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BEFORE THE
INTERNATIONAL TRADE ADMINISTRATION
UNITED STATES DEPARTMENT OF COMMERCE
AND THE
UNITED STATES INTERNATIONAL TRADE COMMISSION

In the Matter of	**PETITIONS FOR THE IMPOSITION OF ANTIDUMPING DUTIES**
POLYTETRAMETHYLENE ETHER GLYCOL FROM CHINA, SOUTH KOREA, TAIWAN, AND VIETNAM	**VOLUME I: GENERAL ISSUES AND INJURY**

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PETITIONS FOR THE IMPOSITION OF ANTIDUMPING DUTIES ON IMPORTS OF POLYTETRAMETHYLENE ETHER GLYCOL FROM CHINA, SOUTH KOREA, TAIWAN, AND VIETNAM

VOLUME I: GENERAL ISSUES AND INJURY

I. INTRODUCTION

These petitions are filed by BASF Corporation ("BASF" or "Petitioner") with the International Trade Administration of the U.S. Department of Commerce ("Commerce") and the U.S. International Trade Commission (the "Commission") pursuant to Section 731 of the Tariff Act of 1930, as amended ("the Act"), 19 U.S.C. § 1673. Petