8.8
Subject sources	60,568	52.5
Mexico	28,194	24.5
All other sources	26,524	23.0
Nonsubject sources	54,718	47.5
All import sources	115,286	100.0

Source: Official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000 accessed August 12, 2021. Imports are based on the imports for consumption data series.

## **Cumulation considerations**

In assessing whether imports should be cumulated, the Commission determines whether U.S. imports from the subject countries compete with each other and with the domestic like product and has generally considered four factors: (1) fungibility, (2) presence of sales or offers to sell in the same geographical markets, (3) common or similar channels of distribution, and (4) simultaneous presence in the market. Information regarding channels of distribution, market areas, and interchangeability appear in Part II. Additional information concerning fungibility, geographical markets, and simultaneous presence in the market is presented below.

## Fungibility

Table IV-4 and figure IV-2 present data for U.S. producers' and U.S. importers' U.S. shipments by denier size in 2020. Over \*\*\* of U.S. producers' U.S. shipments, U.S. shipments of imports from Thailand, and U.S. shipments of imports from Mexico were 76-150 denier. The \*\*\* of U.S. importers' U.S. shipments from Vietnam were 0-75 denier or 76-150 denier. U.S. importers reported \*\*\* U.S. shipments from subject sources for 301-375 denier, while U.S. producers reported a very small quantity. U.S. producers' U.S. shipments accounted for at least \*\*\* percent of U.S. shipments sized 0-75 denier, 76-150 denier, and 226-300 denier. U.S. shipments of imports from all subject sources, except \*\*\*, were reported for 376 denier and over which was the largest share of U.S. shipments by denier size for imports from \*\*\* and \*\*\*.

**Table IV-4**  
**PTY: Quantity of U.S. producers' and U.S. importers' U.S. shipments by denier size, 2020**

Quantity in 1,000 pounds

Source	0-75 denier	76-150 denier	151-225 denier	226-300 denier	301-375 denier	376 and over denier	All denier sizes
U.S. producers	***	***	***	***	***	***	***
Indonesia	***	***	***	***	***	***	***
Malaysia	***	***	***	***	***	***	***
Thailand	***	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***	***
Mexico	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***	***
All import sources	***	***	***	***	***	***	***
All sources	***	***	***	***	***	***	***

Table continued.



**Table IV-4 Continued****PTY: Share of U.S. producers' and U.S. importers' U.S. shipments within source by denier size, 2020**

Share across in percent

Source	0-75 denier	76-150 denier	151-225 denier	226-300 denier	301-375 denier	376 and over denier	All denier sizes
U.S. producers	***	***	***	***	***	***	100.0
Indonesia	***	***	***	***	***	***	100.0
Malaysia	***	***	***	***	***	***	100.0
Thailand	***	***	***	***	***	***	100.0
Vietnam	***	***	***	***	***	***	100.0
Subject sources	***	***	***	***	***	***	100.0
Mexico	***	***	***	***	***	***	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****PTY: Share of U.S. producers' and U.S. importers' U.S. shipments within denier size, 2020**

Share down in percent

Source	0-75 denier	76-150 denier	151-225 denier	226-300 denier	301-375 denier	376 and over denier	All denier sizes
U.S. producers	***	***	***	***	***	***	***
Indonesia	***	***	***	***	***	***	***
Malaysia	***	***	***	***	***	***	***
Thailand	***	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***	***
Mexico	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***	***
All import sources	***	***	***	***	***	***	***
All sources	100.0	100.0	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.

**Figure IV-2**  
**PTY: U.S. producers' and U.S. importers' U.S. shipments by denier size, 2020**

\* \* \* \* \*

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

## Geographical markets

Table IV-5 presents data on U.S. imports by border of entry region in 2020. U.S. imports from Indonesia and Thailand entered through all four border entries, while imports from Malaysia entered through all border entries except the North, and imports from Vietnam entered through all border entries except the South. For U.S. imports from Indonesia, Malaysia, and Thailand, 80.0 percent to 99.1 percent entered through the East, while the vast majority of imports from Vietnam entered through the East and West.

**Table IV-5**  
**PTY: Quantity of U.S. imports by border of entry region, 2020**

Quantity in 1,000 pounds

Source	East	North	South	West	All borders
Indonesia	15,459	25	34	3,806	19,324
Malaysia	16,178	---	28	117	16,323
Thailand	16,754	42	157	1,338	18,291
Vietnam	6,803	7	---	5,148	11,957
Subject sources	55,193	74	219	10,409	65,895
Mexico	204	---	27,725	---	27,929
All other sources	20,345	68	3,713	2,155	26,281
Nonsubject sources	20,549	68	31,437	2,155	54,209
All import sources	75,742	142	31,657	12,564	120,104

Table continued

**Table IV-5 Continued**  
**PTY: Share of quantity of U.S. imports by border of entry region, 2020**

Share across in percent

Source	East	North	South	West	All borders
Indonesia	80.0	0.1	0.2	19.7	100.0
Malaysia	99.1	---	0.2	0.7	100.0
Thailand	91.6	0.2	0.9	7.3	100.0
Vietnam	56.9	0.1	---	43.1	100.0
Subject sources	83.8	0.1	0.3	15.8	100.0
Mexico	0.7	---	99.3	---	100.0
All other sources	77.4	0.3	14.1	8.2	100.0
Nonsubject sources	37.9	0.1	58.0	4.0	100.0
All import sources	63.1	0.1	26.4	10.5	100.0

Table continued.

**Table IV-5 Continued**  
**PTY: Share of quantity of U.S. imports by border of entry region, 2020**

Share down in percent

Source	East	North	South	West	All borders
Indonesia	20.4	17.8	0.1	30.3	16.1
Malaysia	21.4	---	0.1	0.9	13.6
Thailand	22.1	29.7	0.5	10.7	15.2
Vietnam	9.0	4.7	---	41.0	10.0
Subject sources	72.9	52.2	0.7	82.8	54.9
Mexico	0.3	---	87.6	---	23.3
All other sources	26.9	47.8	11.7	17.2	21.9
Nonsubject sources	27.1	47.8	99.3	17.2	45.1
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 5402.33.3000 and 5402.33.6000 accessed August 12, 2021. Imports are based on the imports for consumption data series.

## Presence in the market

Table IV-6, figure IV-3, and figure IV-4 present data in monthly entries of U.S. imports of PTY, by source, during January 2018 through June 2021. Imports from Indonesia, Malaysia and Thailand were present in all 42 months for which data were collected while imports from Vietnam entered the United States in measurable quantities after the first four months of 2018.

**Table IV-6**  
**PTY: Quantity of U.S. imports, by month**

Quantity in 1,000 pounds

Year	Month	Indonesia	Malaysia	Thailand	Vietnam	Subject sources
2018	January	951	765	217	---	1,933
2018	February	797	890	244	0.4	1,931
2018	March	976	1,179	161	---	2,316
2018	April	751	1,290	208	0.1	2,249
2018	May	886	921	254	74	2,135
2018	June	620	488	142	112	1,362
2018	July	712	323	200	75	1,309
2018	August	477	536	237	154	1,404
2018	September	570	541	230	115	1,456
2018	October	734	655	273	152	1,815
2018	November	811	664	205	193	1,873
2018	December	706	800	307	44	1,856

Table continued.

**Table IV-6 Continued**  
**PTY: Quantity of U.S. imports, by month**

Quantity in 1,000 pounds

Year	Month	Indonesia	Malaysia	Thailand	Vietnam	Subject sources
2019	January	1,181	1,220	521	148	3,071
2019	February	773	916	243	38	1,970
2019	March	484	845	216	20	1,564
2019	April	945	879	333	300	2,457
2019	May	927	1,026	839	153	2,946
2019	June	1,684	981	498	392	3,555
2019	July	1,548	1,024	1,466	772	4,810
2019	August	1,292	1,270	1,577	663	4,803
2019	September	1,631	1,113	1,359	514	4,617
2019	October	2,104	890	1,363	586	4,943
2019	November	1,613	1,290	860	804	4,566
2019	December	1,005	1,261	667	1,011	3,943
2020	January	1,686	1,202	1,107	624	4,618
2020	February	1,833	820	1,410	633	4,696
2020	March	1,848	1,034	1,998	427	5,307
2020	April	2,458	1,310	1,466	1,474	6,709
2020	May	1,149	209	1,279	680	3,317
2020	June	1,095	415	1,530	251	3,291
2020	July	535	2,260	1,385	1,312	5,492
2020	August	849	2,184	2,040	1,724	6,796
2020	September	2,388	2,319	1,504	678	6,889
2020	October	1,090	1,280	1,362	1,206	4,937
2020	November	2,395	1,483	1,945	1,585	7,408
2020	December	1,998	1,808	1,263	1,364	6,433
2021	January	2,322	1,065	1,831	1,543	6,761
2021	February	1,989	857	1,573	827	5,246
2021	March	2,472	436	2,063	778	5,750
2021	April	4,136	182	1,958	878	7,153
2021	May	2,904	618	1,475	497	5,494
2021	June	1,957	413	965	496	3,830

Table continued.

**Table IV-6 Continued**  
**PTY: Quantity of U.S. imports, by month**

Quantity in 1,000 pounds

Year	Month	China	India	Mexico	All other sources	Nonsubject sources	All import sources
2018	January	4,404	1,955	2,484	1,249	10,092	12,025
2018	February	4,193	1,519	2,600	1,396	9,708	11,640
2018	March	4,495	2,830	2,577	997	10,900	13,216
2018	April	4,723	2,687	2,348	1,114	10,871	13,121
2018	May	5,335	3,108	2,799	994	12,235	14,370
2018	June	4,936	1,496	2,307	1,302	10,041	11,403
2018	July	4,504	2,139	2,742	1,118	10,503	11,812
2018	August	3,477	1,946	2,837	834	9,094	10,497
2018	September	3,378	2,643	2,369	1,086	9,477	10,932
2018	October	2,165	2,156	2,700	1,200	8,221	10,036
2018	November	2,841	2,055	2,489	989	8,374	10,247
2018	December	7,115	2,031	2,317	1,169	12,632	14,488
2019	January	1,466	2,884	2,913	1,395	8,659	11,730
2019	February	2,121	2,353	3,199	1,545	9,217	11,187
2019	March	1,971	3,240	2,828	1,508	9,547	11,112
2019	April	1,805	2,253	2,404	1,784	8,247	10,704
2019	May	1,032	1,853	2,215	1,821	6,922	9,868
2019	June	476	1,316	2,720	1,265	5,778	9,333
2019	July	326	1,331	3,160	1,355	6,172	10,983
2019	August	199	1,074	3,260	1,703	6,235	11,038
2019	September	443	732	3,127	2,075	6,378	10,995
2019	October	342	842	2,911	2,043	6,139	11,081
2019	November	153	701	2,659	2,016	5,529	10,095
2019	December	451	265	2,236	1,835	4,787	8,731
2020	January	197	672	3,010	1,839	5,719	10,337
2020	February	228	534	2,871	1,186	4,819	9,515
2020	March	102	569	2,816	2,220	5,707	11,014
2020	April	48	398	1,186	1,767	3,399	10,108
2020	May	64	89	1,228	978	2,359	5,676
2020	June	140	317	1,870	1,345	3,673	6,964
2020	July	14	479	2,243	1,090	3,826	9,318
2020	August	158	213	2,695	1,648	4,713	11,510
2020	September	48	298	2,470	1,233	4,049	10,939
2020	October	173	348	2,754	2,652	5,927	10,864
2020	November	41	553	2,659	1,509	4,762	12,170
2020	December	126	341	2,127	2,663	5,257	11,690

Table continued.

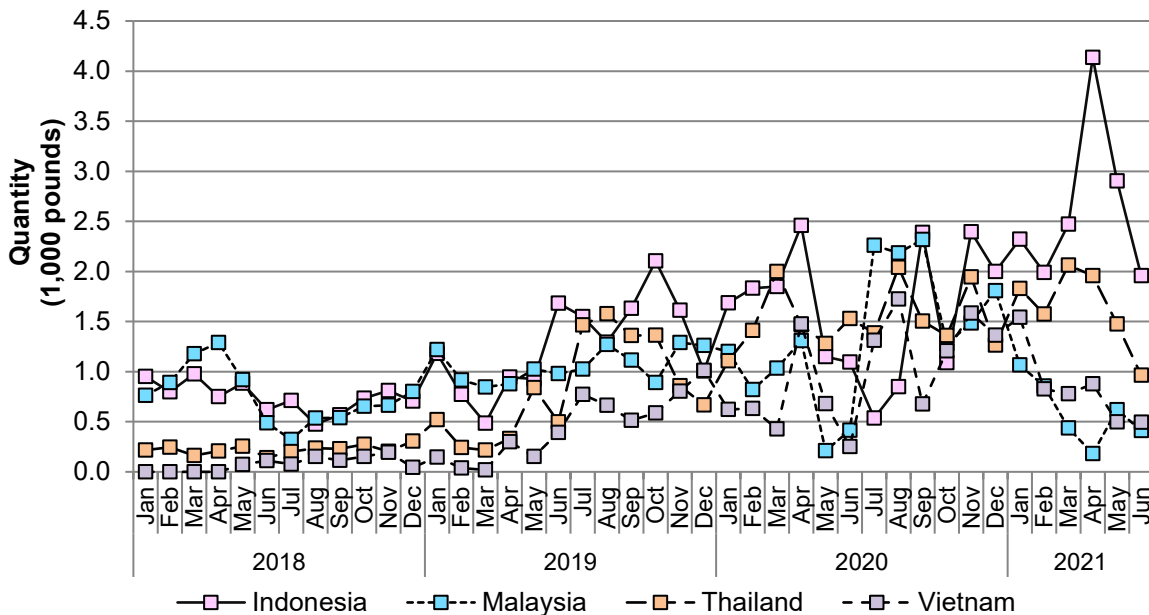
**Table IV-6 Continued**  
**PTY: Quantity of U.S. imports, by month**

Quantity in 1,000 pounds

Year	Month	China	India	Mexico	All other sources	Nonsubject sources	All import sources
2021	January	154	446	3,005	2,384	5,990	12,752
2021	February	66	751	2,168	1,389	4,374	9,620
2021	March	51	910	1,936	2,766	5,662	11,412
2021	April	49	931	2,540	2,992	6,512	13,666
2021	May	82	365	3,213	3,067	6,726	12,220
2021	June	38	1,046	2,851	3,644	7,579	11,409

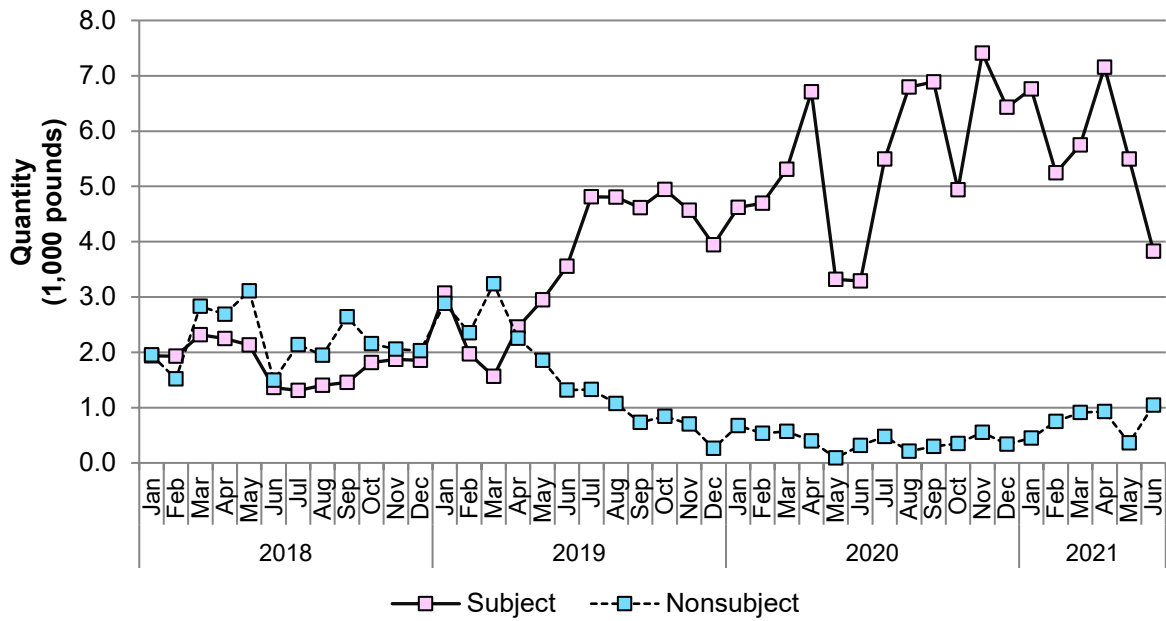
Source: Compiled from official U.S. imports statistics of the U.S. Department of Commerce using HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000, accessed August 12, 2021. Imports are based on the imports for consumption data series.

**Figure IV-3**  
**PTY: U.S. imports from individual subject sources, by month**



Source: Compiled from official U.S. imports statistics of the U.S. Department of Commerce using HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000, accessed August 12, 2021. Imports are based on the imports for consumption data series.

**Figure IV-4**  
**PTY: 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 5402.33.3000 and 5402.33.6000 accessed August 12, 2021. Imports are based on the imports for consumption data series.



## Apparent U.S. consumption

Table IV-7 and figure IV-5 present data on apparent U.S. consumption in the overall market for PTY. Apparent U.S. consumption in the overall market, by quantity, decreased by 9.5 percent during 2018-19 before further decreasing by 10.6 percent during 2019-20, but was 20.2 percent higher during interim 2021 compared to interim 2020. Apparent U.S. consumption by value decreased by 8.4 percent during 2018-19 before further decreasing by 16.5 percent during 2019-20 and was 18.5 percent higher during interim 2021 compared to interim 2020.

**Table IV-7**  
**PTY: Apparent U.S. consumption, total market, by source and period**

Quantity in 1,000 pounds

Source	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
U.S. producers	Quantity	169,007	156,352	132,990	66,905	73,756
Indonesia	Quantity	8,989	15,186	19,324	10,069	15,779
Malaysia	Quantity	9,052	12,716	16,323	4,990	3,570
Thailand	Quantity	2,679	9,942	18,291	8,792	9,865
Vietnam	Quantity	919	5,401	11,957	4,088	5,019
Subject sources	Quantity	21,639	43,245	65,895	27,939	34,234
China	Quantity	51,567	10,786	1,339	779	440
India	Quantity	26,565	18,844	4,811	2,579	4,450
Nonsubject under existing orders	Quantity	78,132	29,630	6,149	3,358	4,890
Mexico	Quantity	30,569	33,634	27,929	12,981	15,713
All other sources	Quantity	13,449	20,346	20,131	9,336	16,242
Nonsubject not under existing orders	Quantity	44,018	53,980	48,060	22,317	31,955
Nonsubject sources	Quantity	122,150	83,610	54,209	25,674	36,845
All import sources	Quantity	143,788	126,855	120,104	53,613	71,079
Apparent U.S. consumption	Quantity	312,795	283,206	253,095	120,518	144,835

Table continued.

**Table IV-7 Continued**

**PTY: Apparent U.S. consumption, total market, by source and period**

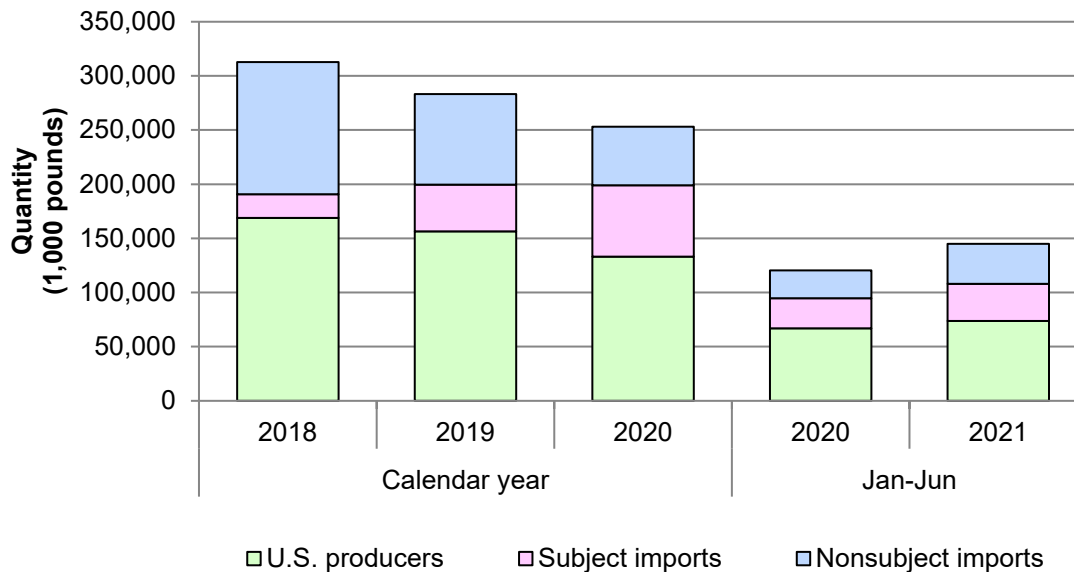
Value in 1,000 dollars

Source	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
U.S. producers	Value	279,789	258,232	213,124	109,796	120,374
Indonesia	Value	9,083	14,375	15,309	8,331	12,599
Malaysia	Value	8,128	10,202	11,238	3,944	2,787
Thailand	Value	2,618	8,570	13,775	6,918	6,904
Vietnam	Value	914	5,213	9,752	3,520	4,915
Subject sources	Value	20,742	38,360	50,073	22,715	27,204
China	Value	53,732	12,541	1,652	907	716
India	Value	24,482	18,688	7,034	4,008	7,117
Nonsubject under existing orders	Value	78,214	31,228	8,685	4,916	7,833
Mexico	Value	36,624	42,074	35,224	16,081	21,132
All other sources	Value	21,465	30,185	27,037	13,450	21,357
Nonsubject not under existing orders	Value	58,089	72,259	62,261	29,530	42,489
Nonsubject sources	Value	136,303	103,487	70,946	34,446	50,322
All import sources	Value	157,046	141,847	121,020	57,160	77,526
Apparent U.S. consumption	Value	436,834	400,079	334,144	166,957	197,900

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics of the U.S. Department of Commerce, Census Bureau using HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000 accessed August 12, 2021. Imports are based on the imports for consumption data series. Value data reflect landed duty-paid values.

**Figure IV-5**

**PTY: Apparent U.S. consumption, total market by source and period**



Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics of the U.S. Department of Commerce, Census Bureau using HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000 accessed August 12, 2021. Imports are based on the imports for consumption data series.

Table IV-8 and figure IV-6 present data on apparent U.S. consumption in the merchant market for PTY. Apparent U.S. consumption in the merchant market, by quantity, decreased by \*\*\* percent during 2018-19 before further decreasing by \*\*\* percent during 2019-20, but was \*\*\* percent higher during interim 2021 compared to interim 2020. Apparent consumption by value decreased by \*\*\* percent during 2018-19 before further decreasing by \*\*\* percent during 2019-20 and was \*\*\* percent higher during interim 2021 compared to interim 2020.

**Table IV-8**  
**PTY: Apparent U.S. consumption, merchant market, by source and period**

Quantity in 1,000s pounds; value in 1,000 dollars

Source	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
U.S. producers	Quantity	***	***	***	***	***
Indonesia	Quantity	8,989	15,186	19,324	10,069	15,779
Malaysia	Quantity	9,052	12,716	16,323	4,990	3,570
Thailand	Quantity	2,679	9,942	18,291	8,792	9,865
Vietnam	Quantity	919	5,401	11,957	4,088	5,019
Subject sources	Quantity	21,639	43,245	65,895	27,939	34,234
China	Quantity	51,567	10,786	1,339	779	440
India	Quantity	26,565	18,844	4,811	2,579	4,450
Nonsubject under existing orders	Quantity	78,132	29,630	6,149	3,358	4,890
Mexico	Quantity	30,569	33,634	27,929	12,981	15,713
All other sources	Quantity	13,449	20,346	20,131	9,336	16,242
Nonsubject not under existing orders	Quantity	44,018	53,980	48,060	22,317	31,955
Nonsubject sources	Quantity	122,150	83,610	54,209	25,674	36,845
All import sources	Quantity	143,788	126,855	120,104	53,613	71,079
Apparent U.S. consumption	Quantity	***	***	***	***	***
U.S. producers	Value	***	***	***	***	***
Indonesia	Value	9,083	14,375	15,309	8,331	12,599
Malaysia	Value	8,128	10,202	11,238	3,944	2,787
Thailand	Value	2,618	8,570	13,775	6,918	6,904
Vietnam	Value	914	5,213	9,752	3,520	4,915
Subject sources	Value	20,742	38,360	50,073	22,715	27,204
China	Value	53,732	12,541	1,652	907	716
India	Value	24,482	18,688	7,034	4,008	7,117
Nonsubject under existing orders	Value	78,214	31,228	8,685	4,916	7,833
Mexico	Value	36,624	42,074	35,224	16,081	21,132
All other sources	Value	21,465	30,185	27,037	13,450	21,357
Nonsubject not under existing orders	Value	58,089	72,259	62,261	29,530	42,489
Nonsubject sources	Value	136,303	103,487	70,946	34,446	50,322
All import sources	Value	157,046	141,847	121,020	57,160	77,526
Apparent U.S. consumption	Value	***	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics of the U.S. Department of Commerce, Census Bureau using HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000 accessed August 12, 2021. Imports are based on the imports for consumption data series. Value data reflect landed duty-paid values.

**Figure IV-6**  
**PTY: Apparent U.S. consumption, merchant market, by source and period**

\* \* \* \* \*

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics of the U.S. Department of Commerce, Census Bureau using HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000 accessed August 12, 2021. Imports are based on the imports for consumption data series.

## **U.S. market shares**

U.S. market share data for the PTY total market are presented in table IV-9. The share of U.S. producers' U.S. shipments by quantity increased by 1.2 percentage points during 2018-19 before decreasing by 2.7 percentage points during 2019-20 and was 4.6 percentage points lower during interim 2021 compared to interim 2020. The share of U.S. imports from subject sources increased by 8.4 percentage points during 2018-19 before further increasing by 10.8 percentage points during 2019-20 and was 0.5 percentage points higher during interim 2021 compared to interim 2020. U.S. imports from each subject source gained share in the overall market during 2018-20 (by 4.8 percentage points for Indonesia; 3.5 percentage points for Malaysia, 6.3 percentage points for Thailand, and 4.4 percentage points for Vietnam) but were higher in interim 2021 compared to interim 2020 for U.S. imports from Indonesia and Vietnam only.

The combined share of U.S. imports from China and India, both nonsubject sources under orders since January 2020, by quantity decreased by 14.5 percentage points during 2018-19 and then further decreased by 8.0 percentage points during 2019-20. The share of U.S. imports from China were 0.3 percentage points lower during interim 2021 compared to interim 2020, while the share of U.S. imports from India were 0.9 percentage points higher during the same time period. U.S. imports from Mexico, the largest source of imports in 2020, by quantity increased by 2.1 percentage points during 2018-19 before decreasing by 0.8 percentage points during 2019-20 and were 0.1 percentage points higher during interim 2021 compared to interim 2020.

The share of U.S. producers' U.S. shipments by value decreased by 0.3 percentage points during 2018-20 and were 4.9 percentage points lower during interim 2021 compared to interim 2020. The share of U.S. imports from subject sources by value ranged from 4.7 percent to 15.0 percent during the same time period. The combined share of U.S. imports from China and India by value decreased by 10.1 percentage points during 2018-19 and then further decreased by 5.2 percentage points during 2019-20. The share of U.S. imports from China were 0.2 percentage points lower during interim 2021 compared to interim 2020 while the share of U.S. imports from India were 1.2 percentage point higher during the same time period. The share of U.S. imports from Mexico by value increased by 2.2 percentage points during 2018-19, remained unchanged during 2019-20 and was 1.0 percentage point higher during interim 2021 compared to interim 2020.

**Table IV-9**  
**PTY: Market shares, total market, by source and period**

Shares in percent

Source	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
U.S. producers	Share of quantity	54.0	55.2	52.5	55.5	50.9
Indonesia	Share of quantity	2.9	5.4	7.6	8.4	10.9
Malaysia	Share of quantity	2.9	4.5	6.4	4.1	2.5
Thailand	Share of quantity	0.9	3.5	7.2	7.3	6.8
Vietnam	Share of quantity	0.3	1.9	4.7	3.4	3.5
Subject sources	Share of quantity	6.9	15.3	26.0	23.2	23.6
China	Share of quantity	16.5	3.8	0.5	0.6	0.3
India	Share of quantity	8.5	6.7	1.9	2.1	3.1
Nonsubject under existing orders	Share of quantity	25.0	10.5	2.4	2.8	3.4
Mexico	Share of quantity	9.8	11.9	11.0	10.8	10.8
All other sources	Share of quantity	4.3	7.2	8.0	7.7	11.2
Nonsubject not under existing orders	Share of quantity	14.1	19.1	19.0	18.5	22.1
Nonsubject sources	Share of quantity	39.1	29.5	21.4	21.3	25.4
All import sources	Share of quantity	46.0	44.8	47.5	44.5	49.1

Table continued.

**Table IV-9 Continued**  
**PTY: Market shares, total market, by source and period**

Shares in percent

Source	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
U.S. producers	Share of value	64.0	64.5	63.8	65.8	60.8
Indonesia	Share of value	2.1	3.6	4.6	5.0	6.4
Malaysia	Share of value	1.9	2.6	3.4	2.4	1.4
Thailand	Share of value	0.6	2.1	4.1	4.1	3.5
Vietnam	Share of value	0.2	1.3	2.9	2.1	2.5
Subject sources	Share of value	4.7	9.6	15.0	13.6	13.7
China	Share of value	12.3	3.1	0.5	0.5	0.4
India	Share of value	5.6	4.7	2.1	2.4	3.6
Nonsubject under existing orders	Share of value	17.9	7.8	2.6	2.9	4.0
Mexico	Share of value	8.4	10.5	10.5	9.6	10.7
All other sources	Share of value	4.9	7.5	8.1	8.1	10.8
Nonsubject not under existing orders	Share of value	13.3	18.1	18.6	17.7	21.5
Nonsubject sources	Share of value	31.2	25.9	21.2	20.6	25.4
All import sources	Share of value	36.0	35.5	36.2	34.2	39.2

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics using HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000, accessed August 12, 2021.

U.S. market share data for the PTY merchant market are presented in table IV-10. The share of U.S. producers' U.S. shipments by quantity increased by \*\*\* percentage points during 2018-19 before decreasing by \*\*\* percentage points during 2019-20 and was \*\*\* percentage points lower during interim 2021 compared to interim 2020. The share of U.S. imports from subject sources increased by \*\*\* percentage points during 2018-19 before further increasing by \*\*\* percentage points during 2019-20 and was \*\*\* percentage points lower during interim 2021 compared to interim 2020. U.S. imports from each subject source gained share in the merchant market during 2018-20 (by \*\*\* percentage points for Indonesia; \*\*\* percentage points for Malaysia, \*\*\* percentage points for Thailand, and \*\*\* percentage points for Vietnam) but were higher in interim 2021 compared to interim 2020 for U.S. imports from Indonesia only.

The aggregate merchant market share of U.S. imports from China and India by quantity decreased by \*\*\* percentage points during 2018-19 and then further decreased by \*\*\* percentage points during 2019-20, but the share of U.S. imports from China were \*\*\* percentage points lower during interim 2021 compared to interim 2020, while the share of U.S. imports from India were \*\*\* percentage points higher during the same time period. U.S. imports from Mexico by quantity increased by \*\*\* percentage points during 2018-19 before decreasing by \*\*\* percentage points during 2019-20 and were \*\*\* percentage points lower in interim 2021 compared to interim 2020.

The combined merchant market share of U.S. imports from China and India by value decreased by \*\*\* percentage points during 2018-19 and then further decreased by \*\*\* percentage points during 2019-20, but the share of U.S. imports from China by value were \*\*\* percentage points lower during interim 2021 compared to interim 2020, while the share of U.S. imports from India by value were \*\*\* percentage points higher during the same time period. U.S. imports from Mexico by value increased by \*\*\* percentage points during 2018-19 before decreasing by \*\*\* percentage points during 2019-20 and increased by \*\*\* percentage points during interim 2021 compared to interim 2020.

**Table IV-10**  
**PTY: Market shares, merchant market, by source and period**

Shares in percent

Source	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
U.S. producers	Share of quantity	***	***	***	***	***
Indonesia	Share of quantity	***	***	***	***	***
Malaysia	Share of quantity	***	***	***	***	***
Thailand	Share of quantity	***	***	***	***	***
Vietnam	Share of quantity	***	***	***	***	***
Subject sources	Share of quantity	***	***	***	***	***
China	Share of quantity	***	***	***	***	***
India	Share of quantity	***	***	***	***	***
Nonsubject under existing orders	Share of quantity	***	***	***	***	***
Mexico	Share of quantity	***	***	***	***	***
All other sources	Share of quantity	***	***	***	***	***
Nonsubject not under existing orders	Share of quantity	***	***	***	***	***
Nonsubject sources	Share of quantity	***	***	***	***	***
All sources	Share of quantity	***	***	***	***	***

Table continued.

**Table IV-10 Continued**  
**PTY: Market shares, merchant market, by source and period**

Shares in percent

Source	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
U.S. producers	Share of value	***	***	***	***	***
Indonesia	Share of value	***	***	***	***	***
Malaysia	Share of value	***	***	***	***	***
Thailand	Share of value	***	***	***	***	***
Vietnam	Share of value	***	***	***	***	***
Subject sources	Share of value	***	***	***	***	***
China	Share of value	***	***	***	***	***
India	Share of value	***	***	***	***	***
Nonsubject under existing orders	Share of value	***	***	***	***	***
Mexico	Share of value	***	***	***	***	***
All other sources	Share of value	***	***	***	***	***
Nonsubject not under existing orders	Share of value	***	***	***	***	***
Nonsubject sources	Share of value	***	***	***	***	***
All sources	Share of value	***	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics of the U.S. Department of Commerce, Census Bureau using HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000 accessed August 12, 2021. Imports are based on the imports for consumption data series. Value data reflect landed duty-paid values.



## Part V: Pricing data

### Factors affecting prices

#### Raw material costs

For U.S. PTY producers, raw material costs were between \*\*\* percent of the cost of goods sold in 2018-20, and were approximately \*\*\* percent in January-June 2021.

The main input for PTY is PET resin. Some producers of PTY purchase partially oriented yarn, while some purchase PET resin, and some produce PET resin themselves. The PET resin may be either virgin or recycled. The main components required to produce PET resin are the petrochemicals MEG and PTA.<sup>1</sup> The price of PET resin increased by over \*\*\* percent from January 2018 to September 2018 and then fell by more than \*\*\* percent from September 2018 to April 2020. PET resin prices then increased by \*\*\* percent between April 2020 and July 2021. Overall, PET resin prices fell approximately \*\*\* percent from January 2018 to June 2021 (table V-1 and figure V-1).

U.S. producers and importers generally reported that the costs of the raw materials used to produce PTY had fluctuated or increased since January 1, 2018. Three U.S. producers and 14 importers (including \*\*\*)<sup>2</sup> reported that raw material costs had fluctuated, citing changing raw material costs, the COVID-19 pandemic, and the duties from various antidumping investigations. Importer \*\*\* reported that petroleum costs have a major impact on PTY prices. Importer \*\*\* described U.S. producers as adding large surcharges to raw material costs due to their own lack of capacity. U.S. producers \*\*\* reported that raw material cost fluctuations were not reflected in the prices of imported PTY. Two U.S. producers and seven importers reported that raw material costs had increased.

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<sup>1</sup> China and India PTY publication, p. V-1, and conference transcript, p. 50 (Ingle).

<sup>2</sup> \*\*\* submitted both U.S. producers' and importers' questionnaires. Unless otherwise indicated, their responses are compiled in this chapter as both U.S. producers and importers.

**Table V-1**  
**PET resin prices: U.S. price of virgin PET resin, by month, January 2018-July 2021**

Price in cents per pound

<b>Period</b>	<b>PET resin price</b>
January 2018	***
February 2018	***
March 2018	***
April 2018	***
May 2018	***
June 2018	***
July 2018	***
August 2018	***
September 2018	***
October 2018	***
November 2018	***
December 2018	***
January 2019	***
February 2019	***
March 2019	***
April 2019	***
May 2019	***
June 2019	***
July 2019	***
August 2019	***
September 2019	***
October 2019	***
November 2019	***
December 2019	***
January 2020	***
February 2020	***
March 2020	***
April 2020	***
May 2020	***
June 2020	***
July 2020	***
August 2020	***
September 2020	***
October 2020	***
November 2020	***
December 2020	***
January 2021	***
February 2021	***
March 2021	***
April 2021	***
May 2021	***
June 2021	***
July 2021	***

Source: \*\*\* provided by the petitioners.

**Figure V-1**  
**PET resin prices: Price of PET resin, by month, January 2018-July 2021**

\* \* \* \* \*

Among purchasers, 19 of 22 indicated that they were familiar with the prices of raw materials used in the production of PTY. Ten purchasers indicated that the cost of raw materials had not affected their firm’s negotiations and contracts to purchase PTY since 2018, while eleven stated that it had. The latter purchasers usually indicated that PTY prices fluctuated with raw material prices. Purchaser \*\*\* added that PTY prices had increased 30 percent in the last 12 months due to raw material cost increases. Purchaser \*\*\* stated that it was \*\*\*.<sup>3</sup> \*\*\* stated that it negotiates PTY prices based on published raw material costs.

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<sup>3</sup> At the hearing, Nan Ya stated that, because the majority of its sales are on a spot or short-term contract basis, few of its contracts are indexed to raw material prices. It added that when there is a raw material price change, it attempts to adjust its sales prices of PTY to the raw material price change. Hearing transcript, p. 111 (Freeman).

## Transportation costs to the U.S. market

Transportation costs for PTY shipped from subject countries to the United States averaged 8.2 percent for Indonesia, 9.9 percent for Malaysia, 5.6 percent for Thailand, and 9.0 percent for Vietnam during 2020. These estimates were derived from official import data and represent the transportation and other charges on imports.<sup>4</sup>

## U.S. inland transportation costs

Three responding U.S. producers (including \*\*\*) and 11 importers reported that they typically arrange transportation to their customers, while 2 other U.S. producers and 3 importers reported that their customers arranged transportation.<sup>5</sup> U.S. producers reported that their U.S. inland transportation costs ranged from one to five percent, and most importers reported similar costs of two to five percent.

## Pricing practices

### Pricing methods

As presented in table V-2, U.S. producers and importers sell primarily through transaction-by-transaction negotiations and/or contracts. Two importers described setting prices based on the price of raw materials and/or import duties.

**Table V-2**  
**PTY: U.S. producers' and importers' reported price setting methods, count**

Method	U.S. producers	Importers
Transaction-by-transaction	4	9
Contract	1	3
Set price list	0	2
Other	0	3
Responding firms	4	15

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.

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<sup>4</sup> The estimated transportation costs were obtained by subtracting the customs value from the c.i.f. value of the imports for 2020 and then dividing by the customs value based on official U.S. import statistics for HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000.

<sup>5</sup> Five importers indicated that they shipped PTY from their point of importation, and seven indicated they did so from a storage facility.

Fourteen purchasers stated that their purchases of PTY usually involved negotiations with their suppliers, while eight indicated that they did not. Purchasers reported that negotiations involved numerous issues, including price, quality, raw material costs, lead time, freight costs, tariff costs, capacity, and technical support.

In 2020, most U.S. producers' sales were spot sales, while most importers' sales were under short-term contracts (table V-3). U.S. producers' short-term contracts ranged from 30 to 90 days, while importers' short-term contracts ranged from 30 to 120 days.

**Table V-3**  
**PTY: U.S. producers' and importers' shares of U.S. commercial shipments by type of sale, 2020**

Share in percent

Method	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.

U.S. producers and importers that used contracts were asked to report their contract provisions. For short-term contracts, two U.S. producers and five importers reported that prices were not renegotiated during the contract period, while one U.S. producer and one importer reported that prices could be renegotiated during the contract period. Most responding producers indicated that contracts fixed price but not quantity, while most responding importers indicated that contracts fix price and quantity. Two U.S. producers and five importers stated that their prices were not indexed to raw material costs, but U.S. producer \*\*\* and importer \*\*\* stated that their prices at least sometimes were.

Eleven purchasers reported that they purchase product monthly, ten purchase weekly, one purchases biweekly, and one purchases daily. Seventeen purchasers indicated that their purchasing frequency had not changed since January 1, 2018, while five indicated that they had changed their purchasing frequency, due to either increased demand, the COVID-19 pandemic, availability, or "capacity issues." Thirteen purchasers contact one to three suppliers before making a purchase, while the other nine contact between two and nine suppliers.

### **Sales terms and discounts**

Four U.S. producers and eight importers typically quote prices on an f.o.b. basis, while one U.S. producer and four importers price on a delivered basis. Importers pricing on an f.o.b.

basis usually priced based on their location or U.S. port of entry, but two indicated that they priced based on foreign ports.

Three U.S. producers and 14 importers indicated that they had no discount policy, while U.S. producers \*\*\* indicated that they offered quantity discounts and, in the case of \*\*\*, \*\*\*.

## Price leadership

Seven purchasers reported that Nan Ya was a price leader, four reported that Unifi was a price leader, and two named nonsubject Mexican producer Akra as a price leader. Suppliers Marionette and Promptex were also named by one purchaser each, and one purchaser stated that there were no price leaders. Purchaser \*\*\* described Nan Ya and Unifi as leading by bringing antidumping cases. Two purchasers described Nan Ya as a price leader due to its size as a supplier. Three other purchasers described Nan Ya as leading when it makes a price change (outside of raw material cost changes for some purchasers), as other suppliers will follow that price change. Additionally, purchaser \*\*\* described Akra and Unifi as leading through their use of raw material indexes in their pricing. \*\*\* reported that Unifi led with multiple price changes that did not necessarily “follow the market.” Other purchasers described Unifi and various import sources as price leaders because they provide quality product.

## Price and purchase cost 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 PTY products shipped to unrelated U.S. customers during January 2018-June 2021.<sup>6</sup> Firms that imported these products from Indonesia, Malaysia, Thailand, and/or Vietnam for their own use were requested to provide import purchase cost data.

**Product 1.--** Single ply, 150 denier, 34 to 48 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

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<sup>6</sup> These products are similar to those presented in the preliminary phase of these investigations, except that the phrase “natural (non-dyed) color” was used in these descriptions, instead of “semi-dull natural luster” used in the preliminary phase pricing product descriptions. This change was suggested by petitioners to ensure that the data do not include any dyed PTY, as dyed PTY sells at a price premium over non-dyed PTY. See Petitioners’ Comments on Draft Questionnaires, February 5, 2021, p. 5.

**Product 2.**-- Single ply, 70 denier, 34 to 48 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

**Product 3.**-- Single ply, 70 denier, 68 to 72 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

**Product 4.**-- Single ply, 300 denier, 68 to 72 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

At the hearing, Unifi stated that higher-filament yarns generally command higher prices than lower filament yarns due to the increased difficulty of making higher-filament yarns.<sup>7</sup>

## Price data

Five U.S. producers and eleven importers provided usable pricing data for sales of the requested products, although not all firms reported pricing for all products for all quarters.<sup>8</sup> Pricing data reported by these firms accounted for approximately 27.0 percent of U.S. producers' commercial U.S. shipments of PTY, 14.0 percent of subject imports from Indonesia,

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<sup>7</sup> Hearing transcript, p. 95 (Ingle).

<sup>8</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.

Commission questionnaires requested that, if questionnaire respondents had a product that was not exactly the same as, but nonetheless competitive with, the requested product, to provide data for that product and describe it. Staff has attempted to keep all data provided by firms, but in a few cases, the prices were far above normal levels. In those few instances, staff has not used those data. \*\*\*. \*\*\*. See emails from \*\*\*. Staff retained data provided by importers \*\*\*. See email from \*\*\*. \*\*\*. In its prehearing brief, \*\*\*.

16.7 percent of subject imports from Malaysia, 42.8 percent of subject imports from Thailand, and 16.3 percent of subject imports from Vietnam in 2020.<sup>9</sup>

Price data for products 1-4 are presented in tables V-4 to V-7 and figures V-2 to V-5. Prices for PTY from Mexico are presented in Appendix D.

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<sup>9</sup> Pricing coverage is based on U.S. shipments and imports reported in questionnaires.



**Table V-4**

**PTY: Weighted-average f.o.b. prices and quantities of domestic and imported product 1 and margins of underselling/(overselling), by quarter**

Price in dollars per pound, quantity in pounds, margin in percent.

Period	U.S. price	U.S. quantity	Indonesia price	Indonesia quantity	Indonesia margin	Malaysia price	Malaysia quantity	Malaysia margin
2018 Q1	***	***	***	***	***	***	***	***
2018 Q2	***	***	***	***	***	***	***	***
2018 Q3	***	***	***	***	***	***	***	***
2018 Q4	***	***	***	***	***	***	***	***
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***

Period	Thailand price	Thailand quantity	Thailand margin	Vietnam price	Vietnam quantity	Vietnam margin
2018 Q1	***	***	***	***	***	***
2018 Q2	***	***	***	***	***	***
2018 Q3	***	***	***	***	***	***
2018 Q4	***	***	***	***	***	***
2019 Q1	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***

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

Note: Product 1: Single ply, 150 denier, 34 to 48 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

**Figure V-2**  
**PTY: Weighted-average prices and quantities of domestic and imported product 1, by quarter**

**Price of product 1**

\*      \*      \*      \*      \*      \*      \*

**Volume of product 1**

\*      \*      \*      \*      \*      \*      \*

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

Note: Product 1: Single ply, 150 denier, 34 to 48 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

**Table V-5****PTY: Weighted-average f.o.b. prices and quantities of domestic and imported product 2 and margins of underselling/(overselling), by quarter**

Price in dollars per pound, quantity in pounds, margin in percent.

Period	U.S. price	U.S. quantity	Indonesia price	Indonesia quantity	Indonesia margin	Malaysia price	Malaysia quantity	Malaysia margin
2018 Q1	***	***	***	***	***	***	***	***
2018 Q2	***	***	***	***	***	***	***	***
2018 Q3	***	***	***	***	***	***	***	***
2018 Q4	***	***	***	***	***	***	***	***
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***

Period	Thailand Price	Thailand quantity	Thailand margin	Vietnam price	Vietnam quantity	Vietnam margin
2018 Q1	***	***	***	***	***	***
2018 Q2	***	***	***	***	***	***
2018 Q3	***	***	***	***	***	***
2018 Q4	***	***	***	***	***	***
2019 Q1	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***

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

Note: Product 2: Single ply, 70 denier, 34 to 48 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

**Figure V-3**

**PTY: Weighted-average prices and quantities of domestic and imported product 2, by quarter**

**Price of product 2**

\* \* \* \* \*

**Volume of product 2**

\* \* \* \* \*

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

Note: Product 2: Single ply, 70 denier, 34 to 48 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

**Table V-6****PTY: Weighted-average f.o.b. prices and quantities of domestic and imported product 3 and margins of underselling/(overselling), by quarter**

Price in dollars per pound, quantity in pounds, margin in percent.

Period	U.S. price	U.S. quantity	Indonesia price	Indonesia quantity	Indonesia margin	Thailand price	Thailand quantity	Thailand margin
2018 Q1	***	***	***	***	***	***	***	***
2018 Q2	***	***	***	***	***	***	***	***
2018 Q3	***	***	***	***	***	***	***	***
2018 Q4	***	***	***	***	***	***	***	***
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***

Period	Vietnam price	Vietnam quantity	Vietnam margin
2018 Q1	***	***	***
2018 Q2	***	***	***
2018 Q3	***	***	***
2018 Q4	***	***	***
2019 Q1	***	***	***
2019 Q2	***	***	***
2019 Q3	***	***	***
2019 Q4	***	***	***
2020 Q1	***	***	***
2020 Q2	***	***	***
2020 Q3	***	***	***
2020 Q4	***	***	***
2021 Q1	***	***	***
2021 Q2	***	***	***

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

Note: Product 3: Single ply, 70 denier, 68 to 72 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

**Figure V-4**

**PTY: Weighted-average prices and quantities of domestic and imported product 3, by quarter**

**Price of product 3**

\* \* \* \* \*

**Volume of product 3**

\* \* \* \* \*

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

Note: Product 3: Single ply, 70 denier, 68 to 72 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

**Table V-7****PTY: Weighted-average f.o.b. prices and quantities of domestic and imported product 4 and margins of underselling/(overselling), by quarter**

Price in dollars per pound, quantity in pounds, margin in percent.

Period	U.S. price	U.S. quantity	Indonesia price	Indonesia quantity	Indonesia margin	Thailand price	Thailand quantity	Thailand margin
2018 Q1	***	***	***	***	***	***	***	***
2018 Q2	***	***	***	***	***	***	***	***
2018 Q3	***	***	***	***	***	***	***	***
2018 Q4	***	***	***	***	***	***	***	***
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***

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

Note: Product 4: Single ply, 300 denier, 68 to 72 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

**Figure V-5**

**PTY: Weighted-average prices and quantities of domestic and imported product 4, by quarter**

**Price of product 4**

\* \* \* \* \*

**Volume of product 4**

\* \* \* \* \*

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

Note: Product 4: Single ply, 300 denier, 68 to 72 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.



## Import purchase cost data

Six importers reported useable import purchase cost data for products 1-4. Purchase cost data reported by these firms accounted for 2.4 percent of imports from Indonesia, 29.6 percent of imports from Malaysia, 0.0 percent of imports from Thailand, and 0.0 percent of imports from Vietnam in 2020. Landed duty paid purchase cost data for imports from Indonesia, Malaysia, Thailand, and Vietnam are presented in tables V-8 to V-11, along with U.S. producers' sales prices.<sup>10</sup>

Importers reporting import purchase cost data were asked to provide additional information regarding the costs and benefits of directly importing PTY.<sup>11</sup> Importer \*\*\* reported that it incurred additional costs of \*\*\* percent beyond landed duty-paid costs by importing PTY directly rather than purchasing from a U.S. producer or U.S. importer. Firms were also asked to identify specific additional costs they incurred as a result of importing PTY. \*\*\* reported that such costs include logistics.

Firms were also asked to describe how these additional costs incurred by importing PTY directly compares with additional costs incurred when purchasing from a U.S. producer or U.S. importer. \*\*\* stated that the costs would not be incurred when purchasing from a domestic producer.<sup>12</sup>

Six importers reported that they compare costs of importing to the cost of purchasing from a U.S. producer in determining whether to import PTY, eight importers compare costs to purchasing from a U.S. importer, and five importers do not compare costs of purchasing from either U.S. producers or importers.<sup>13</sup>

Ten importers identified benefits from importing PTY directly instead of purchasing from U.S. producers or importers, including alleged higher quality of imported PTY, cost savings, and the lack of availability of specific products from domestic producers.

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<sup>10</sup> LDP import value does not include any potential additional costs that a purchaser may incur by importing rather than purchasing from another importer or U.S. producer. Price-cost differences are based on LDP import values whereas margins of underselling/overselling are based on importer sales prices.

<sup>11</sup> Some importers answered these questions even though they did not provide cost data on the four pricing products.

<sup>12</sup> Additionally, importer \*\*\*, which \*\*\*, \*\*\* also stated that the price of imported PTY is "more competitive" than that of U.S.-produced PTY, and that the imported PTY was "much higher" quality.

<sup>13</sup> Not all of these firms provided cost data on the four pricing products.

A majority of firms indicated that the import cost (both excluding and including additional costs) of PTY they imported are lower than the price of purchasing PTY from a U.S. producer or importer.

Five importers estimated that they saved between \*\*\* percent of the purchase price by importing PTY rather than purchasing from a U.S. importer, and two estimated saving between \*\*\* percent compared to purchasing the product from a U.S. producer.<sup>14</sup>

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<sup>14</sup> Two of these firms (\*\*\*) did not provide import cost data on the pricing products. \*\*\* reported imports for internal consumption, but \*\*\* did not. Additionally, five firms reported that they based their estimates on previous company transactions, and one reported basing its estimates on market research. One importer reported that it did not know how much U.S.-produced PTY costs, and one purchaser reported that its estimates were based on a “guess.”

**Table V-8**

**PTY: Import landed duty-paid purchase costs and domestic prices, quantities of product 1, and price-cost differentials, by quarter**

Price and LDP value in dollars per pound, quantity in pounds, margin and price-cost differential in percent.

Period	U.S. price	U.S. quantity	Indonesia LDP value	Indonesia quantity	Indonesia Price-cost differential	Malaysia LDP value	Malaysia quantity	Malaysia Price-cost differential
2018 Q1	***	***	***	***	***	***	***	***
2018 Q2	***	***	***	***	***	***	***	***
2018 Q3	***	***	***	***	***	***	***	***
2018 Q4	***	***	***	***	***	***	***	***
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***

Period	Thailand LDP value	Thailand quantity	Thailand Price-cost differential	Vietnam LDP value	Vietnam quantity	Vietnam Price-cost differential
2018 Q1	***	***	***	***	***	***
2018 Q2	***	***	***	***	***	***
2018 Q3	***	***	***	***	***	***
2018 Q4	***	***	***	***	***	***
2019 Q1	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***

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

Note: Product 1: Single ply, 150 denier, 34 to 48 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

Note: U.S. producer price data is the same as that presented in table V-4.

**Figure V-6**

**PTY: U.S. producer prices and import purchase costs, and quantities, of product 1, by quarter**

**U.S. price and import purchase cost of product 1**

\* \* \* \* \*

**Volume of product 1**

\* \* \* \* \*

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

Note: Product 1: Single ply, 150 denier, 34 to 48 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

**Table V-9****PTY: Import landed duty-paid purchase costs and domestic prices, quantities of product 2, and price-cost differentials, by quarter**

Price and LDP value in dollars per pound, quantity in pounds, margin and price-cost differential in percent.

Period	U.S. price	U.S. quantity	Malaysia LDP value	Malaysia quantity	Malaysia Price-cost differential	Vietnam LDP value	Vietnam quantity	Vietnam Price-cost differential
2018 Q1	***	***	***	***	***	***	***	***
2018 Q2	***	***	***	***	***	***	***	***
2018 Q3	***	***	***	***	***	***	***	***
2018 Q4	***	***	***	***	***	***	***	***
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***

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

Note: Product 2: Single ply, 70 denier, 34 to 48 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

Note: U.S. producer price data is the same as that presented in table V-5.

**Figure V-7**

**PTY: U.S. producer prices and import purchase costs, and quantities, of product 2, by quarter**

**U.S. price and import purchase cost of product 2**

\* \* \* \* \*

**Volume of product 2**

\* \* \* \* \*

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

Note: Product 2: Single ply, 70 denier, 34 to 48 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

**Table V-10****PTY: Import landed duty-paid purchase costs and domestic prices, quantities of product 3, and price-cost differentials, by quarter**

Price and LDP value in dollars per pound, quantity in pounds, margin and price-cost differential in percent.

<b>Period</b>	<b>U.S. price</b>	<b>U.S. quantity</b>	<b>Malaysia LDP value</b>	<b>Malaysia quantity</b>	<b>Malaysia Price-cost differential</b>
2018 Q1	***	***	***	***	***
2018 Q2	***	***	***	***	***
2018 Q3	***	***	***	***	***
2018 Q4	***	***	***	***	***
2019 Q1	***	***	***	***	***
2019 Q2	***	***	***	***	***
2019 Q3	***	***	***	***	***
2019 Q4	***	***	***	***	***
2020 Q1	***	***	***	***	***
2020 Q2	***	***	***	***	***
2020 Q3	***	***	***	***	***
2020 Q4	***	***	***	***	***
2021 Q1	***	***	***	***	***
2021 Q2	***	***	***	***	***

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

Note: Product 3: Single ply, 70 denier, 68 to 72 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

Note: U.S. producer price data is the same as that presented in table V-6.

**Figure V-8**

**PTY: U.S. producer prices and import purchase costs, and quantities, of product 3, by quarter**

**U.S. price and import purchase cost of product 3**

\* \* \* \* \*

**Volume of product 3**

\* \* \* \* \*

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

Note: Product 3: Single ply, 70 denier, 68 to 72 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.



**Table V-11****PTY: Import landed duty-paid purchase costs and domestic prices, quantities of product 4, and price-cost differentials, by quarter**

Price and LDP value in dollars per pound, quantity in pounds, margin and price-cost differential in percent.

Period	U.S. price	U.S. quantity	Indonesia LDP value	Indonesia quantity	Indonesia Price-cost differential	Malaysia LDP value	Malaysia quantity	Malaysia Price-cost differential
2018 Q1	***	***	***	***	***	***	***	***
2018 Q2	***	***	***	***	***	***	***	***
2018 Q3	***	***	***	***	***	***	***	***
2018 Q4	***	***	***	***	***	***	***	***
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***

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

Note: Product 4: Single ply, 300 denier, 68 to 72 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

Note: U.S. producer price data is the same as that presented in table V-7.

**Figure V-9**

**PTY: U.S. producer prices and import purchase costs, and quantities, of product 4, by quarter**

**U.S. price and import purchase cost of product 4**

\* \* \* \* \*

**Volume of product 4**

\* \* \* \* \*

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

Note: Product 4: Single ply, 300 denier, 68 to 72 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

## Price and purchase cost trends

In general, U.S. prices increased during January 2018-June 2020. Table V-12 summarizes the price trends, by country and by product. As shown in the table, domestic price increases (on products 1-3) ranged from 1.6 to 15.0 percent during January 2018-June 2021 while the domestic price decrease for product 4 was \*\*\* percent. Import price trends varied widely, from decreases of 13.7 to 59.4 percent<sup>15</sup> to increases of 20.7 to 29.2 percent. Landed duty-paid cost increases ranged from 0.1 to 24.3 percent, and there was one decrease of 7.0 percent.

**Table V-12**

**PTY: Number of quarters containing observations, low price/cost, high price/cost, and change in price/cost over period, by product and country**

Quantity in pounds, price in dollars per pound

Product	Source	Number of quarters	Quantity	Low price/cost (dollars per pound)	High price/cost (dollars per pound)	First quarter price	Last quarter price	Percent change in price/cost over period
Product 1	United States	***	***	***	***	***	***	***
Product 1	Indonesia price	***	***	***	***	***	***	***
Product 1	Indonesia cost	***	***	***	***	***	***	***
Product 1	Malaysia price	***	***	***	***	***	***	***
Product 1	Malaysia cost	***	***	***	***	***	***	***
Product 1	Thailand price	***	***	***	***	***	***	***
Product 1	Thailand cost	***	***	***	***	***	***	***
Product 1	Vietnam price	***	***	***	***	***	***	***
Product 1	Vietnam cost	***	***	***	***	***	***	***
Product 2	United States	***	***	***	***	***	***	***
Product 2	Indonesia price	***	***	***	***	***	***	***
Product 2	Malaysia price	***	***	***	***	***	***	***
Product 2	Malaysia cost	***	***	***	***	***	***	***
Product 2	Thailand price	***	***	***	***	***	***	***
Product 2	Vietnam price	***	***	***	***	***	***	***
Product 2	Vietnam cost	***	***	***	***	***	***	***

Table continued next page.

<sup>15</sup> Some of these decreases reflect \*\*\*.

**Table V-12--Continued**

**PTY: Number of quarters containing observations, low price/cost, high price/cost, and change in price/cost over period, by product and country**

Quantity in pounds, price in dollars per pound

Product	Source	Number of quarters	Quantity	Low price/cost (dollars per pound)	High price/cost (dollars per pound)	First quarter price	Last quarter price	Percent change in price/cost over period
Product 3	United States	***	***	***	***	***	***	***
Product 3	Indonesia price	***	***	***	***	***	***	***
Product 3	Malaysia cost	***	***	***	***	***	***	***
Product 3	Thailand price	***	***	***	***	***	***	***
Product 3	Vietnam price	***	***	***	***	***	***	***
Product 4	United States	***	***	***	***	***	***	***
Product 4	Indonesia price	***	***	***	***	***	***	***
Product 4	Indonesia cost	***	***	***	***	***	***	***
Product 4	Malaysia cost	***	***	***	***	***	***	***
Product 4	Thailand price	***	***	***	***	***	***	***

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

Note: Percentage change from the first quarter in which data were available in 2018 to the last quarter in which data were available in 2021.

At the hearing, petitioners stated that they tried to raise prices after the preliminary-phase bond requirements went into effect but were unable do so because purchasers could obtain less-expensive subject imports.<sup>16</sup>

<sup>16</sup> Hearing transcript, pp. 86-88 (Johnson, Freeman, Mangaldas).

## Price and purchase cost comparisons

### Price comparisons

As shown in tables V-13 and V-14, prices for product imported from subject countries were below those for U.S.-produced product in 119 of 128 instances (39.8 million pounds); margins of underselling ranged from 3.4 to 58.4 percent. In the remaining 9 instances (42 thousand pounds), prices for product from subject countries were between 16.4 and 543.1 percent above prices for the domestic product.

**Table V-13**  
**PTY: Instances of underselling/overselling and the range and average of margins, by product**

Quantity in pounds; margins in percent

Source	Type	Number of quarters	Quantity	Average margin	Min margin	Max margin
Product 1	Underselling	***	***	***	***	***
Product 2	Underselling	***	***	***	***	***
Product 3	Underselling	***	***	***	***	***
Product 4	Underselling	***	***	***	***	***
Total, underselling	Underselling	119	39,837,915	31.1	3.4	58.4
Product 1	Overselling	***	***	***	***	***
Product 2	Overselling	***	***	***	***	***
Product 3	Overselling	***	***	***	***	***
Product 4	Overselling	***	***	***	***	***
Total, overselling	Overselling	9	42,020	(138.8)	(16.4)	(543.1)

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-14**  
**PTY: Instances of underselling and the range and average of margins, by source**

Quantity in pounds; margins in percent

Source	Type	Number of quarters	Quantity	Average margin	Min margin	Max margin
Indonesia	Underselling	***	***	***	***	***
Malaysia	Underselling	***	***	***	***	***
Thailand	Underselling	***	***	***	***	***
Vietnam	Underselling	***	***	***	***	***
Total, underselling	Underselling	119	39,837,915	31.1	3.4	58.4
Indonesia	Overselling	***	***	***	***	***
Malaysia	Overselling	***	***	***	***	***
Thailand	Overselling	***	***	***	***	***
Vietnam	Overselling	***	***	***	***	***
Total, overselling	Overselling	9	42,020	(138.8)	(16.4)	(543.1)

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.

### Price-cost comparisons

As shown in tables V-15 and V-16, landed duty-paid costs for PTY imported from subject countries were below the sales price for U.S.-produced product in 43 of 58 instances (10.4 million pounds); price-cost differentials ranged from 0.1 to 63.7 percent. In the remaining 15 instances (613 thousand pounds), landed duty-paid costs for PTY from subject countries were between 0.0 and 268.3 percent above sales prices for the domestic product.

**Table V-15**

**PTY: Instances of lower/higher import purchase costs and the range and average of price-cost differentials, by product**

Quantity in pounds; price-cost differentials in percent

Source	Type	Number of quarters	Quantity	Average price-cost differential	Min price-cost differential	Max price-cost differential
Product 1	Lower	***	***	***	***	***
Product 2	Lower	***	***	***	***	***
Product 3	Lower	***	***	***	***	***
Product 4	Lower	***	***	***	***	***
Total, lower	Lower	43	10,413,784	29.1	0.1	63.7
Product 1	Higher	***	***	***	***	***
Product 2	Higher	***	***	***	***	***
Product 3	Higher	***	***	***	***	***
Product 4	Higher	***	***	***	***	***
Total, higher	Higher	15	612,959	(44.6)	(0.0)	(268.3)

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

Note: These data include only quarters in which there is a comparison between the U.S. and subject product.

Note: Differentials marked higher indicate that the purchase cost data for that subject source is higher than U.S. prices, and differentials marked lower indicate that the purchase cost data for that subject source is lower than U.S. prices

**Table V-16****PTY: Instances of lower/higher import purchase costs and the range and average of price-cost differentials, by source**

Quantity in pounds; price-cost differentials in percent

Source	Type	Number of quarters	Quantity	Average price-cost differential	Min price-cost differential	Max price-cost differential
Indonesia	Lower	***	***	***	***	***
Malaysia	Lower	***	***	***	***	***
Thailand	Lower	***	***	***	***	***
Vietnam	Lower	***	***	***	***	***
Total, lower	Lower	43	10,413,784	29.1	0.1	63.7
Indonesia	Higher	***	***	***	***	***
Malaysia	Higher	***	***	***	***	***
Thailand	Higher	***	***	***	***	***
Vietnam	Higher	***	***	***	***	***
Total, higher	Higher	15	612,959	(44.6)	(0.0)	(268.3)

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

Note: differentials marked higher indicate that the purchase cost data for that subject source is higher than U.S. prices, and differentials marked lower indicate that the purchase cost data for that subject source is lower than U.S. prices

Note: These data include only quarters in which there is a comparison between the U.S. and subject product. \*\*\*.

## Lost sales and lost revenue

In the preliminary phase of these investigations, the Commission requested that U.S. producers of PTY report purchasers with which they experienced instances of lost sales or revenue due to competition from imports of PTY from Indonesia, Malaysia, Thailand, and Vietnam during January 2018-June 2021. Two U.S. producers submitted lost sales and lost revenue allegations, identifying 21 firms with which they lost sales.

In the final phase of these investigations, of the five responding U.S. producers, three (\*\*\*) reported that they had to either reduce prices or roll back announced price increases, and the same three firms reported that they had lost sales. \*\*\* reported that they had not.



Staff contacted 53 purchasers and received responses from 22 purchasers.<sup>17</sup> Responding purchasers reported purchasing 203,538 pounds of PTY during January 2018-June 2021 (table V-17).<sup>18</sup>

Of the 22 responding purchasers, 15 reported that, since 2018, they had purchased imported PTY from Indonesia, Malaysia, Thailand, and/or Vietnam instead of U.S.-produced product. Twelve of these purchasers reported that subject import prices were lower than U.S.-produced product, and five of these purchasers reported that price was a primary reason for the decision to purchase imported product rather than U.S.-produced product. Five purchasers estimated the quantity of PTY from Indonesia, Malaysia, Thailand, and/or Vietnam purchased instead of domestic product; quantities ranged from \*\*\* thousand pounds to \*\*\* thousand pounds (tables V-18 and V-19). Purchasers identified quality, an alleged lack of domestic capacity, importers' ability to hold inventory, and an inability of domestic producers to meet customer specifications as non-price reasons for purchasing imported rather than U.S.-produced product.

Of the 22 responding purchasers, 8 reported that U.S. producers had not reduced prices in order to compete with lower-priced imports from subject countries, while 13 reported that they did not know if any had done so. One purchaser, \*\*\*, stated that U.S. producers had lowered prices 15 percent due to competition from Indonesian imports. No purchasers indicated that U.S. producers had reduced prices in order to compete with lower-priced subject imports.

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<sup>17</sup> Four purchasers submitted lost sales lost revenue survey responses in the preliminary phase but did not submit purchaser questionnaire responses in the final phase.

<sup>18</sup> Additionally, at the hearing, Unifi stated that it lost a major automotive customer over 2018 to 2019. Hearing transcript, p. 123 (Mangaldas). \*\*\*. See also part VII.



**Table V-18**  
**PTY: Purchasers' responses to purchasing subject imports instead of domestic product**

Quantity in 1,000 pounds

Purchaser	Purchased subject imports instead of domestic	Imports priced lower	Choice based on price	Quantity	Explanation
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***

Table continued on next page.

**Table V-18---Continued**

**PTY: Purchasers' responses to purchasing subject imports instead of domestic product**

Quantity in 1,000 pounds

<b>Purchaser</b>	<b>Purchased subject imports instead of domestic</b>	<b>Imports priced lower</b>	<b>Choice based on price</b>	<b>Quantity</b>	<b>Explanation</b>
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All firms	Yes--15; No--6	Yes--12; No--2	Yes--5; No--10	***	NA

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

**Table V-19**

**PTY: Purchasers' responses to purchasing subject imports instead of domestic product, by country**

Quantity in 1,000 pounds

<b>Source</b>	<b>Count of purchasers reporting subject instead of domestic</b>	<b>Count of purchasers reported that imports were priced lower</b>	<b>Count of purchasers reporting that price was a primary reason for shift</b>	<b>Quantity</b>
Indonesia	***	***	***	***
Malaysia	***	***	***	***
Thailand	***	***	***	***
Vietnam	***	***	***	***
Any subject source	***	***	***	***

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

\*\*\* 19

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<sup>19</sup> See \*\*\*.

# Part VI: Financial experience of U.S. producers

## Background<sup>1</sup>

Six U.S. producers provided usable financial results on their total and merchant market operations of PTY: CS America, Milliken, Nan Ya, Sage Automotive, Sapona, and Unifi.<sup>2</sup> All but one U.S. producer \*\*\* reported financial data on a calendar year basis and all U.S. producers provided their financial data on the basis of GAAP.<sup>3</sup> The questionnaire responses are believed to account for the large majority of U.S. producers' sales of PTY.<sup>4</sup>

Commercial sales represent the substantial majority (\*\*\*) percent) of U.S. producers' total revenue in 2020. The remaining revenue (\*\*\*) percent) reflects internal consumption reported by \*\*\*, with these U.S. producers using \*\*\*.<sup>5</sup> \*\*\* reported \*\*\*

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<sup>1</sup> The following abbreviations may be used in the tables and/or text of this section: generally accepted accounting principles ("GAAP"), fiscal year ("FY"), net sales ("NS"), cost of goods sold ("COGS"), selling, general, and administrative expenses ("SG&A expenses"), average unit values ("AUVs"), research and development ("R&D") expenses, and return on assets ("ROA").

<sup>2</sup> Staff conducted a verification of Unifi's U.S. producer questionnaire. \*\*\*. Staff verification report, Unifi, October 22, 2021.

<sup>3</sup> \*\*\*.

<sup>4</sup> Sapona sold assets of the company on April 30, 2021 to Universal Fibers Systems, LLC \*\*\*. The new company, called Sapona Yarns, LLC, is continuing the manufacturing of polyester textured yarn as well as other products at the Asheboro, North Carolina facility. \*\*\* U.S. producer questionnaire, II-2 and III-15; emails from \*\*\*, September 7-9, 2021; and, Universal Fiber Systems' external communication, EDIS Doc. 751714 (May 17, 2021).

<sup>5</sup> \*\*\*. Email from \*\*\*, December 4, 2020 and \*\*\* U.S. producer questionnaire, III-4 and IV-21.

<sup>6</sup> \*\*\*. \*\*\* U.S. producer questionnaire, II-7 and II-17; emails from \*\*\*, September 7, 2021.

transfers to related firms \*\*\*.<sup>7</sup> Figure VI-1 presents each responding firm's share of the net sales quantity in 2020 for the total market (inclusive of commercial sales, internal consumption, and transfers to related firms) and figure VI-2 presents each firm's share of commercial sales in 2020 for the merchant market.

**Figure VI-1**  
**PTY: Total market share of net sales quantity in 2020, by firm**

\* \* \* \* \*

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

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<sup>7</sup> \*\*\*. \*\*\* differences in classification of transfers in the trade and financial sections had no impact on reconciliation of shipments/net sales in the aggregate. Email from \*\*\*, November 24, 2020 and \*\*\*, October 22, 2021.

**Figure VI-2**  
**PTY: Merchant market share of commercial sales quantity in 2020, by firm**

\* \* \* \* \*

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

## Operations on PTY

Table VI-1 presents aggregated data on U.S. producers' total market operations in relation to PTY, while table VI-2 presents corresponding changes in AUVs. Table VI-3 presents aggregated data specific to the merchant market (commercial sales only) and table VI-4 presents corresponding changes in AUVs in the merchant market. Appendix tables E-1 and E-2 present selected company-specific financial data on the total and merchant market operations, respectively.<sup>8</sup> Differences in AUVs of sales and costs are largely attributable to differences in product mix and level of vertical integration among producers as well as the impact of COVID-19 on sales of PTY in 2020.<sup>9</sup>

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<sup>8</sup> The discussion of AUVs for the total market mostly mirror those of the merchant market because the two producers (\*\*\*) that reported internal consumption either used merchant market sales or standard costing to derive the values at the PTY level. \*\*\*. See footnotes 4 and 5 in this section of the report.

<sup>9</sup> Five of six U.S. producers cited negative impact on financial performance and/or production as a result of COVID-19, due to reduced demand for polyester texture yarn and downstream products (e.g., automobile fabric). One company (\*\*\*) noted a state government-mandated shutdown in mid-April 2020, while \*\*\* stated that its three weeks production curtailment in April 2020 was the result of business conditions and not due to mandatory closure. Most U.S. producers noted that the demand for PTY has increased starting in the second half of 2020; however, one U.S. producer \*\*\* cited continued reduction in sales of approximately 15 percent from the semiconductor shortage since its customers are primarily tied to the downstream demand for seat covers in new automobiles. Two U.S. producers (\*\*\*) were able to pivot some production to PPE in 2020 to employ workers. \*\*\* reported the largest reduction in operations, laying off \*\*\* percent of its workers in 2020 but has since recalled these workers. U.S. producer questionnaires, II-2b and III-18; emails from \*\*\*, September 7, 2021; and emails from \*\*\*, September 7-9, 2021.



**Table VI-1****PTY: Results of total market operations of U.S. producers, by item and period**

Quantity in 1,000 pounds; value in 1,000 dollars; ratios in percent and represent ratio to net sales

Item	Measure	2018	2019	2020	Jan-June 2020	Jan-June 2021
Commercial sales	Quantity	***	***	***	***	***
Internal consumption	Quantity	***	***	***	***	***
Transfers to related firms	Quantity	***	***	***	***	***
Total net sales	Quantity	202,090	186,297	156,436	78,097	86,681
Commercial sales	Value	***	***	***	***	***
Internal consumption	Value	***	***	***	***	***
Transfers to related firms	Value	***	***	***	***	***
Total net sales	Value	341,313	315,596	252,689	129,182	142,898
Raw material costs	Value	203,449	190,601	150,738	74,821	85,587
Direct labor costs	Value	41,581	41,711	36,849	18,909	22,695
Other factory costs	Value	67,658	69,906	57,532	32,446	35,563
Cost of goods sold	Value	312,688	302,218	245,119	126,176	143,846
Gross profit or (loss)	Value	28,625	13,378	7,570	3,006	(948)
SG&A expenses	Value	22,918	18,202	17,603	8,713	9,504
Operating income or (loss)	Value	5,707	(4,824)	(10,033)	(5,707)	(10,452)
Other expense / (income), net	Value	***	***	***	***	***
Net income or (loss)	Value	***	***	***	***	***
Depreciation/amortization	Value	***	***	***	***	***
Cash flow	Value	***	***	***	***	***
Raw material costs	Ratio	59.6	60.4	59.7	57.9	59.9
Direct labor costs	Ratio	12.2	13.2	14.6	14.6	15.9
Other factory costs	Ratio	19.8	22.2	22.8	25.1	24.9
Cost of goods sold	Ratio	91.6	95.8	97.0	97.7	100.7
Gross profit	Ratio	8.4	4.2	3.0	2.3	(0.7)
SG&A expense	Ratio	6.7	5.8	7.0	6.7	6.7
Operating income or (loss)	Ratio	1.7	(1.5)	(4.0)	(4.4)	(7.3)
Net income or (loss)	Ratio	***	***	***	***	***

Table continued on next page.

**Table VI-1 Continued****PTY: Results of total market operations of U.S. producers, by item and period**

Shares in percent and represent the share of COGS; unit values in dollars per pound; count in number of firms reporting

Item	Measure	2018	2019	2020	Jan-June 2020	Jan-June 2021
Raw material costs	Share	65.1	63.1	61.5	59.3	59.5
Direct labor costs	Share	13.3	13.8	15.0	15.0	15.8
Other factory costs	Share	21.6	23.1	23.5	25.7	24.7
Cost of goods sold	Share	100.0	100.0	100.0	100.0	100.0
Commercial sales	Unit value	***	***	***	***	***
Internal consumption	Unit value	***	***	***	***	***
Transfers to related firms	Unit value	***	***	***	***	***
Total net sales	Unit value	1.69	1.69	1.62	1.65	1.65
Raw material costs	Unit value	1.01	1.02	0.96	0.96	0.99
Direct labor costs	Unit value	0.21	0.22	0.24	0.24	0.26
Other factory costs	Unit value	0.33	0.38	0.37	0.42	0.41
Cost of goods sold	Unit value	1.55	1.62	1.57	1.62	1.66
Gross profit or (loss)	Unit value	0.14	0.07	0.05	0.04	(0.01)
SG&A expenses	Unit value	0.11	0.10	0.11	0.11	0.11
Operating income or (loss)	Unit value	0.03	(0.03)	(0.06)	(0.07)	(0.12)
Net income or (loss)	Unit value	***	***	***	***	***
Operating losses	Count	***	***	***	***	***
Net losses	Count	***	***	***	***	***
Data	Count	***	***	***	***	***

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

**Table VI-2**  
**PTY: Changes in AUVs of total market operations between comparison periods**

Changes in percent

Item	2018-20	2018-19	2019-20	Jan-June 2020-21
Commercial sales	▼***	▼***	▼***	▲***
Internal consumption	▲***	▲***	▲***	▼***
Transfers to related firms	▼***	▼***	▼***	▼***
Total net sales	▼(4.4)	▲0.3	▼(4.6)	▼(0.3)
Raw material costs	▼(4.3)	▲1.6	▼(5.8)	▲3.1
Direct labor costs	▲14.5	▲8.8	▲5.2	▲8.1
Other factory costs	▲9.8	▲12.1	▼(2.0)	▼(1.2)
Cost of goods sold	▲1.3	▲4.8	▼(3.4)	▲2.7

Table continued.

**Table VI-2 Continued**  
**PTY: Changes in AUVs of total market operations between comparison periods**

Changes in dollars per pound

Item	2018-20	2018-19	2019-20	Jan-June 2020-21
Commercial sales	▼***	▼***	▼***	▲***
Internal consumption	▲***	▲***	▲***	▼***
Transfers to related firms	▼***	▼***	▼***	▼***
Total net sales	▼(0.1)	▲0.0	▼(0.1)	▼(0.0)
Raw material costs	▼(0.0)	▲0.0	▼(0.1)	▲0.0
Direct labor costs	▲0.0	▲0.0	▲0.0	▲0.0
Other factory costs	▲0.0	▲0.0	▼(0.0)	▼(0.0)
Cost of goods sold	▲0.0	▲0.1	▼(0.1)	▲0.0
Gross profit or (loss)	▼(0.1)	▼(0.1)	▼(0.0)	▼(0.0)
SG&A expense	▼(0.0)	▼(0.0)	▲0.0	▼(0.0)
Operating income or (loss)	▼(0.1)	▼(0.1)	▼(0.0)	▼(0.0)
Net income or (loss)	▼***	▼***	▼***	▼***

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

**Table VI-3****PTY: Results of merchant market operations of U.S. producers, by item and period**

Quantity in 1,000 pounds; value in 1,000 dollars; ratios in percent and represent ratio to net sales

Item	Measure	2018	2019	2020	Jan-June 2020	Jan-June 2021
Commercial sales	Quantity	***	***	***	***	***
Commercial sales	Value	***	***	***	***	***
Raw material costs	Value	***	***	***	***	***
Direct labor costs	Value	***	***	***	***	***
Other factory costs	Value	***	***	***	***	***
Cost of goods sold	Value	***	***	***	***	***
Gross profit or (loss)	Value	***	***	***	***	***
SG&A expenses	Value	***	***	***	***	***
Operating income or (loss)	Value	***	***	***	***	***
Other expense / (income), net	Value	***	***	***	***	***
Net income or (loss)	Value	***	***	***	***	***
Depreciation/amortization	Value	***	***	***	***	***
Cash flow	Value	***	***	***	***	***
Raw material costs	Ratio	***	***	***	***	***
Direct labor costs	Ratio	***	***	***	***	***
Other factory costs	Ratio	***	***	***	***	***
Cost of goods sold	Ratio	***	***	***	***	***
Gross profit	Ratio	***	***	***	***	***
SG&A expense	Ratio	***	***	***	***	***
Operating income or (loss)	Ratio	***	***	***	***	***
Net income or (loss)	Ratio	***	***	***	***	***

Table continued on next page.

**Table VI-3 Continued****PTY: Results of merchant market operations of U.S. producers, by item and period**

Shares in percent and represent the share of COGS; unit values in dollars per pound; count in number of firms reporting

Item	Measure	2018	2019	2020	Jan-June 2020	Jan-June 2021
Raw material costs	Share	***	***	***	***	***
Direct labor costs	Share	***	***	***	***	***
Other factory costs	Share	***	***	***	***	***
Cost of goods sold	Share	***	***	***	***	***
Commercial sales	Unit value	***	***	***	***	***
Raw material costs	Unit value	***	***	***	***	***
Direct labor costs	Unit value	***	***	***	***	***
Other factory costs	Unit value	***	***	***	***	***
Cost of goods sold	Unit value	***	***	***	***	***
Gross profit or (loss)	Unit value	***	***	***	***	***
SG&A expenses	Unit value	***	***	***	***	***
Operating income or (loss)	Unit value	***	***	***	***	***
Net income or (loss)	Unit value	***	***	***	***	***
Operating losses	Count	***	***	***	***	***
Net losses	Count	***	***	***	***	***
Data	Count	***	***	***	***	***

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

**Table VI-4**  
**PTY: Changes in AUVs of merchant market operations between comparison periods**

Changes in percent

Item	2018-20	2018-19	2019-20	Jan-June 2020-21
Commercial sales	▼***	▼***	▼***	▲***
Raw material costs	▼***	▼***	▼***	▲***
Direct labor costs	▲***	▲***	▲***	▲***
Other factory costs	▲***	▲***	▲***	▼***
Cost of goods sold	▼***	▲***	▼***	▼***

Table continued.

**Table VI-4 Continued**  
**PTY: Changes in AUVs of merchant market operations between comparison periods**

Changes in dollars per pound

Item	2018-20	2018-19	2019-20	Jan-June 2020-21
Commercial sales	▼***	▼***	▼***	▲***
Raw material costs	▼***	▼***	▼***	▲***
Direct labor costs	▲***	▲***	▲***	▲***
Other factory costs	▲***	▲***	▲***	▼***
Cost of goods sold	▼***	▲***	▼***	▼***
Gross profit or (loss)	▼***	▼***	▼***	▲***
SG&A expense	▼***	▼***	▲***	▼***
Operating income or (loss)	▼***	▼***	▼***	▲***
Net income or (loss)	▼***	▼***	▼***	▲***

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

## Net sales

As shown in table VI-1, total net sales includes commercial sales, internal consumption, and transfers to related firms. Tables VI-1 and VI-3 show that PTY sales volume and value for both categories of operations (total and merchant market) declined throughout 2018 to 2020, but were higher in January to June 2021 (“interim 2021”) than in January to June 2020 (“interim 2020”). As presented in tables E-1 and E-2, U.S. producers reported declining sales volume and value from 2018 to 2020, primarily reflecting declines in both U.S. commercial sales and export sales.<sup>10</sup> Interim period comparisons were mixed; \*\*\* reported large gains in commercial sales volume and value while \*\*\* reported higher commercial sales volume but lower value. \*\*\* reported lower commercial sales volume and value in interim 2021 than in interim 2020.

As shown in tables VI-1 and VI-3, the per-pound AUV for the total market were the same in 2018 and 2019 but decline in 2020 while commercial sales AUVs declined each year from 2018 to 2020. Total market AUVs were the same while commercial sales AUVs increased in interim 2021 than in interim 2020. On a company-specific basis, individual U.S. producers reported mixed commercial sales AUVs from 2018 to 2019 and from 2019 to 2020.<sup>11</sup> Appendix tables E-1 and E-2 show that \*\*\* generally reported the highest per-pound commercial sales values throughout the period and \*\*\* generally reported the lowest AUVs.<sup>12</sup>

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<sup>10</sup> \*\*\* is the only U.S. producer reporting fluctuating sales from 2018 to 2020 for both the total and merchant markets, with increases in both sales quantity and volume from 2018 to 2019, but declined overall from 2018 to 2020. \*\*\* reported declines in net sales (\*\*\*) from 2018 to 2020 but reported fluctuating commercial sales \*\*\*.

<sup>11</sup> U.S. producers \*\*\* reported declining commercial sales AUVs each year from 2018 to 2020. \*\*\* reported fluctuating commercial sales AUVs from 2018 to 2020. \*\*\* is the only U.S. producer reporting increasing commercial sales AUVs each year from 2018 to 2020. In the interim periods, only \*\*\* reported higher commercial sales AUVs in interim 2021 than in interim 2020.

<sup>12</sup> In 2020, the highest commercial sales AUVs were reported by \*\*\*. \*\*\* variations of commercial sales AUVs during the reporting period are partially attributable to its consolidation in 2017 and subsequent expansion efforts in 2019 and 2020. For \*\*\*, its commercial sales AUVs reflect sales \*\*\* throughout the reporting period (see footnote 4 in this section of the report).

## Cost of goods sold and gross profit or loss

Raw materials accounted for the largest share of overall COGS in each year and partial year period for both the total and merchant markets. Purchased partially oriented yarn (“POY”) accounted for the majority of raw material costs followed by internally-produced POY for the total market while internally-produced POY accounted for the majority in the merchant market in 2020.<sup>13 14</sup> While U.S. producers vary in terms of the level of material input integration, the production of PTY was generally described as capital intensive with a corresponding incentive to maintain high capacity utilization. Tables VI-5 and VI-6 present raw materials, by type, for the total and merchant markets, respectively.

**Table VI-5**  
**PTY: Total market raw material costs in 2020**

Value in 1,000 dollars; unit values in dollars per pound; share of value in percent

Item	Value	Unit value	Share of value
Cost of internally-produced PET resin	***	***	***
Purchased PET resin	***	***	***
Cost of internally-produced POY	***	***	***
Purchased POY	***	***	***
Other materials inputs	***	***	***
Total raw materials	150,738	0.96	100.0

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

<sup>13</sup> Internally-produced polyethylene terephthalate (“PET”) resin accounted for \*\*\* percent of raw material costs in the merchant market and reflects \*\*\*. \*\*\* during the period.

<sup>14</sup> Purchased PET resin accounted for \*\*\* percent of overall raw material costs in the merchant market and was \*\*\*. \*\*\*. \*\*\* during the period. Email from \*\*\*, September 15, 2021.



**Table VI-6**  
**PTY: Merchant market raw material costs in 2020**

Value in 1,000 dollars; unit values in dollars per pound; share of value in percent

Item	Value	Unit value	Share of value
Cost of internally-produced PET resin	***	***	***
Purchased PET resin	***	***	***
Cost of internally-produced POY	***	***	***
Purchased POY	***	***	***
Other materials inputs	***	***	***
Total raw material	***	***	***

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

Company-specific per-pound raw material costs vary depending on the level of vertical integration and the form of primary inputs used to produce PTY.<sup>15 16 17</sup> As shown in table VI-1, per-pound raw material costs in the total market fluctuated; increasing from \$1.01 in 2018 to \$1.02 in 2019 before decreasing to \$0.96 in 2020. Raw material AUVs were higher in interim 2021 than during the same period in 2020.<sup>18</sup> Table VI-3 shows that the cost of raw materials per-pound in the merchant market decreased each year from \$\*\*\* in 2018 to \$\*\*\* in 2019 and then down to \$\*\*\* in 2020; raw material AUVs were slightly higher in interim 2021 (\$\*\*\*) than in interim 2020 (\$\*\*\*).

Direct labor was the smallest component of COGS, accounting for between 13.3 to 15.0 percent and \*\*\* percent to \*\*\* percent as a share of total COGS from 2018 to 2020 for the total and merchant markets, respectively (tables VI-1 and VI-3). The per-pound cost of

<sup>15</sup> \*\*\* raw materials costs per pound, ranging from \$\*\*\* to \$\*\*\* (all in the form of internally-produced PET resin). \*\*\* raw materials are MEG and PTA which is processed first into PET resin, then the PET resin is processed into POY before being converted into PTY. \*\*\*'s U.S. producer questionnaire, III-7 and III-9b.

<sup>16</sup> \*\*\* raw material costs are related to \*\*\*. \*\*\*'s U.S. producer questionnaire, III-7 and III-9b.

<sup>17</sup> \*\*\* reported that their primary raw material cost reflects purchased POY.

<sup>18</sup> As noted in footnotes 4 and 5 in this section of the report, raw material costs in the total market differ from the merchant market as the result of two U.S. producers (\*\*\*) that \*\*\* of their PTY for downstream products. Both of these producers estimated the cost of raw materials using commercial sales to one customer only (\*\*\*) or using the weighted average of purchased POY (\*\*\*). \*\*\* reported large fluctuations in the weighted average per-pound prices of purchased POY (\$\*\*\* in 2018, \$\*\*\* in 2019, \$\*\*\* in 2020 and interim 2020, and \$\*\*\* in interim 2021. Emails from \*\*, September 7, 2021.

direct labor increased each year from \$\*\*\* in 2018 to \$\*\*\* in 2020 and \$\*\*\* in 2018 to \$\*\*\* in 2020 in the total and merchant markets, respectively, and was higher in interim 2021 than in interim 2020 in both markets.<sup>19</sup>

Other factory costs (inclusive of fixed and variable manufacturing overhead costs) were the second largest component of total COGS, ranging from 21.6 to 23.5 percent and \*\*\* to \*\*\* percent as a share of total COGS from 2018 to 2020 for the total and merchant markets, respectively (tables VI-1 and VI-3). The per-pound other factory costs fluctuated but increased overall from 2018 to 2020; from \$0.33 to \$0.37 in the total market and \$\*\*\* to \$\*\*\* in the merchant market. Other factory costs AUVs were lower in interim 2021 than in interim 2020 in both markets. With the exception of \*\*\*, U.S. producers reported large fluctuations in their per-pound other factory costs from 2018 to 2020 and for the interim periods (tables E-1 and E-2).<sup>20 21</sup>

As presented in tables VI-1 and VI-3, the COGS to sales ratio increased overall from 91.6 percent in 2018 to 97.0 percent in 2020 for the total market (reflecting the larger decline in revenue as compared to the declines in COGS); COGS to sales ratio was higher in interim 2021 than in interim 2020. The directional trends for the individual components of COGS in the merchant market were similar to those of the total market for the annual periods, with the COGS to sales ratios increasing from \*\*\* percent in 2018 to \*\*\* percent in 2020 but was lower in interim 2021 than in interim 2020. Tables VI-1 and VI-3 show that for both markets, unit COGS fluctuated from 2018 to 2020 but the trends differed in the interim periods. Unit COGS was higher in interim 2021 than in interim 2020 for the total market while unit COGS remained the same for the merchant market in both interim periods. Appendix tables E-1 and E-2 show that company-specific unit COGS fluctuated, with all but \*\*\* reporting higher unit COGS from 2018 to 2020. Company-specific differences in the directional pattern of unit COGS broadly reflect variations in both average raw material costs and conversion costs (combined direct labor and other factory costs).<sup>22</sup>

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<sup>19</sup> U.S. producers (\*\*\*) reported the highest per-pound direct labor costs as well as the largest company-specific increases from 2018 to 2020; \*\*\* reported higher direct labor AUVs in interim 2021 than in interim 2020 while \*\*\*'s direct labor AUVs were lower.

<sup>20</sup> \*\*\* per-pound other factory costs, which fluctuated from 2018 to 2020, reflecting its net sales quantity fluctuations. \*\*\*'s per-pound other factory costs were lower in interim 2021 than in interim 2020.

<sup>21</sup> \*\*\* reported the largest variation in per-pound other factory costs, \*\*\*.

<sup>22</sup> The increases in unit COGS in interim 2021 for the total market is primarily attributable to \*\*\* (see table E-1).

In the total market, gross profit declined from \$28.6 million in 2018 to \$7.6 million in 2020 and was lower in interim 2021 than in 2020 (table VI-1).<sup>23</sup> The gross profit for the merchant market also declined, from \$\*\*\* in 2018 to \$\*\*\* in 2020, but was higher in interim 2021 than in interim 2020 (table VI-3).<sup>24</sup>

## **SG&A expenses and operating income or loss**

As presented in tables VI-1 and VI-3, SG&A expenses decreased each year from 2018 to 2020 but were higher in interim 2021 than in interim 2020 for both markets. The SG&A expense ratio (i.e., total SG&A expenses divided by total revenue) irregularly increased from 6.7 percent to 7.0 percent, and \*\*\* percent to \*\*\* percent from 2018 to 2020 in total and merchant markets, respectively. SG&A ratios stayed the same for the total market in both interim periods while they were lower in interim 2021 than in interim 2020 for the merchant market.<sup>25</sup>

Operating income declined from \$5.7 million in 2018 to \$negative 4.8 million and \$negative 10.0 million in 2019 and 2020, respectively, for the total market; operating \*\*\* were higher in interim 2021 than in interim 2020 (table VI-1). The number of companies reporting operating losses in the total increased from \*\*\* in 2018 to all six producers in 2020 (table VI-1).<sup>26</sup> Table VI-3 shows that merchant market operating losses deepened from 2018 to 2020, but unlike the total market, operating \*\*\* were lower in interim 2021 than in interim 2020.<sup>27</sup>

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<sup>23</sup> All six responding U.S. producers reported declines in gross profits from 2018 to 2020, with \*\*\* accounting for the largest share of gross loss in interim 2021 which resulted in the total market interim period trend (see table E-1).

<sup>24</sup> \*\*\* reported positive gross profits in interim 2021 while \*\*\* reported gross losses in interim 2021 (see table E-1).

<sup>25</sup> On a company-specific basis (see table E-1), U.S. producers reported a wide range of SG&A expense ratios, with \*\*\* reporting the largest change in 2020 as a result of its lowest net sales in 2020. \*\*\*, reported fluctuating but overall declining SG&A expense ratios throughout the period as a result of net sales values that generally declined more than SG&A expenses.

<sup>26</sup> U.S. producers \*\*\* accounted for most of the operating losses from 2018 to 2020 for the total market (see table E-1).

<sup>27</sup> Like gross income, \*\*\* producers participating in the merchant market reported operating losses in 2020; one producer (\*\*\*) reported positive operating results in interim 2021 (see table E-1).

## All other expenses and net income or loss

Classified below the operating income level are interest expense, and all other expenses or income, which are usually allocated to the subject product from high levels in the corporation. In tables VI-1 and VI-3, these items are aggregated with the net amount shown. “All other expenses/income, net” were positive numbers, decreasing from 2018 to 2020 and were lower in interim 2021 than in interim 2020 for both markets.<sup>28</sup> Net income followed the same directional trend as operating income throughout the period for both markets.<sup>29 30</sup>

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<sup>28</sup> A positive number for “all other income/expenses, net” indicates that interest expense and all other expenses were higher than all other income (i.e., it had a negative effect on net income). Two small U.S. producers \*\*\* reported negative “all other income/expenses, net” throughout the period, meaning that the net income for these two companies were higher than operating income.

<sup>29</sup> \*\*\* reported net losses in 2018, while \*\*\* reporting positive net income in 2020. \*\*\*. Email from \*\*\*, September 7, 2021.

<sup>30</sup> A variance analysis is not shown due to large differences in product mix, production of other products, and vertical integration of U.S. producers. These differences result in wide variations in the costs allocated to PTY operations as well as the cost structures among the reporting firms.

## Capital expenditures and research and development expenses

Table VI-7 presents capital expenditures, by firm, and table VI-9 presents R&D expenses, by firm. Tables VI-8 and VI-10 present the firms' narrative explanations of the nature, focus, and significance of their capital expenditures and R&D expenses, respectively.

**Table VI-7**  
**PTY: U.S. producers' capital expenditures, by firm and period**

Value in 1,000 dollars

Firm	2018	2019	2020	Jan-June 2020	Jan-June 2021
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***

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

**Table VI-8**  
**PTY: Narrative descriptions of U.S. producers' capital expenditures, by firm**

Firm	Narrative explanation
CS America	***
Milliken	***
Nan Ya	***
Sage Automotive	***
Sapona	***
Unifi	***

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

**Table VI-9**  
**PTY: U.S. producers' R&D expenses, by firm and period**

Value in 1,000 dollars

Firm	2018	2019	2020	Jan-June 2020	Jan-June 2021
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***

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

**Table VI-10**  
**PTY: Narrative descriptions of U.S. producers' R&D expenses, by firm**

Firm	Narrative explanation
***	***
***	***
***	***
***	***
***	***

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

## Assets and return on assets

Table VI-11 presents data on the U.S. producers' total assets while table VI-12 presents their operating ROA.<sup>31</sup> Table VI-13 present the firms' narrative explanations on substantial changes in total assets.

**Table VI-11**  
**PTY: U.S. producers' total net assets, by firm and period**

Value in 1,000 dollars

Firm	2018	2019	2020
CS America	***	***	***
Milliken	***	***	***
Nan Ya	***	***	***
Sage Automotive	***	***	***
Sapona	***	***	***
Unifi	***	***	***
All firms	***	***	***

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

**Table VI-12**  
**PTY: U.S. producers' ROA, by firm and period**

Ratio in percent

Firm	2018	2019	2020
CS America	***	***	***
Milliken	***	***	***
Nan Ya	***	***	***
Sage Automotive	***	***	***
Sapona	***	***	***
Unifi	***	***	***
All firms	***	***	***

Note: The highest ROA gains and losses were reported by U.S. producers (\*\*\*) \*\*\*. Both producers reported asset values for their property, plant, and equipment only.

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

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<sup>31</sup> The operating ROA is calculated as operating income divided by total assets. With respect to a firm's total 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 for PTY.

**Table VI-13**

**PTY: Narrative descriptions of U.S. producers' total net assets, by firm**

<b>Firm</b>	<b>Narrative explanation</b>
CS America	***
Milliken	***
Nan Ya	***
Sage Automotive	***
Sapona	***
Unifi	***

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



## Capital and investment

The Commission requested U.S. producers of PTY to describe any actual or potential negative effects of imports of PTY from Indonesia, Malaysia, Thailand, and Vietnam on their firms' growth, investment, ability to raise capital, development and production efforts, or the scale of capital investments. Table VI-14 presents the number of firms reporting an impact in each category and table VI-15 provides the U.S. producers' narrative responses.

**Table VI-14**

**PTY: Count of firms indicating actual and anticipated negative effects of imports from subject sources on investment, growth, and development since January 1, 2018, by effect**

Number of firms reporting

Effect	Category	Count
Cancellation, postponement, or rejection of expansion projects	Investment	1
Denial or rejection of investment proposal	Investment	0
Reduction in the size of capital investments	Investment	0
Return on specific investments negatively impacted	Investment	1
Other investment effects	Investment	3
Any negative effects on investment	Investment	4
Rejection of bank loans	Growth	0
Lowering of credit rating	Growth	0
Problem related to the issue of stocks or bonds	Growth	0
Ability to service debt	Growth	0
Other growth and development effects	Growth	2
Any negative effects on growth and development	Growth	3
Anticipated negative effects of imports	Future	3

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

**Table VI-15****PTY: Narratives relating to actual and anticipated negative effects of imports on investment, growth, and development, since January 1, 2018**

<b>Item</b>	<b>Firm name and accompanying narrative response</b>
Cancellation, postponement, or rejection of expansion projects	***
Return on specific investments negatively impacted	***
Other negative effects on investments	***
Other negative effects on investments	***
Other negative effects on investments	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***
Anticipated effects of imports	***
Anticipated effects of imports	***

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

## Part VII: Threat considerations and information on nonsubject countries

Section 771(7)(F)(i) of the Act (19 U.S.C. § 1677(7)(F)(i)) provides that—

*In determining whether an industry in the United States is threatened with material injury by reason of imports (or sales for importation) of the subject merchandise, the Commission shall consider, among other relevant economic factors<sup>1</sup>--*

- (I) if a countervailable subsidy is involved, such information as may be presented to it by the administering authority as to the nature of the subsidy (particularly as to whether the countervailable subsidy is a subsidy described in Article 3 or 6.1 of the Subsidies Agreement), and whether imports of the subject merchandise are likely to increase,*
- (II) any existing unused production capacity or imminent, substantial increase in production capacity in the exporting country indicating the likelihood of substantially increased imports of the subject merchandise into the United States, taking into account the availability of other export markets to absorb any additional exports,*
- (III) a significant rate of increase of the volume or market penetration of imports of the subject merchandise indicating the likelihood of substantially increased imports,*
- (IV) whether imports of the subject merchandise are entering at prices that are likely to have a significant depressing or suppressing effect on domestic prices, and are likely to increase demand for further imports,*
- (V) inventories of the subject merchandise,*

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<sup>1</sup> Section 771(7)(F)(ii) of the Act (19 U.S.C. § 1677(7)(F)(ii)) provides that “The Commission shall consider {these factors} . . . as a whole in making a determination of whether further dumped or subsidized imports are imminent and whether material injury by reason of imports would occur unless an order is issued or a suspension agreement is accepted under this title. The presence or absence of any factor which the Commission is required to consider . . . shall not necessarily give decisive guidance with respect to the determination. Such a determination may not be made on the basis of mere conjecture or supposition.”

- (VI) *the potential for product-shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products,*
- (VII) *in any investigation under this title which involves imports of both a raw agricultural product (within the meaning of paragraph (4)(E)(iv)) and any product processed from such raw agricultural product, the likelihood that there will be increased imports, by reason of product shifting, if there is an affirmative determination by the Commission under section 705(b)(1) or 735(b)(1) with respect to either the raw agricultural product or the processed agricultural product (but not both),*
- (VIII) *the actual and potential negative effects on the existing development and production efforts of the domestic industry, including efforts to develop a derivative or more advanced version of the domestic like product, and*
- (IX) *any other demonstrable adverse trends that indicate the probability that there is likely to be material injury by reason of imports (or sale for importation) of the subject merchandise (whether or not it is actually being imported at the time).<sup>2</sup>*

Information on the volume and pricing of imports of the subject merchandise is presented in *Parts IV* and *V*; and information on the effects of imports of the subject merchandise on U.S. producers' existing development and production efforts is presented in *Part VI*. Information on inventories of the subject merchandise; foreign producers' operations, including the potential for "product-shifting;" any other threat indicators, if applicable; and any dumping in third-country markets, follows. Also presented in this section of the report is information obtained for consideration by the Commission on nonsubject countries.

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<sup>2</sup> Section 771(7)(F)(iii) of the Act (19 U.S.C. § 1677(7)(F)(iii)) further provides that, in antidumping investigations, ". . . the Commission shall consider whether dumping in the markets of foreign countries (as evidenced by dumping findings or antidumping remedies in other WTO member markets against the same class or kind of merchandise manufactured or exported by the same party as under investigation) suggests a threat of material injury to the domestic industry."

## The industry in Indonesia

The Commission issued foreign producers' or exporters' questionnaires to 13 firms believed to produce and/or export PTY from Indonesia.<sup>3</sup> Usable responses to the Commission's questionnaire were received from five firms: PT Asia Pacific Fibers Tbk ("Asia Pacific"), PT Indo-Rama Synthetics Tbk ("Indo-Rama Synthetics"), PT Indorama Polychem Indonesia ("Indorama Polychem"), PT Mutu Gading Tekstil ("Mutu"), and PT Polyfin Canggih ("Polyfin").<sup>4</sup> These firms' exports to the United States accounted for approximately \*\*\* percent of U.S. imports of PTY from Indonesia in 2020. According to estimates requested of the responding producers in Indonesia, the production of PTY in Indonesia reported in questionnaires accounts for approximately \*\*\* percent of overall production of PTY in Indonesia. Table VII-1 presents information on the PTY operations of the responding producers and exporters in Indonesia.

**Table VII-1**  
**PTY: Summary data for producers in Indonesia, 2020**

Quantity in 1,000 pounds; share in percent

Firm	Production (1,000 pounds)	Share of reported production (percent)	Exports to the United States (1,000 pounds)	Share of reported exports to the United States (percent)	Total shipments (1,000 pounds)	Share of firm's total shipments exported to the United States (percent)
Asia Pacific	***	***	***	***	***	***
Indo-Rama Synthetics	***	***	***	***	***	***
Indorama Polychem	***	***	***	***	***	***
Mutu	***	***	***	***	***	***
Polyfin	***	***	***	***	***	***
All firms	***	100.0	***	100.0	***	***

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

<sup>3</sup> These firms were identified through a review of information submitted in the petition and presented in third-party sources.

<sup>4</sup> Indo-Rama Synthetics and Indorama Polychem are related firms and are also related to Thai producer Indorama Polyester.

## Changes in operations

As presented in table VII-2 producers in Indonesia reported several operational and organizational changes since January 1, 2018.

**Table VII-2**

**PTY: Reported changes in operations by producers in Indonesia, since January 1, 2018**

<b>Item</b>	<b>Firm name and accompanying narrative response</b>
Plant closings	***
Expansions	***
Prolonged shutdowns or curtailments	***
Prolonged shutdowns or curtailments	***
Prolonged shutdowns or curtailments	***
Prolonged shutdowns or curtailments	***
Revised labor agreements	***

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

## Operations on PTY

Table VII-3 presents information on the PTY operations of the responding producers and exporters in Indonesia. Aggregate capacity for the responding producers in Indonesia decreased by \*\*\* percent during 2018-19 and then by \*\*\* percent during 2019-20 but was \*\*\* percent higher during interim 2021 compared to interim 2020.<sup>5</sup> Aggregate capacity is projected to increase by \*\*\* percent during 2020-21 before further increasing by \*\*\* percent during 2021-22. All five firms reported factory closures or capacity or production declines due to COVID-19 starting in 2020.

Aggregate production decreased by \*\*\* percent during 2018-19 before further decreasing by \*\*\* percent during 2019-20, but was \*\*\* percent higher during interim 2021 compared to interim 2020. Aggregate production is projected to increase by \*\*\* percent during 2020-21 and by \*\*\* percent during 2021-22. All but \*\*\* and \*\*\* had lower production in 2019, while all firms had lower production in 2020, but had higher production in interim 2021 compared to interim 2020 and projected it to be higher in 2021 and 2022.

Aggregate exports to the United States increased by \*\*\* percent during 2018-19 before further increasing by \*\*\* percent during 2019-20, and were \*\*\* percent higher during interim 2021 compared to interim 2020. Aggregate exports to the United States are projected to increase by \*\*\* percent during 2020-21 but then decrease by \*\*\* percent during 2021-22. All responding Indonesian producers reported exporting to the United States between January 2018 and June 2021.

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<sup>5</sup> \*\*\*, the only Indonesian producer to report a decrease in capacity during 2018-20, reported a \*\*\* percent decrease in capacity during 2018-19 and a \*\*\* percent decrease in capacity during 2019-20. \*\*\* foreign producer questionnaire response, section II-8.

**Table VII-3**  
**PTY: Data for producers in Indonesia, by period**

Quantity in 1,000 pounds; ratio in percent

Item	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021	Projection 2021	Projection 2022
Capacity	***	***	***	***	***	***	***
Production	***	***	***	***	***	***	***
End-of-period inventories	***	***	***	***	***	***	***
Internal consumption	***	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***	***
Home market shipments	***	***	***	***	***	***	***
Exports to the United States	***	***	***	***	***	***	***
Exports to other USMCA or CAFTA-DR countries	***	***	***	***	***	***	***
Exports to all other markets	***	***	***	***	***	***	***
Export shipments	***	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***	***
Resales exported to the United States	***	***	***	***	***	***	***
Adjusted total exports to the United States	***	***	***	***	***	***	***

Table continued on next page.



**Table VII-3- Continued**  
**PTY: Data for producers in Indonesia, by period**

Shares and ratios in percent

Item	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021	Projection 2021	Projection 2022
Capacity utilization ratio	***	***	***	***	***	***	***
Inventory ratio to production	***	***	***	***	***	***	***
Inventory ratio to total shipments	***	***	***	***	***	***	***
Internal consumption share	***	***	***	***	***	***	***
Commercial home market shipments share	***	***	***	***	***	***	***
Home market shipments share	***	***	***	***	***	***	***
Exports to the United States share	***	***	***	***	***	***	***
Exports to other USMCA or CAFTA-DR countries share	***	***	***	***	***	***	***
Exports to all other markets share	***	***	***	***	***	***	***
Export shipments share	***	***	***	***	***	***	***
Total shipments share	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Resellers share of adjusted exports to the United States	***	***	***	***	***	***	***
Adjusted exports to the United States share of total shipments	***	***	***	***	***	***	***

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

## Alternative products

As shown in table VII-4, responding firms in Indonesia produced other products on the same equipment and machinery used to produce PTY.<sup>6</sup>

**Table VII-4**  
**PTY: Indonesia producers' overall capacity and production on the same equipment as subject production, by period**

Quantity in 1,000 pounds; ratio in percent

Item	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Overall capacity	Quantity	***	***	***	***	***
PTY production	Quantity	***	***	***	***	***
Other production	Quantity	***	***	***	***	***
Total production	Quantity	***	***	***	***	***
Overall capacity utilization	Ratio	***	***	***	***	***
PTY production	Share	***	***	***	***	***
Other production	Share	***	***	***	***	***
Total production	Share	100.0	100.0	100.0	100.0	100.0

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

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<sup>6</sup> \*\*\* reported producing products other than PTY on the same equipment or using the same employees, namely spin draw yarn (SDY), POY, and chips.

## Exports

According to GTA, the leading export markets for synthetic filament yarn, a broad category which includes PTY, from Indonesia are Turkey, the United States and Vietnam (table VII-5).<sup>7</sup> During 2019-20, the share of exports from Indonesia to Turkey decreased by 13.5 percentage points while the share of exports from Indonesia to the United States increased by 6.4 percentage points.

**Table VII-5**  
**Synthetic filament yarn: Exports from Indonesia, by period**

Quantity in 1,000 pounds; value in 1,000 dollars

Destination market	Measure	2018	2019	2020
United States	Quantity	9,290	15,404	19,984
Turkey	Quantity	58,700	65,171	25,961
Vietnam	Quantity	25,031	30,737	16,934
Japan	Quantity	12,785	12,903	10,448
Germany	Quantity	7,560	8,258	6,827
Argentina	Quantity	5,583	9,660	6,539
Italy	Quantity	11,367	8,329	6,533
Canada	Quantity	2,567	3,155	5,843
Belgium	Quantity	4,669	3,637	4,068
All other destination markets	Quantity	50,611	50,165	41,644
All destination markets	Quantity	188,162	207,420	144,783
United States	Value	8,062	11,998	12,427
Turkey	Value	47,909	44,758	15,110
Vietnam	Value	17,613	18,221	7,553
Japan	Value	14,257	13,389	9,794
Germany	Value	6,482	6,772	4,740
Argentina	Value	5,010	6,701	3,878
Italy	Value	9,790	6,656	4,559
Canada	Value	2,162	2,286	3,465
Belgium	Value	3,951	2,799	2,388
All other destination markets	Value	44,860	40,550	28,513
All destination markets	Value	160,097	154,130	92,426

Table continued on next page.

<sup>7</sup> Data are for HTS subheading 5402.33, which covers “synthetic filament yarn other than sewing thread, not put up for retail sale, textured yarn of polyesters.” Harmonized Tariff Schedule of the United States (2021), Revision 7, USITC publication 5224, August 2021, Chapter 28, p. 28-5.

**Table VII-5 Continued**  
**Synthetic filament yarn: Exports from Indonesia, by period**

Unit values in dollars per pound; Shares in percent

<b>Destination market</b>	<b>Measure</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
United States	Unit value	0.87	0.78	0.62
Turkey	Unit value	0.82	0.69	0.58
Vietnam	Unit value	0.70	0.59	0.45
Japan	Unit value	1.12	1.04	0.94
Germany	Unit value	0.86	0.82	0.69
Argentina	Unit value	0.90	0.69	0.59
Italy	Unit value	0.86	0.80	0.70
Canada	Unit value	0.84	0.72	0.59
Belgium	Unit value	0.85	0.77	0.59
All other destination markets	Unit value	0.89	0.81	0.68
All destination markets	Unit value	0.85	0.74	0.64
United States	Share of quantity	4.9	7.4	13.8
Turkey	Share of quantity	31.2	31.4	17.9
Vietnam	Share of quantity	13.3	14.8	11.7
Japan	Share of quantity	6.8	6.2	7.2
Germany	Share of quantity	4.0	4.0	4.7
Argentina	Share of quantity	3.0	4.7	4.5
Italy	Share of quantity	6.0	4.0	4.5
Canada	Share of quantity	1.4	1.5	4.0
Belgium	Share of quantity	2.5	1.8	2.8
All other destination markets	Share of quantity	26.9	24.2	28.8
All destination markets	Share of quantity	100.0	100.0	100.0

Source: Official exports statistics under HS subheading 5402.33 as reported by Statistics Indonesia in the Global Trade Atlas database, accessed August 18, 2021.

Note: HS subheading 5402.33 contains products outside the scope of these investigations and therefore potentially overstates the volume of exports of subject merchandise. United States is shown at the top, all remaining top export destinations shown in descending order of 2020 data.

## The industry in Malaysia

The Commission issued foreign producers' or exporters' questionnaires to five firms believed to produce and/or export PTY from Malaysia.<sup>8</sup> A usable response to the Commission's questionnaire was received from one firm: Recron.<sup>9</sup> This firm's exports to the United States accounted for approximately \*\*\* percent of U.S. imports of PTY from Malaysia in 2020. According to estimates requested of the responding producer in Malaysia, the production of PTY in Malaysia reported in questionnaires accounts for approximately \*\*\* percent of overall production of PTY in Malaysia. Table VII-6 presents information on the PTY operations of the responding producer and/or exporter in Malaysia.

**Table VII-6**  
**PTY: Summary data for producers in Malaysia, 2020**

Quantity in 1,000 pounds; share in percent

Firm	Production (1,000 pounds)	Share of reported production (percent)	Exports to the United States (1,000 pounds)	Share of reported exports to the United States (percent)	Total shipments (1,000 pounds)	Share of firm's total shipments exported to the United States (percent)
Recron	***	100.0	***	100.0	***	***
All firms	***	100.0	***	100.0	***	***

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

## Changes in operations

Recron reported no operational and organizational changes since January 1, 2018.

<sup>8</sup> These firms were identified through a review of information submitted in the petition and presented in third-party sources.

<sup>9</sup> Recron is related to Indian producer Reliance Industries Limited.

## Operations on PTY

Table VII-7 presents information on the PTY operations of the sole responding producer in Malaysia, Recron. Recron's capacity \*\*\* between January 2018 and June 2021, and it projects its capacity to \*\*\* in 2021 and 2022. During 2018-19, Recron's production decreased by \*\*\* percent and by \*\*\* percent in 2020, but was \*\*\* percent higher during interim 2021 compared to interim 2020. Recron projects its production to decrease by \*\*\* percent during 2020-21, before increasing by \*\*\* during 2021-22.<sup>10</sup>

Exports to the United States increased by \*\*\* percent during 2018-19 before further increasing by \*\*\* percent during 2019-20, but were \*\*\* percent lower during interim 2021 compared to interim 2020. Exports to the United States are projected to decrease by \*\*\* percent during 2020-21 but then increase by \*\*\* percent during 2021-22.

**Table VII-7**  
**PTY: Data for Malaysian producer Recron, by period**

Quantity in 1,000 pounds

Item	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021	Projection 2021	Projection 2022
Capacity	***	***	***	***	***	***	***
Production	***	***	***	***	***	***	***
End-of-period inventories	***	***	***	***	***	***	***
Internal consumption	***	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***	***
Home market shipments	***	***	***	***	***	***	***
Exports to the United States	***	***	***	***	***	***	***
Exports to other USMCA or CAFTA-DR countries	***	***	***	***	***	***	***
Exports to all other markets	***	***	***	***	***	***	***
Export shipments	***	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***	***
Resales exported to the United States	***	***	***	***	***	***	***
Adjusted total exports to the United States	***	***	***	***	***	***	***

Table continued on next page.

<sup>10</sup> COVID-19 restrictions instituted by the government of Malaysia between March 2020 and July 2021 \*\*\* Recron's foreign producer questionnaire response, section II-10.

**Table VII-7 Continued**  
**PTY: Data for Malaysian producer Recron, by period**

Shares and ratios in percent

Item	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021	Projection 2021	Projection 2022
Capacity utilization ratio	***	***	***	***	***	***	***
Inventory ratio to production	***	***	***	***	***	***	***
Inventory ratio to total shipments	***	***	***	***	***	***	***
Internal consumption share	***	***	***	***	***	***	***
Commercial home market shipments share	***	***	***	***	***	***	***
Home market shipments share	***	***	***	***	***	***	***
Exports to the United States share	***	***	***	***	***	***	***
Exports to other USMCA or CAFTA-DR countries share	***	***	***	***	***	***	***
Exports to all other markets share	***	***	***	***	***	***	***
Export shipments share	***	***	***	***	***	***	***
Total shipments share	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Resellers share of adjusted exports to the United States	***	***	***	***	***	***	***
Adjusted exports to the United States share of total shipments	***	***	***	***	***	***	***

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

### Alternative products

Recron did not produce any other products on the same equipment and machinery used to produce PTY.

## Exports

According to GTA, the leading export markets for synthetic filament yarn from Malaysia are Turkey, the United States, and Vietnam (table VII-8). During 2018-19, the share of exports from Malaysia to Turkey decreased by 0.6 percentage points before increasing by 4.7 percentage points during 2019-20. During 2018-19, the share of exports from Malaysia to the United States increased by 3.7 percentage points before further increasing by 2.2 percentage points during 2019-20.

**Table VII-8**  
**Synthetic filament yarn: Exports from Malaysia, by period**

Quantity in 1,000 pounds; value in 1,000 dollars

Destination market	Measure	2018	2019	2020
United States	Quantity	8,675	12,818	15,411
Turkey	Quantity	23,804	21,324	27,127
Vietnam	Quantity	19,827	17,863	12,943
Indonesia	Quantity	13,463	9,185	9,512
Mexico	Quantity	4,095	4,902	8,399
Germany	Quantity	8,935	9,878	8,383
Pakistan	Quantity	6,695	7,684	7,468
Japan	Quantity	9,804	10,224	6,840
Egypt	Quantity	6,680	8,104	5,487
All other destination markets	Quantity	35,965	25,949	25,212
All destination markets	Quantity	137,944	127,930	126,781
United States	Value	5,771	7,801	7,774
Turkey	Value	16,496	13,058	13,245
Vietnam	Value	13,052	10,104	5,570
Indonesia	Value	9,349	5,215	4,846
Mexico	Value	3,071	2,938	4,352
Germany	Value	7,039	6,889	5,009
Pakistan	Value	4,207	4,418	2,954
Japan	Value	7,964	7,845	4,427
Egypt	Value	3,438	3,393	1,614
All other destination markets	Value	26,630	17,704	12,743
All destination markets	Value	97,017	79,363	62,534

Table continued on next page.



**Table VII-8 Continued**  
**Synthetic filament yarn: Exports from Malaysia, by period**

Unit values in dollars per pound; Shares in percent

<b>Destination market</b>	<b>Measure</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
United States	Unit value	0.67	0.61	0.50
Turkey	Unit value	0.69	0.61	0.49
Vietnam	Unit value	0.66	0.57	0.43
Indonesia	Unit value	0.69	0.57	0.51
Mexico	Unit value	0.75	0.60	0.52
Germany	Unit value	0.79	0.70	0.60
Pakistan	Unit value	0.63	0.57	0.40
Japan	Unit value	0.81	0.77	0.65
Egypt	Unit value	0.51	0.42	0.29
All other destination markets	Unit value	0.74	0.68	0.51
All destination markets	Unit value	0.70	0.62	0.49
United States	Share of quantity	6.3	10.0	12.2
Turkey	Share of quantity	17.3	16.7	21.4
Vietnam	Share of quantity	14.4	14.0	10.2
Indonesia	Share of quantity	9.8	7.2	7.5
Mexico	Share of quantity	3.0	3.8	6.6
Germany	Share of quantity	6.5	7.7	6.6
Pakistan	Share of quantity	4.9	6.0	5.9
Japan	Share of quantity	7.1	8.0	5.4
Egypt	Share of quantity	4.8	6.3	4.3
All other destination markets	Share of quantity	26.1	20.3	19.9
All destination markets	Share of quantity	100.0	100.0	100.0

Source: Official exports statistics under HS subheading 5402.33 as reported by Department of Statistics Malaysia in the Global Trade Atlas database, accessed August 18, 2021.

Note: HS subheading 5402.33 contains products outside the scope of these investigations and therefore potentially overstates the volume of exports of subject merchandise. United States is shown at the top, all remaining top export destinations shown in descending order of 2020 data.

## The industry in Thailand

The Commission issued foreign producers' or exporters' questionnaires to 11 firms believed to produce and/or export PTY from Thailand. Usable responses to the Commission's questionnaire were received from three firms: Indorama Polyester Industries Public Company, Ltd. ("Indorama Polyester"), Sunflag (Thailand) Ltd. ("Sunflag"), and Union Spinning Mills Co., Ltd. ("Union Spinning Mills"). These firms' exports to the United States accounted for approximately \*\*\* percent of U.S. imports of PTY from Thailand in 2020. According to estimates requested of the responding Thai producers, the production of PTY in Thailand reported in questionnaires accounts for approximately \*\*\* percent of overall production of PTY in Thailand. Table VII- 9 presents information on the PTY operations of the responding producers and exporters in Thailand.<sup>11</sup>

**Table VII-9**  
**PTY: Summary data for producers in Thailand, 2020**

Quantity in 1,000 pounds; share in percent

Firm	Production (1,000 pounds)	Share of reported production (percent)	Exports to the United States (1,000 pounds)	Share of reported exports to the United States (percent)	Total shipments (1,000 pounds)	Share of firm's total shipments exported to the United States (percent)
Indorama Polyester	***	***	***	***	***	***
Sunflag	***	***	***	***	***	***
All firms	***	100.0	***	100.0	***	***

Table continued.

**Table VII-9 Continued**  
**PTY: Summary data for exporters in Thailand, 2020**

Quantity in 1,000 pounds; share in percent

Firm	Resales exported to U.S. (1,000 pounds)	Share of resales exported to U.S. (percent)
Union Spinning Mills	***	***
All firms	***	***

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

<sup>11</sup> Union Spinning Mills stated it exports polyester textured yarn produced by Thaiman Industries.

## Changes in operations

As presented in table VII-10 producers in Thailand reported several operational and organizational changes since January 1, 2018.

**Table VII-10**

**PTY: Reported changes in operations by producers in Thailand, since January 1, 2018**

Item	Firm name and accompanying narrative response
Plant closings	***
Expansions	***
Prolonged shutdowns or curtailments	***
Prolonged shutdowns or curtailments	***
Revised labor agreements	***

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

## Operations on PTY

Table VII-11 presents information on the PTY operations of the responding producers and exporters in Thailand. Aggregate capacity for the responding producers in Thailand decreased by \*\*\* percent during 2018-19 before increasing by \*\*\* percent during 2019-20 and was \*\*\* percent lower during interim 2021 compared to interim 2020. Aggregate capacity is projected to decrease by \*\*\* percent during 2020-21 then remain steady during 2021-22.

Aggregate production decreased by \*\*\* percent during 2018-19 before further decreasing by \*\*\* percent during 2019-20, but was \*\*\* percent higher during interim 2021 compared to interim 2020. Aggregate production is projected to increase by \*\*\* percent during 2020-21 and by \*\*\* percent during 2021-22.

Aggregate exports to the United States increased by \*\*\* percent during 2018-19 before further increasing by \*\*\* percent during 2019-20 and were \*\*\* percent higher during interim 2021 compared to interim 2020. Aggregate exports to the United States are projected to increase by \*\*\* percent during 2020-21 but then decrease by \*\*\* percent during 2021-22.

**Table VII-11**  
**PTY: Data for producers in Thailand, by period**

Quantity in 1,000 pounds; ratio in percent

Item	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021	Projection 2021	Projection 2022
Capacity	***	***	***	***	***	***	***
Production	***	***	***	***	***	***	***
End-of-period inventories	***	***	***	***	***	***	***
Internal consumption	***	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***	***
Home market shipments	***	***	***	***	***	***	***
Exports to the United States	***	***	***	***	***	***	***
Exports to other USMCA or CAFTA-DR countries	***	***	***	***	***	***	***
Exports to all other markets	***	***	***	***	***	***	***
Export shipments	***	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***	***
Resales exported to the United States	***	***	***	***	***	***	***
Adjusted total exports to the United States	***	***	***	***	***	***	***

Table continued on next page.

**Table VII-11 Continued**  
**PTY: Data for producers in Thailand, by period**

Shares and ratios in percent

Item	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021	Projection 2021	Projection 2022
Capacity utilization ratio	***	***	***	***	***	***	***
Inventory ratio to production	***	***	***	***	***	***	***
Inventory ratio to total shipments	***	***	***	***	***	***	***
Internal consumption share	***	***	***	***	***	***	***
Commercial home market shipments share	***	***	***	***	***	***	***
Home market shipments share	***	***	***	***	***	***	***
Exports to the United States share	***	***	***	***	***	***	***
Exports to other USMCA or CAFTA-DR countries share	***	***	***	***	***	***	***
Exports to all other markets share	***	***	***	***	***	***	***
Export shipments share	***	***	***	***	***	***	***
Total shipments share	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Resellers share of adjusted exports to the United States	***	***	***	***	***	***	***
Adjusted exports to the United States share of total shipments	***	***	***	***	***	***	***

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

## Alternative products

Responding Thai firms did not produce any other products on the same equipment and machinery used to produce PTY.

## Exports

According to GTA, the leading export markets for synthetic filament yarn from Thailand are Pakistan, Bangladesh, and the United States in 2020 (table VII-12). During 2018-20, the share of exports from Thailand to Pakistan and Bangladesh increased by 5.3 percentage points and 2.9 percentage points respectively while the share of exports from Malaysia to the United States increased by 7.2 percentage points. During 2018-20, the share of exports from Thailand to Turkey, the fourth largest destination market, decreased by 7.9 percentage points.

**Table VII-12**  
**Synthetic filament yarn: Exports from Thailand, by period**

Quantity in 1,000 pounds; value in 1,000 dollars; unit value in dollars per pound; share of quantity is the share of total exports by quantity in percent

Destination market	Measure	2018	2019	2020
United States	Quantity	1,352	8,422	13,518
Pakistan	Quantity	29,689	36,056	36,768
Bangladesh	Quantity	22,145	26,602	25,813
Turkey	Quantity	28,064	26,917	13,068
Italy	Quantity	10,779	10,455	9,917
Japan	Quantity	10,515	9,446	8,321
Vietnam	Quantity	8,434	9,439	8,109
Canada	Quantity	2,327	4,167	8,074
Mexico	Quantity	2,403	3,172	4,070
All other destination markets	Quantity	62,749	47,513	40,563
All destination markets	Quantity	178,456	182,191	168,222
United States	Value	1,140	5,880	7,590
Pakistan	Value	21,365	22,256	19,495
Bangladesh	Value	18,727	22,943	23,359
Turkey	Value	21,766	18,925	7,754
Italy	Value	10,757	9,453	7,481
Japan	Value	12,271	11,414	10,594
Vietnam	Value	7,423	7,350	8,280
Canada	Value	1,605	2,593	4,139
Mexico	Value	2,288	2,931	2,625
All other destination markets	Value	56,580	47,304	35,594
All destination markets	Value	153,923	151,049	126,912

Table continued on next page.

**Table VII-12 Continued**  
**Synthetic filament yarn: Exports from Thailand, by period**

Unit values in dollars per pound; shares in percent

<b>Destination market</b>	<b>Measure</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
United States	Unit value	0.84	0.70	0.56
Pakistan	Unit value	0.72	0.62	0.53
Bangladesh	Unit value	0.85	0.86	0.90
Turkey	Unit value	0.78	0.70	0.59
Italy	Unit value	1.00	0.90	0.75
Japan	Unit value	1.17	1.21	1.27
Vietnam	Unit value	0.88	0.78	1.02
Canada	Unit value	0.69	0.62	0.51
Mexico	Unit value	0.95	0.92	0.65
All other destination markets	Unit value	0.90	1.00	0.88
All destination markets	Unit value	0.86	0.83	0.75
United States	Share of quantity	0.8	4.6	8.0
Pakistan	Share of quantity	16.6	19.8	21.9
Bangladesh	Share of quantity	12.4	14.6	15.3
Turkey	Share of quantity	15.7	14.8	7.8
Italy	Share of quantity	6.0	5.7	5.9
Japan	Share of quantity	5.9	5.2	4.9
Vietnam	Share of quantity	4.7	5.2	4.8
Canada	Share of quantity	1.3	2.3	4.8
Mexico	Share of quantity	1.3	1.7	2.4
All other destination markets	Share of quantity	35.2	26.1	24.1
All destination markets	Share of quantity	100.0	100.0	100.0

Source: Official exports statistics under HS subheading 5402.33 as reported by Thai Customs Department in the Global Trade Atlas database, accessed August 18, 2021.

Note: HS subheading 5402.33 contains products outside the scope of these investigations and therefore potentially overstates the volume of exports of subject merchandise. United States is shown at the top, all remaining top export destinations shown in descending order of 2020 data.

## The industry in Vietnam

The Commission issued foreign producers' or exporters' questionnaires to five firms believed to produce and/or export PTY from Vietnam. Usable responses to the Commission's questionnaire were received from three firms: Century Synthetic Fiber Corporation ("Century"), Hualon Corporation Vietnam ("Hualon"), and Nam Viet Produce Polyester Co, Ltd. ("Nam Viet"). These firms' exports to the United States accounted for approximately \*\*\* percent of U.S. imports of PTY from Vietnam in 2020. According to estimates requested of the responding producers in Vietnam, the production of PTY in Vietnam reported in questionnaires accounts for \*\*\* percent of overall production of PTY in Vietnam. Table VII-13 presents information on the PTY operations of the responding producers and exporters in Indonesia.

**Table VII-13**  
**PTY: Summary data for producers in Vietnam, 2020**

Quantity in 1,000 pounds; share in percent

Firm	Production (1,000 pounds)	Share of reported production (percent)	Exports to the United States (1,000 pounds)	Share of reported exports to the United States (percent)	Total shipments (1,000 pounds)	Share of firm's total shipments exported to the United States (percent)
Century	***	***	***	***	***	***
Hualon	***	***	***	***	***	***
Nam Viet	***	***	***	***	***	***
All firms	***	100.0	***	100.0	***	***

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



## Changes in operations

As presented in table VII-14 producers in Vietnam reported several operational and organizational changes since January 1, 2018.<sup>12</sup>

**Table VII-14**

**PTY: Reported changes in operations by producers in Vietnam, since January 1, 2018**

Item	Firm name and accompanying narrative response
Expansions	***
Expansions	***
Prolonged shutdowns or curtailments	***
Other	***

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

## Operations on PTY

Table VII-15 presents information on the PTY operations of the responding producers and exporters in Vietnam. Aggregate capacity for the responding producers in Vietnam increased by \*\*\* percent during 2018-19 but \*\*\* during 2019-20 and during interim 2021. Aggregate capacity is projected to increase by \*\*\* percent during 2020-21 then further increase by \*\*\* during 2021-22.<sup>13</sup>

Aggregate production increased by \*\*\* percent during 2018-19 before decreasing by \*\*\* percent during 2019-20 but was \*\*\* percent higher during interim 2021 compared to interim 2020. Aggregate production is projected to increase by \*\*\* percent during 2020-21 and by \*\*\* percent during 2021-22.

Aggregate exports to the United States increased by \*\*\* percent during 2018-19 before further increasing by \*\*\* percent during 2019-20 but were \*\*\* percent lower during interim 2021 compared to interim 2020.<sup>14</sup> Aggregate exports to the United States are projected to decrease by \*\*\* percent during 2020-21 and then further decrease by \*\*\* percent during 2021-22.

<sup>12</sup> \*\*\* Email from \*\*\*, October 27, 2021.

<sup>13</sup> Only one firm, \*\*\*, reported a change in capacity during 2018-19 and one firm, \*\*\*, reported a projected change in capacity during 2021 and 2022.

<sup>14</sup> U.S. importer \*\*\* shifted the vast majority of its imports of PTY from China to imports of PTY from Vietnam during this period. \*\*\* stated the North American supply base was not able to provide the quality of yarn it required. After evaluating yarns from Indonesia, Taiwan, and Vietnam, \*\*\* determined that yarn from a supplier in Vietnam met its quality requirements. Email from \*\*\*.

**Table VII-15**  
**PTY: Data for producers in Vietnam, by period**

Quantity in 1,000 pounds; ratio in percent

Item	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021	Projection 2021	Projection 2022
Capacity	***	***	***	***	***	***	***
Production	***	***	***	***	***	***	***
End-of-period inventories	***	***	***	***	***	***	***
Internal consumption	***	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***	***
Home market shipments	***	***	***	***	***	***	***
Exports to the United States	***	***	***	***	***	***	***
Exports to other USMCA or CAFTA-DR countries	***	***	***	***	***	***	***
Exports to all other markets	***	***	***	***	***	***	***
Export shipments	***	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***	***
Resales exported to the United States	***	***	***	***	***	***	***
Adjusted total exports to the United States	***	***	***	***	***	***	***

Table continued on next page.

**Table VII-15 Continued**  
**PTY: Data for producers in Vietnam, by period**

Shares and ratios in percent

Item	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021	Projection 2021	Projection 2022
Capacity utilization ratio	***	***	***	***	***	***	***
Inventory ratio to production	***	***	***	***	***	***	***
Inventory ratio to total shipments	***	***	***	***	***	***	***
Internal consumption share	***	***	***	***	***	***	***
Commercial home market shipments share	***	***	***	***	***	***	***
Home market shipments share	***	***	***	***	***	***	***
Exports to the United States share	***	***	***	***	***	***	***
Exports to other USMCA or CAFTA-DR countries share	***	***	***	***	***	***	***
Exports to all other markets share	***	***	***	***	***	***	***
Export shipments share	***	***	***	***	***	***	***
Total shipments share	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Resellers share of adjusted exports to the United States	***	***	***	***	***	***	***
Adjusted exports to the United States share of total shipments	***	***	***	***	***	***	***

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

### Alternative products

Responding Vietnamese firms did not produce other products on the same equipment and machinery used to produce PTY.

## Exports

According to GTA, the leading export markets for synthetic filament yarn from Vietnam are Pakistan, Thailand and South Korea (table VII-16). During 2018-20, the share of exports from Vietnam to Pakistan and the United States increased by 17.6 percentage points and 5.4 percentage points respectively while the share of exports from Vietnam to Thailand and South Korea decreased by 14.3 percentage points and 17.6 percentage points respectively.

**Table VII-16**  
**Synthetic filament yarn: Exports from Vietnam, by period**

Quantity in 1,000 pounds; value in 1,000 dollars

Destination market	Measure	2018	2019	2020
United States	Quantity	919	5,401	11,957
Pakistan	Quantity	22,814	19,874	62,388
Thailand	Quantity	56,902	53,517	39,454
South Korea	Quantity	59,161	36,504	35,514
Japan	Quantity	14,729	19,754	14,409
Taiwan	Quantity	2,830	3,192	8,463
Indonesia	Quantity	2,985	2,369	5,357
Mexico	Quantity	441	---	4,602
Malaysia	Quantity	839	1,807	3,382
China	Quantity	1,489	3,675	2,507
All other destination markets	Quantity	3,964	6,901	11,022
All destination markets	Quantity	167,073	152,995	199,053
United States	Value	778	4,519	8,283
Pakistan	Value	14,534	12,998	31,725
Thailand	Value	55,257	51,528	35,321
South Korea	Value	51,688	27,030	20,755
Japan	Value	14,474	18,314	12,700
Taiwan	Value	2,802	2,517	5,869
Indonesia	Value	3,011	2,650	3,906
Mexico	Value	319	---	2,509
Malaysia	Value	692	1,235	1,736
China	Value	1,139	3,595	2,964
All other destination markets	Value	3,704	4,486	6,979
All destination markets	Value	148,399	128,870	132,748

Table continued.

**Table VII-16 Continued**  
**Synthetic filament yarn: Exports from Vietnam, by period**

Unit value in dollars per pound; share of quantity is the share of total exports by quantity in percent

<b>Destination market</b>	<b>Measure</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
United States	Unit value	0.85	0.84	0.69
Pakistan	Unit value	0.64	0.65	0.51
Thailand	Unit value	0.97	0.96	0.90
South Korea	Unit value	0.87	0.74	0.58
Japan	Unit value	0.98	0.93	0.88
Taiwan	Unit value	0.99	0.79	0.69
Indonesia	Unit value	1.01	1.12	0.73
Mexico	Unit value	0.72	---	0.55
Malaysia	Unit value	0.83	0.68	0.51
China	Unit value	0.76	0.98	1.18
All other destination markets	Unit value	0.93	0.65	0.63
All destination markets	Unit value	0.89	0.84	0.67
United States	Share of quantity	0.6	3.5	6.0
Pakistan	Share of quantity	13.7	13.0	31.3
Thailand	Share of quantity	34.1	35.0	19.8
South Korea	Share of quantity	35.4	23.9	17.8
Japan	Share of quantity	8.8	12.9	7.2
Taiwan	Share of quantity	1.7	2.1	4.3
Indonesia	Share of quantity	1.8	1.5	2.7
Mexico	Share of quantity	0.3	---	2.3
Malaysia	Share of quantity	0.5	1.2	1.7
China	Share of quantity	0.9	2.4	1.3
All other destination markets	Share of quantity	2.4	4.5	5.5
All destination markets	Share of quantity	100.0	100.0	100.0

Source: Official imports statistics of Vietnam (constructed exports statistics for Vietnam) under HS subheading 5402.33 as reported by various statistical reporting authorities in the Global Trade Atlas database, accessed August 18, 2021.

Note: HS subheading 5402.33 contains products outside the scope of these investigations and therefore potentially overstates the volume of exports of subject merchandise. United States is shown at the top, all remaining top export destinations shown in descending order of 2020 data.

## Subject countries combined

Table VII-17 presents summary data on PTY operations of the reporting subject producers in the subject countries. Aggregate capacity for the responding subject producers decreased by \*\*\* percent during 2018-19 before further decreasing by \*\*\* during 2019-20, and was \*\*\* percent higher during interim 2021. Aggregate capacity is projected to increase by \*\*\* percent during 2020-21 and then further increase by \*\*\* percent during 2021-22.

Aggregate production decreased by \*\*\* percent during 2018-19 before further decreasing by \*\*\* percent during 2019-20, but was \*\*\* percent higher during interim 2021 compared to interim 2020. Aggregate production is projected to increase by \*\*\* percent during 2020-21 and by \*\*\* percent during 2021-22.

Aggregate exports to the United States increased by \*\*\* percent during 2018-19 before further increasing by \*\*\* percent during 2019-20 and were \*\*\* percent higher during interim 2021 compared to interim 2020. Aggregate exports to the United States are projected to decrease by \*\*\* percent during 2020-21 and then further decrease by \*\*\* percent during 2021-22.

**Table VII-17**  
**PTY: Data on the industry in subject countries, by period**

Quantity in 1,000 pounds; ratio in percent

Item	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021	Projection 2021	Projection 2022
Capacity	***	***	***	***	***	***	***
Production	***	***	***	***	***	***	***
End-of-period inventories	***	***	***	***	***	***	***
Internal consumption	***	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***	***
Home market shipments	***	***	***	***	***	***	***
Exports to the United States	***	***	***	***	***	***	***
Exports to other USMCA or CAFTA-DR countries	***	***	***	***	***	***	***
Exports to all other markets	***	***	***	***	***	***	***
Export shipments	***	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***	***
Resales exported to the United States	***	***	***	***	***	***	***
Adjusted total exports to the United States	***	***	***	***	***	***	***

Table continued on next page.

**Table VII-17 Continued**  
**PTY: Data on the industry in subject countries, by period**

Shares and ratio in percent

Item	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021	Projection 2021	Projection 2022
Capacity utilization ratio	***	***	***	***	***	***	***
Inventory ratio to production	***	***	***	***	***	***	***
Inventory ratio to total shipments	***	***	***	***	***	***	***
Internal consumption share	***	***	***	***	***	***	***
Commercial home market shipments share	***	***	***	***	***	***	***
Home market shipments share	***	***	***	***	***	***	***
Exports to the United States share	***	***	***	***	***	***	***
Exports to other USMCA or CAFTA-DR countries share	***	***	***	***	***	***	***
Exports to all other markets share	***	***	***	***	***	***	***
Export shipments share	***	***	***	***	***	***	***
Total shipments share	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Resellers share of adjusted exports to the United States	***	***	***	***	***	***	***
Adjusted exports to the United States share of total shipments	***	***	***	***	***	***	***

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

## U.S. inventories of imported merchandise

Table VII-18 presents data on U.S. importers' reported inventories of PTY. During 2018-20, inventories from Indonesia, Malaysia, and Thailand increased in each year, ending \*\*\* percent, \*\*\* percent, and \*\*\* percent higher, respectively, while inventories from Vietnam decreased by \*\*\* percent during 2018-19 and then increased by \*\*\* percent during 2019-20. Inventories from Mexico increased from \*\*\* pounds to \*\*\* pounds (\*\*\* percent) during 2018-20, while inventories from other nonsubject sources decreased from \*\*\* pounds to \*\*\* pounds (\*\*\* percent) during the same time period.

The ratio of inventories to imports for Indonesia, Malaysia, and Thailand increased during 2018-20, while the ratio of inventories to imports for Vietnam decreased during 2018-19 before increasing in 2019-20. The ratio of inventories to U.S. shipments of imports for Indonesia, Malaysia, and Thailand increased during 2018-19, while the ratio of inventories to U.S. shipments of imports for Vietnam decreased. During 2019-20, the ratio of inventories to U.S. shipments of imports for Indonesia, Thailand, and Vietnam increased, but decreased for Malaysia.

**Table VII-18**  
**PTY: U.S. importers' inventories, by period**

Quantity in 1,000 pounds; ratio is inventories to U.S. imports, U.S. shipments, or total shipments

Measure	Source	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Inventories quantity	Indonesia	***	***	***	***	***
Ratio to imports	Indonesia	***	***	***	***	***
Ratio to U.S. shipments of imports	Indonesia	***	***	***	***	***
Ratio to total shipments of imports	Indonesia	***	***	***	***	***
Inventories quantity	Malaysia	***	***	***	***	***
Ratio to imports	Malaysia	***	***	***	***	***
Ratio to U.S. shipments of imports	Malaysia	***	***	***	***	***
Ratio to total shipments of imports	Malaysia	***	***	***	***	***
Inventories quantity	Thailand	***	***	***	***	***
Ratio to imports	Thailand	***	***	***	***	***
Ratio to U.S. shipments of imports	Thailand	***	***	***	***	***
Ratio to total shipments of imports	Thailand	***	***	***	***	***
Inventories quantity	Vietnam	***	***	***	***	***
Ratio to imports	Vietnam	***	***	***	***	***
Ratio to U.S. shipments of imports	Vietnam	***	***	***	***	***
Ratio to total shipments of imports	Vietnam	***	***	***	***	***
Inventories quantity	Subject	***	***	***	***	***
Ratio to imports	Subject	***	***	***	***	***
Ratio to U.S. shipments of imports	Subject	***	***	***	***	***
Ratio to total shipments of imports	Subject	***	***	***	***	***
Inventories quantity	Mexico	***	***	***	***	***
Ratio to imports	Mexico	***	***	***	***	***
Ratio to U.S. shipments of imports	Mexico	***	***	***	***	***
Ratio to total shipments of imports	Mexico	***	***	***	***	***

Table continued on next page.



**Table VII-18 Continued**  
**PTY: U.S. importers' inventories, by period**

Quantity in 1,000 pounds; ratio is inventories to U.S. imports, U.S. shipments, or total shipments

Measure	Source	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Inventories quantity	All other services	***	***	***	***	***
Ratio to imports	All other services	***	***	***	***	***
Ratio to U.S. shipments of imports	All other services	***	***	***	***	***
Ratio to total shipments of imports	All other services	***	***	***	***	***
Inventories quantity	Nonsubject	***	***	***	***	***
Ratio to imports	Nonsubject	***	***	***	***	***
Ratio to U.S. shipments of imports	Nonsubject	***	***	***	***	***
Ratio to total shipments of imports	Nonsubject	***	***	***	***	***
Inventories quantity	All	***	***	***	***	***
Ratio to imports	All	***	***	***	***	***
Ratio to U.S. shipments of imports	All	***	***	***	***	***
Ratio to total shipments of imports	All	***	***	***	***	***

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

## U.S. importers' outstanding orders

The Commission requested importers to indicate whether they imported or arranged for the importation of PTY from Indonesia, Malaysia, Thailand, and Vietnam after June 30, 2021. The 15 firms' reported data is presented in table VII-19.

**Table VII-19**  
**PTY: Quantity of U.S. importers' arranged imports, by period**

Quantity in 1,000 pounds

Source of arranged imports	Jul-Sep 2021	Oct-Dec 2021	Jan-Mar 2022	Apr-Jun 2022	Total
Indonesia	***	***	***	***	***
Malaysia	***	***	***	***	***
Thailand	***	***	***	***	***
Vietnam	***	***	***	***	***
Subject sources	***	***	***	***	***
Mexico	***	***	***	***	***
All other sources	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	***	***	***	***	***

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

## Third-country trade actions

There are currently two countries with antidumping duty orders in place on PTY from the subject countries. Turkey placed antidumping orders on PTY imports from Indonesia ranging from \$48 to \$240/ton, Malaysia at \$276/ton, and Thailand ranging from \$198 to \$300/ton in 2008.<sup>15</sup> Turkey then imposed an antidumping order on Vietnam in 2016 at rates ranging from 34.81 to 72.56 percent.<sup>16</sup> Pakistan has an antidumping duty order on PTY imports from Malaysia that was imposed in 2017 at a 6.36 percent duty rate.<sup>17</sup> India imposed an antidumping duty order on polyester spun yarn from Indonesia and Vietnam on August 19, 2021 with rates ranging from \$4 to \$281/metric ton.<sup>18</sup> Vietnam also recently made a final determination in an antidumping investigation on imports of polyester filament yarn from Indonesia and Malaysia. It imposed duty rates at 94 percent for Indonesia and 21.45 percent for Malaysia on October 16, 2021.<sup>19</sup>

## Information on nonsubject countries

Table VII-20 presents global exports of synthetic filament yarn by quantity and value.<sup>20</sup> Global exports increased 1.9 percent by quantity from 2018–19, then decreased 3.4 percent by quantity during 2019–20. In 2020, the five leading country exporters—China, India, Taiwan, Indonesia, and Thailand—accounted for 84.9 percent of global exports of synthetic filament yarn, by quantity. All of the top 12 exporting countries had declines by value in synthetic filament yarn from 2018-2020 except for Turkey, which increased 9 percent.

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<sup>15</sup> Petitioner’s post conference brief, p. 47-48; Global Trade Alert, “Turkey: Extension of definitive antidumping,” n.d.

<sup>16</sup> Petitioner’s post conference brief, p. 47-48; Apparel Resources, “Turkey imposes 72.56% AD duty,” November 15, 2016.

<sup>17</sup> Conference transcript, p. 56 (Brewer); Petitioner’s post conference brief, p. 48; Government of Pakistan National Tariff Commission, “Report on Final Determination,” August 25, 2017.

<sup>18</sup> Government of India, Department of Commerce, Directorate General of Trade Remedies, “Anti-dumping investigation concerning imports of “Polyester Yarn (Polyester Spun Yarn)” from China PR, Indonesia, Nepal and Vietnam,” last updated August 23, 2021.

<sup>19</sup> “Vietnam Makes Final Anti-Dumping Ruling On Polyester Filament Yarn Of China, India And Other Countries,” [www.nengyuanxuehui.com](http://www.nengyuanxuehui.com), October 16, 2021.

<sup>20</sup> Data are for HTS subheading 5402.33, which covers “synthetic filament yarn other than sewing thread, not put up for retail sale, textured yarn of polyesters.” *Harmonized Tariff Schedule of the United States (2021)*, Revision 7, USITC publication 5224, August 2021, Chapter 28, p. 28-5.

**Table VII-20**  
**Synthetic filament yarn: Global exports by exporter, by period**

Quantity in 1,000 pounds; Value in 1,000 dollars

<b>Exporting country</b>	<b>Measure</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
United States	Quantity	66,048	61,928	50,288
China	Quantity	2,368,547	2,749,799	2,863,930
India	Quantity	1,144,773	1,107,504	832,958
Taiwan	Quantity	301,108	277,203	224,888
Indonesia	Quantity	188,162	207,420	144,783
Thailand	Quantity	178,456	182,191	168,222
Malaysia	Quantity	137,944	127,930	126,781
Vietnam	Quantity	167,073	152,995	199,053
Turkey	Quantity	62,291	78,455	84,448
Italy	Quantity	53,908	45,178	38,743
Mexico	Quantity	45,084	42,686	35,416
Belarus	Quantity	46,561	42,731	36,963
All other exporters	Quantity	303,779	86,368	182,233
All reporting exporters	Quantity	5,063,737	5,162,387	4,988,706
United States	Value	124,387	117,433	92,449
China	Value	1,856,455	1,885,577	1,574,151
India	Value	865,482	734,960	462,903
Taiwan	Value	326,205	302,328	240,430
Indonesia	Value	160,097	154,130	92,426
Thailand	Value	153,923	151,049	126,912
Malaysia	Value	97,017	79,363	62,534
Vietnam	Value	148,399	128,870	132,748
Turkey	Value	81,735	94,098	89,072
Italy	Value	117,079	95,173	78,546
Mexico	Value	51,924	52,046	42,682
Belarus	Value	42,534	36,776	28,276
All other exporters	Value	475,917	818,141	1,489,406
All reporting exporters	Value	4,501,154	4,649,945	4,512,534

Table continued on next page.

**Table VII-20 Continued**  
**Synthetic filament yarn: Global exports by exporter, by period**

Unit values in dollars per pound; Shares in percent

Exporting country	Measure	2018	2019	2020
United States	Unit value	1.88	1.90	1.84
China	Unit value	0.78	0.69	0.55
India	Unit value	0.76	0.66	0.56
Taiwan	Unit value	1.08	1.09	1.07
Indonesia	Unit value	0.85	0.74	0.64
Thailand	Unit value	0.86	0.83	0.75
Malaysia	Unit value	0.70	0.62	0.49
Vietnam	Unit value	0.89	0.84	0.67
Turkey	Unit value	1.31	1.20	1.05
Italy	Unit value	2.17	2.11	2.03
Mexico	Unit value	1.15	1.22	1.21
Belarus	Unit value	0.91	0.86	0.76
All other exporters	Unit value	1.57	9.47	8.17
All reporting exporters	Unit value	0.89	0.90	0.90
United States	Share of quantity	1.3	1.2	1.0
China	Share of quantity	46.8	53.3	57.4
India	Share of quantity	22.6	21.5	16.7
Taiwan	Share of quantity	5.9	5.4	4.5
Indonesia	Share of quantity	3.7	4.0	2.9
Thailand	Share of quantity	3.5	3.5	3.4
Malaysia	Share of quantity	2.7	2.5	2.5
Vietnam	Share of quantity	3.3	3.0	4.0
Turkey	Share of quantity	1.2	1.5	1.7
Italy	Share of quantity	1.1	0.9	0.8
Mexico	Share of quantity	0.9	0.8	0.7
Belarus	Share of quantity	0.9	0.8	0.7
All other exporters	Share of quantity	6.0	1.7	3.7
All reporting exporters	Share of quantity	100.0	100.0	100.0

Source: Official exports statistics under HS subheading 5402.33, as reported by various national statistical authorities in the Global Trade Atlas database, accessed August 18, 2021.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. United States is shown at the top followed by the countries under investigation, all remaining top exporting countries in descending order of 2020 data. HS subheading 5402.33 contains products outside the scope of these investigations and therefore potentially overstates the volume of exports of subject merchandise.

**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
85 FR 69643, November 3, 2020	<i>Polyester Textured Yarn from Indonesia, Malaysia, Thailand, and Vietnam: Institution of Anti-Dumping Duty Investigations and Scheduling of Preliminary Phase Investigations</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2020-11-03/pdf/2020-24282.pdf">https://www.govinfo.gov/content/pkg/FR-2020-11-03/pdf/2020-24282.pdf</a>
85 FR 74680, November 23, 2020	<i>Polyester Textured Yarn from Indonesia, Malaysia, Thailand, and the Socialist Republic of Vietnam: Initiation of Less-Than-Fair Value Investigations</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2020-11-23/pdf/2020-25855.pdf">https://www.govinfo.gov/content/pkg/FR-2020-11-23/pdf/2020-25855.pdf</a>
85 FR 82514, December 18, 2020	<i>Polyester Textured Yarn From Indonesia, Malaysia, Thailand, and Vietnam; Preliminary Determinations</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2020-12-18/pdf/2020-27855.pdf">https://www.govinfo.gov/content/pkg/FR-2020-12-18/pdf/2020-27855.pdf</a>
86 FR 17362, April 2, 2021	<i>Polyester Textured Yarn From Indonesia, Malaysia, Thailand, and the Socialist Republic of Vietnam: Postponement of Preliminary Determinations in the Less-Than-Fair-Value Investigations</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2021-04-02/pdf/2021-06843.pdf">https://www.govinfo.gov/content/pkg/FR-2021-04-02/pdf/2021-06843.pdf</a>
86 FR 29742, June 03, 2021	<i>Polyester Textured Yarn From Indonesia: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2021-06-03/pdf/2021-11634.pdf">https://www.govinfo.gov/content/pkg/FR-2021-06-03/pdf/2021-11634.pdf</a>

Citation	Title	Link
86 FR 29746, June 03, 2021	<i>Polyester Textured Yarn From Thailand: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2021-06-03/pdf/2021-11632.pdf">https://www.govinfo.gov/content/pkg/FR-2021-06-03/pdf/2021-11632.pdf</a>
86 FR 29750, June 03, 2021	<i>Polyester Textured Yarn From the Socialist Republic of Vietnam: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2021-06-03/pdf/2021-11635.pdf">https://www.govinfo.gov/content/pkg/FR-2021-06-03/pdf/2021-11635.pdf</a>
86 FR 33354, June 03, 2021	<i>Polyester Textured Yarn From Indonesia, Malaysia, Thailand, and Vietnam; Scheduling of the Final Phase of Antidumping Duty Investigations</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2021-06-24/pdf/2021-13465.pdf">https://www.govinfo.gov/content/pkg/FR-2021-06-24/pdf/2021-13465.pdf</a>
86 FR 58875, October 25, 2021	<i>Polyester Textured Yarn From Indonesia: Final Affirmative Determination of Sales at Less Than Fair Value</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2021-10-25/pdf/2021-23126.pdf">https://www.govinfo.gov/content/pkg/FR-2021-10-25/pdf/2021-23126.pdf</a>
86 FR 58869, October 25, 2021	<i>Polyester Textured Yarn From Malaysia: Final Affirmative Determination of Sales at Less-Than Fair-Value</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2021-10-25/pdf/2021-23125.pdf">https://www.govinfo.gov/content/pkg/FR-2021-10-25/pdf/2021-23125.pdf</a>
86 FR 58883, October 25, 2021	<i>Polyester Textured Yarn From Thailand: Final Affirmative Determination of Sales at Less Than Fair Value</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2021-10-25/pdf/2021-23124.pdf">https://www.govinfo.gov/content/pkg/FR-2021-10-25/pdf/2021-23124.pdf</a>
86 FR 58877, October 25, 2021	<i>Polyester Textured Yarn From the Socialist Republic of Vietnam: Final Affirmative Determination of Sales at Less Than Fair Value</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2021-10-25/pdf/2021-23127.pdf">https://www.govinfo.gov/content/pkg/FR-2021-10-25/pdf/2021-23127.pdf</a>



**APPENDIX B**

**LIST OF HEARING WITNESSES**

## CALENDAR OF PUBLIC HEARING

Those listed below appeared in the United States International Trade Commission's hearing via video conference:

**Subject:** Polyester Textured Yarn from Indonesia, Malaysia, Thailand, and Vietnam

**Inv. Nos.:** 731-TA-1550-1553 (Final)

**Date and Time:** October 14, 2021 - 9:30 a.m.

### **EMBASSY APPEARANCE:**

**Embassy of the Republic of Indonesia  
Washington, DC**

**Mr. Wijayanto, Commercial Attaché**

### **OPENING REMARKS:**

Petitioner (**Paul C. Rosenthal**, Kelley Drye & Warren LLP)  
Respondent (**Kristen Smith**, Sandler, Travis & Rosenberg, P.A.)

### **In Support of the Imposition of Antidumping Duty Orders:**

Kelley Drye & Warren LLP  
Washington, DC  
on behalf of

Unifi Manufacturing, Inc.  
Nan Ya Plastics Corporation, America

**Eddie Ingle**, Director and Chief Executive Officer, Unifi Manufacturing, Inc.

**Brad Nations**, Vice President of Manufacturing, Unifi Manufacturing, Inc.

**Sohan Mangaldas**, Senior Vice President of Strategy, Procurement,  
and Supply Chain, Unifi Manufacturing, Inc.

**Jane L. Johnson**, Manager, Government Relations, Unifi Manufacturing, Inc.

**John Freeman**, Director of Sales, Nan Ya Plastics Corporation, America

**Paul Elliot**, Senior Business Manager, Sales, Nan Ya Plastics Corporation, America

**In Support of the Imposition of  
Antidumping Duty Orders:**

**Michael T. Kerwin**, Director, Georgetown Economic Services, LLC

**Gina E. Beck**, Senior Trade Analyst, Georgetown Economic Services, LLC

**Paul C. Rosenthal** )  
**Kathleen W. Cannon** )  
 ) – OF COUNSEL  
**Melissa M. Brewer** )  
**Julia A. Kuelzow** )

**In Opposition to the Imposition of  
Antidumping Duty Orders:**

Sandler, Travis & Rosenberg, P.A.  
Washington, DC  
on behalf of

Fils Promptex Yarns Inc. (“Promptex”)

**Johnny Soor**, President, Promptex

**Martin Wildeman**, Chairman and Chief Executive Officer, Tietex International Ltd.

**Wade Wallace**, President and Chief Operating Officer, Tietex International Ltd.

**Johan Cleyman**, Chief Executive Officer, Innofa Americas

**Aouda P. Flores-Baffi**, Director of Innovation, Jif-Pak Manufacturing, Inc.

**Annie Smith**, Director of Finance & Accounting, Jif-Pak Manufacturing, LLC

**Avi Lawrence**, President, Contec, Inc.

**John S. McBride**, Chief Executive Officer, Contec, Inc.

**Mike Hodges**, Director of Manufacturing, Adele Knits Inc.

**Peter Bylenga Jr.**, General Manager, Package Concepts & Materials, Inc.

**Rich Roper**, Chief Financial Officer, Global Textile Alliance

**In Opposition to the Imposition of  
Antidumping Duty Orders (continued):**

**Jennifer Lutz**, Partner, ION Economics, LLC

**Susannah Perkins**, Economic Consultant, ION Economics, LLC

**Kristen Smith** )  
 ) – OF COUNSEL  
**Sarah E. Yuskaitis** )

**REBUTTAL/CLOSING REMARKS:**

Petitioner (**Paul C. Rosenthal** and **Kathleen W. Cannon**, Kelley Drye & Warren LLP)

5 minutes + remaining direct

Respondent (**Kristen Smith**, Sandler, Travis & Rosenberg, P.A.)

5 minutes + remaining direct

**-END-**

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

Table C-1: PTY: Summary data concerning the U.S. total market .....	C-3
Table C-2: PTY: Summary data concerning the U.S. merchant market .....	C-6







**Table C-1 continued**

**PTY: Summary data concerning the U.S. total market, 2018-20, January to June 2020, and January to June 2021**

Quantity=1,000 pounds; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per pound; Period changes=percent--exceptions noted

	Reported data					Period changes			
	Calendar year			Jan-Jun		Comparison years			Jan-Jun
	2018	2019	2020	2020	2021	2018-20	2018-19	2019-20	2020-21
U.S. producers' (continued):									
Net sales:									
Quantity.....	202,090	186,297	156,436	78,097	86,681	▼(22.6)	▼(7.8)	▼(16.0)	▲11.0
Value.....	341,313	315,596	252,689	129,182	142,898	▼(26.0)	▼(7.5)	▼(19.9)	▲10.6
Unit value.....	\$1.69	\$1.69	\$1.62	\$1.65	\$1.65	▼(4.4)	▲0.3	▼(4.6)	▼(0.3)
Cost of goods sold (COGS).....	312,688	302,218	245,119	126,176	143,846	▼(21.6)	▼(3.3)	▼(18.9)	▲14.0
Gross profit or (loss) (fn2).....	28,625	13,378	7,570	3,006	(948)	▼(73.6)	▼(53.3)	▼(43.4)	▼---
SG&A expenses.....	22,918	18,202	17,603	8,713	9,504	▼(23.2)	▼(20.6)	▼(3.3)	▲9.1
Operating income or (loss) (fn2).....	5,707	(4,824)	(10,033)	(5,707)	(10,452)	▼---	▼---	▼---	▼---
Net income or (loss) (fn2).....	***	***	***	***	***	▼***	▼***	▼***	▼***
Unit COGS.....	\$1.55	\$1.62	\$1.57	\$1.62	\$1.66	▲1.3	▲4.8	▼(3.4)	▲2.7
Unit SG&A expenses.....	\$0.11	\$0.10	\$0.11	\$0.11	\$0.11	▼(0.8)	▼(13.8)	▲15.2	▼(1.7)
Unit operating income or (loss) (fn2).....	\$0.03	\$(0.03)	\$(0.06)	\$(0.07)	\$(0.12)	▼---	▼---	▼---	▼---
Unit net income or (loss) (fn2).....	***	***	***	***	***	▼***	▼***	▼***	▼***
COGS/sales (fn1).....	91.6	95.8	97.0	97.7	100.7	▲5.4	▲4.1	▲1.2	▲3.0
Operating income or (loss)/sales (fn1).....	1.7	(1.5)	(4.0)	(4.4)	(7.3)	▼(5.6)	▼(3.2)	▼(2.4)	▼(2.9)
Net income or (loss)/sales (fn1).....	***	***	***	***	***	▼***	▼***	▼***	▼***
Capital expenditures.....	***	***	***	***	***	▲***	▲***	▲***	▲***
Research and development expenses.....	***	***	***	***	***	▲***	▲***	▼***	▲***
Net assets.....	***	***	***	***	***	▼***	▲***	▼***	***

Note.--Shares and ratios shown as "0.0" percent represent non-zero values less than "0.05" percent (if positive) and greater than "(0.05)" percent (if negative). Zeroes, null values, and undefined calculations are suppressed and shown as "--". Period changes preceded by a "▲" represent an increase, while period changes preceded by a "▼" represent a decrease.

fn1.--Reported data are in percent and period changes are in percentage points.

fn2.--Percent changes only calculated when both comparison values represent profits; The directional change in profitability provided when one or both comparison values represent a loss.

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting numbers 5402.33.6000 and 5402.33.6000, accessed on August 12, 2021. Imports are based on the imports for consumption. Value data reflect landed duty-paid values.







**APPENDIX D**

**NONSUBJECT COUNTRY PRICE DATA**



One importer (\*\*\*) reported price data for Mexico for products 1-4. Price data reported by \*\*\* accounted for \*\*\* percent of U.S. imports from Mexico in 2020. These price items and accompanying data are comparable to those presented in tables V-4 to V-7. Price and quantity data for Mexico are shown in tables D-1 to D-4 and in figure D-1 to D-4 (with domestic and subject sources).

Two importers reported cost data for Mexico, accounting for \*\*\* percent of U.S. imports from Mexico. These cost data are comparable to those presented in tables V-8 to V-10. (No cost data for imports of product 4 from Mexico were received.)

In comparing nonsubject country pricing data with U.S. producer pricing data, prices for product imported from Mexico were lower than prices for U.S.-produced product in 36 instances and higher in 4 instances. In comparing nonsubject country pricing data with subject country pricing data, prices for product imported from Mexico were lower than prices for product imported from subject countries in 33 instances and higher in 85 instances. A summary of price differentials is presented in table D-8.

**Table D-1**  
**PTY: Weighted-average f.o.b. prices and quantities of domestic and imported product 1, by quarter**

Price in dollars per pound, quantity in pounds.

Period	U.S. price	U.S. quantity	Mexico price	Mexico quantity
2018 Q1	***	***	***	***
2018 Q2	***	***	***	***
2018 Q3	***	***	***	***
2018 Q4	***	***	***	***
2019 Q1	***	***	***	***
2019 Q2	***	***	***	***
2019 Q3	***	***	***	***
2019 Q4	***	***	***	***
2020 Q1	***	***	***	***
2020 Q2	***	***	***	***
2020 Q3	***	***	***	***
2020 Q4	***	***	***	***
2021 Q1	***	***	***	***
2021 Q2	***	***	***	***

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

Note: Product 1: Single ply, 150 denier, 34 to 48 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

**Figure D-1**

**PTY: Weighted-average prices and quantities of domestic and imported product 1, by quarter**

**Price of product 1**

\* \* \* \* \*

**Volume of product 1**

\* \* \* \* \*

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

Note: Product 1: Single ply, 150 denier, 34 to 48 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.



**Table D-2**  
**PTY: Weighted-average f.o.b. prices and quantities of domestic and imported product 2, by quarter**

Price in dollars per pound, quantity in pounds.

<b>Period</b>	<b>U.S. price</b>	<b>U.S. quantity</b>	<b>Mexico price</b>	<b>Mexico quantity</b>
2018 Q1	***	***	***	***
2018 Q2	***	***	***	***
2018 Q3	***	***	***	***
2018 Q4	***	***	***	***
2019 Q1	***	***	***	***
2019 Q2	***	***	***	***
2019 Q3	***	***	***	***
2019 Q4	***	***	***	***
2020 Q1	***	***	***	***
2020 Q2	***	***	***	***
2020 Q3	***	***	***	***
2020 Q4	***	***	***	***
2021 Q1	***	***	***	***
2021 Q2	***	***	***	***

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

Note: Product 2: Single ply, 70 denier, 34 to 48 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

**Figure D-2**

**PTY: Weighted-average prices and quantities of domestic and imported product 2, by quarter**

**Price of product 2**

\* \* \* \* \*

**Volume of product 2**

\* \* \* \* \*

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

Note: Product 2: Single ply, 70 denier, 34 to 48 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

**Table D-3**  
**PTY: Weighted-average f.o.b. prices and quantities of domestic and imported product 3, by quarter**

Price in dollars per pound, quantity in pounds.

<b>Period</b>	<b>U.S. price</b>	<b>U.S. quantity</b>	<b>Mexico price</b>	<b>Mexico quantity</b>
2018 Q1	***	***	***	***
2018 Q2	***	***	***	***
2018 Q3	***	***	***	***
2018 Q4	***	***	***	***
2019 Q1	***	***	***	***
2019 Q2	***	***	***	***
2019 Q3	***	***	***	***
2019 Q4	***	***	***	***
2020 Q1	***	***	***	***
2020 Q2	***	***	***	***
2020 Q3	***	***	***	***
2020 Q4	***	***	***	***
2021 Q1	***	***	***	***
2021 Q2	***	***	***	***

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

Note: Product 3: Single ply, 70 denier, 68 to 72 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

**Figure D-3**

**PTY: Weighted-average prices and quantities of domestic and imported product 3, by quarter**

**Price of product 3**

\* \* \* \* \*

**Volume of product 3**

\* \* \* \* \*

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

Note: Product 3: Single ply, 70 denier, 68 to 72 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

**Table D-4**  
**PTY: Weighted-average f.o.b. prices and quantities of domestic and imported product 4, by quarter**

Price in dollars per pound, quantity in pounds.

<b>Period</b>	<b>U.S. price</b>	<b>U.S. quantity</b>	<b>Mexico price</b>	<b>Mexico Quantity</b>
2018 Q1	***	***	***	***
2018 Q2	***	***	***	***
2018 Q3	***	***	***	***
2018 Q4	***	***	***	***
2019 Q1	***	***	***	***
2019 Q2	***	***	***	***
2019 Q3	***	***	***	***
2019 Q4	***	***	***	***
2020 Q1	***	***	***	***
2020 Q2	***	***	***	***
2020 Q3	***	***	***	***
2020 Q4	***	***	***	***
2021 Q1	***	***	***	***
2021 Q2	***	***	***	***

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

Note: Product 4: Single ply, 300 denier, 68 to 72 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

**Figure D-4**

**PTY: Weighted-average prices and quantities of domestic and imported product 4, by quarter**

**Price of product 4**

\* \* \* \* \*

**Volume of product 4**

\* \* \* \* \*

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

Note: Product 4: Single ply, 300 denier, 68 to 72 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

**Table D-5**  
**PTY: Import landed duty-paid purchase costs and domestic prices, quantities of product 1, by quarter**

Price in dollars per pound, quantity in pounds.

Period	U.S. price	U.S. quantity	Mexico LDP value	Mexico quantity
2018 Q1	***	***	***	***
2018 Q2	***	***	***	***
2018 Q3	***	***	***	***
2018 Q4	***	***	***	***
2019 Q1	***	***	***	***
2019 Q2	***	***	***	***
2019 Q3	***	***	***	***
2019 Q4	***	***	***	***
2020 Q1	***	***	***	***
2020 Q2	***	***	***	***
2020 Q3	***	***	***	***
2020 Q4	***	***	***	***
2021 Q1	***	***	***	***
2021 Q2	***	***	***	***

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

Note: Product 1: Single ply, 150 denier, 34 to 48 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

**Figure D-5**  
**PTY: Weighted-average U.S. producer prices and import purchase costs, and quantities, of product 1, by quarter**

**U.S. price and import purchase cost of product 1**

\* \* \* \* \*

**Volume of product 1**

\* \* \* \* \*

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

Note: Product 1: Single ply, 150 denier, 34 to 48 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.



**Table D-6**  
**PTY: Import landed duty-paid purchase costs and domestic prices, quantities of product 2, by quarter**

Price in dollars per pound, quantity in pounds.

Period	U.S. price	U.S. quantity	Mexico LDP value	Mexico quantity
2018 Q1	***	***	***	***
2018 Q2	***	***	***	***
2018 Q3	***	***	***	***
2018 Q4	***	***	***	***
2019 Q1	***	***	***	***
2019 Q2	***	***	***	***
2019 Q3	***	***	***	***
2019 Q4	***	***	***	***
2020 Q1	***	***	***	***
2020 Q2	***	***	***	***
2020 Q3	***	***	***	***
2020 Q4	***	***	***	***
2021 Q1	***	***	***	***
2021 Q2	***	***	***	***

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

Note: Product 2: Single ply, 70 denier, 34 to 48 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

**Figure D-6**  
**PTY: Weighted-average U.S. producer prices and import purchase costs, and quantities, of product 2, by quarter**

**U.S. price and import purchase cost of product 2**

\* \* \* \* \*

**Volume of product 2**

\* \* \* \* \*

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

Note: Product 2: Single ply, 70 denier, 34 to 48 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

**Table D-7**  
**PTY: Import landed duty-paid purchase costs and domestic prices, quantities of product 3, by quarter**

Price in dollars per pound, quantity in pounds.

Period	U.S. price	U.S. quantity	Mexico LDP value	Mexico quantity
2018 Q1	***	***	--	0
2018 Q2	***	***	--	0
2018 Q3	***	***	--	0
2018 Q4	***	***	***	***
2019 Q1	***	***	***	***
2019 Q2	***	***	***	***
2019 Q3	***	***	***	***
2019 Q4	***	***	***	***
2020 Q1	***	***	***	***
2020 Q2	***	***	***	***
2020 Q3	***	***	***	***
2020 Q4	***	***	--	0
2021 Q1	***	***	--	0
2021 Q2	***	***	***	***

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

Note: Product 3: Single ply, 70 denier, 68 to 72 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

**Figure D-7**  
**PTY: Weighted-average U.S. producer prices and import purchase costs, and quantities, of product 3, by quarter**

**U.S. price and import purchase cost of product 3**

\* \* \* \* \*

**Volume of product 3**

\* \* \* \* \*

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

Note: Product 3: Single ply, 70 denier, 68 to 72 filaments, natural (non-dyed) color, semi-dull luster, round polyester textured yarn.

**Table D-8****PTY: Summary of higher/(lower) unit values, by source, January 2018-June 2021**

<b>Comparison</b>	<b>Number of quarters lower</b>	<b>Quantity lower (pounds)</b>	<b>Number of quarters higher</b>	<b>Quantity higher (pounds)</b>
Mexico price vs. United States price	***	***	***	***
Mexico price vs. Indonesia price	***	***	***	***
Mexico price vs. Malaysia price	***	***	***	***
Mexico price vs. Thailand price	***	***	***	***
Mexico price vs. Vietnam price	***	***	***	***
Mexico cost vs. United States price	***	***	***	***
Mexico cost vs. Indonesia cost	***	***	***	***
Mexico cost vs. Malaysia cost	***	***	***	***
Mexico cost vs. Thailand cost	***	***	***	***
Mexico cost vs. Vietnam cost	***	***	***	***

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



**APPENDIX E**

**FINANCIAL EXPERIENCE OF U.S. PRODUCERS FOR  
THE TOTAL AND MERCHANT MARKETS**





**Table E-1**  
**PTY: Total market firm-by-firm net sales quantity, by period**

**Net sales quantity**

Quantity in 1,000 pounds

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	202,090	186,297	156,436	78,097	86,681

Table continued.

**Table E-1 Continued**  
**PTY: Total market firm-by-firm net sales value, by period**

**Net sales value**

Value in 1,000 dollars

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	341,313	315,596	252,689	129,182	142,898

Table continued.

**Table E-1 Continued**  
**PTY: Total market firm-by-firm cost of goods sold ("COGS"), by period**

**COGS**

Value in 1,000 dollars

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	312,688	302,218	245,119	126,176	143,846

Table continued.

**Table E-1 Continued**  
**PTY: Total market firm-by-firm gross profit or (loss), by period**

**Gross profit or (loss)**

Value in 1,000 dollars

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	28,625	13,378	7,570	3,006	(948)

Table continued.

**Table E-1 Continued**  
**PTY: Total market firm-by-firm selling, general, and administrative (“SG&A”) expenses, by period**

**SG&A expenses**

Value in 1,000 dollars

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	22,918	18,202	17,603	8,713	9,504

Table continued.

**Table E-1 Continued**  
**PTY: Total market firm-by-firm operating income or (loss), by period**

**Operating income or (loss)**

Value in 1,000 dollars

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	5,707	(4,824)	(10,033)	(5,707)	(10,452)

Table continued.

**Table E-1 Continued**  
**PTY: Total market firm-by-firm net income or (loss), by period**

**Net income or (loss)**

Value in 1,000 dollars

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

**Table E-1 Continued**  
**PTY: Total market firm-by-firm ratio of COGS to net sales value, by period**

**COGS to net sales ratio**

Ratios in percent

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	91.6	95.8	97.0	97.7	100.7

Table continued.

**Table E-1 Continued**  
**PTY: Total market firm-by-firm ratio of gross profit or (loss) to net sales value, by period**

**Gross profit or (loss) to net sales ratio**

Ratios in percent

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	8.4	4.2	3.0	2.3	(0.7)

Table continued.

**Table E-1 Continued**

**PTY: Total market firm-by-firm ratio of SG&A expenses to net sales value, by period**

**SG&A expenses to net sales ratio**

Ratios in percent

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	6.7	5.8	7.0	6.7	6.7

Table continued.

**Table E-1 Continued**

**PTY: Total market firm-by-firm ratio of operating income or (loss) to net sales value, by period**

**Operating income or (loss) to net sales ratio**

Ratios in percent

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	1.7	(1.5)	(4.0)	(4.4)	(7.3)

Table continued.

**Table E-1 Continued**

**PTY: Total market firm-by-firm ratio of net income or (loss) to net sales value, by period**

**Net income or (loss) to net sales ratio**

Ratios in percent

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

**Table E-1 Continued**  
**PTY: Total market firm-by-firm unit net sales value, by period**

**Unit net sales value**

Unit values in dollars per pound

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	1.69	1.69	1.62	1.65	1.65

Table continued.

**Table E-1 Continued**  
**PTY: Total market firm-by-firm unit raw material cost, by period**

**Unit raw material costs**

Unit values in dollars per pound

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	1.01	1.02	0.96	0.96	0.99

Table continued.

**Table E-1 Continued**  
**PTY: Total market firm-by-firm unit direct labor cost, by period**

**Unit direct labor costs**

Unit values in dollars per pound

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	0.21	0.22	0.24	0.24	0.26

Table continued.

**Table E-1 Continued**

**PTY: Total market firm-by-firm unit other factory costs, by period**

**Unit other factory costs**

Unit values in dollars per pound

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	0.33	0.38	0.37	0.42	0.41

Table continued.

**Table E-1 Continued**

**PTY: Total market firm-by-firm unit COGS, by period**

**Unit COGS**

Unit values in dollars per pound

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	\$1.55	\$1.62	\$1.57	\$1.62	\$1.66

Table continued.

**Table E-1 Continued**

**PTY: Total market firm-by-firm unit gross profit or (loss), by period**

**Unit gross profit or (loss)**

Unit values in dollars per pound

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	0.14	0.07	0.05	0.04	(0.01)

Table continued.

**Table E-1 Continued**  
**PTY: Total market firm-by-firm unit SG&A expenses, by period**

**Unit SG&A expenses**

Unit values in dollars per pound

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	0.11	0.10	0.11	0.11	0.11

Table continued.

**Table E-1 Continued**  
**PTY: Total market firm-by-firm unit operating income or (loss), by period**

**Unit operating income or (loss)**

Unit values in dollars per pound

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	0.03	(0.03)	(0.06)	(0.07)	(0.12)

Table continued.

**Table E-1 Continued**  
**PTY: Total market firm-by-firm unit net income or (loss), by period**

**Unit net income or (loss)**

Unit values in dollars per pound

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***

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

**Table E-2**  
**PTY: Merchant market firm-by-firm commercial sales quantity, by period**

**Commercial sales quantity**

Quantity in 1,000 pounds

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

**Table E-2 Continued**  
**PTY: Merchant market firm-by-firm commercial sales value, by period**

**Commercial sales value**

Value in 1,000 dollars

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

**Table E-2 Continued**  
**PTY: Merchant market firm-by-firm cost of goods sold (“COGS”), by period**

**COGS**

Value in 1,000 dollars

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.



**Table E-2 Continued****PTY: Merchant market firm-by-firm gross profit or (loss), by period****Gross profit or (loss)**

Value in 1,000 dollars

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

**Table E-2 Continued****PTY: Merchant market firm-by-firm selling, general, and administrative (“SG&A”) expenses, by period****SG&A expenses**

Value in 1,000 dollars

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

**Table E-2 Continued****PTY: Merchant market firm-by-firm operating income or (loss), by period****Operating income or (loss)**

Value in 1,000 dollars

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

**Table E-2 Continued****PTY: Merchant market firm-by-firm net income or (loss), by period****Net income or (loss)**

Value in 1,000 dollars

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

**Table E-2 Continued****PTY: Merchant market firm-by-firm ratio of COGS to commercial sales value, by period****COGS to commercial sales ratio**

Ratios in percent

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

**Table E-2 Continued****PTY: Merchant market firm-by-firm ratio of gross profit or (loss) to commercial sales value, by period****Gross profit or (loss) to commercial sales ratio**

Ratios in percent

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

**Table E-2 Continued**

**PTY: Merchant market firm-by-firm ratio of SG&A expenses to commercial sales value, by period**

**SG&A expenses to commercial sales ratio**

Ratios in percent

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

**Table E-2 Continued**

**PTY: Merchant market firm-by-firm ratio of operating income or (loss) to commercial sales value, by period**

**Operating income or (loss) to commercial sales ratio**

Ratios in percent

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

**Table E-2 Continued**

**PTY: Merchant market firm-by-firm ratio of net income or (loss) to commercial sales value, by period**

**Net income or (loss) to commercial sales ratio**

Ratios in percent

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

**Table E-2 Continued****PTY: Merchant market firm-by-firm unit commercial sales value, by period****Unit commercial sales value**

Unit values in dollars per pound

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

**Table E-2 Continued****PTY: Merchant market firm-by-firm unit raw material cost, by period****Unit raw material costs**

Unit values in dollars per pound

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

**Table E-2 Continued****PTY: Merchant market firm-by-firm unit direct labor cost, by period****Unit direct labor costs**

Unit values in in dollars per pound

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

**Table E-2 Continued**  
**PTY: Merchant market firm-by-firm unit other factory costs, by period**

**Unit other factory costs**

Unit values in in dollars per pound

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

**Table E-2 Continued**  
**PTY: Merchant market firm-by-firm unit COGS, by period**

**Unit COGS**

Unit values in in dollars per pound

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

**Table E-2 Continued**  
**PTY: Merchant market firm-by-firm unit gross profit or (loss), by period**

**Unit gross profit or (loss)**

Unit values in in dollars per pound

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

**Table E-2 Continued****PTY: Merchant market firm-by-firm unit SG&A expenses, by period****Unit SG&A expenses**

Unit values in in dollars per pound

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

**Table E-2 Continued****PTY: Merchant market firm-by-firm unit operating income or (loss), by period****Unit operating income or (loss)**

Unit values in in dollars per pound

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

**Table E-2 Continued****PTY: Merchant market firm-by-firm unit net income or (loss), by period****Unit net income or (loss)**

Unit values in in dollars per pound

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2021</b>
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sage Automotive	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***

Note: \*\*\* reported no sales in the merchant market. See footnote 5 in Part VI of thereport.

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

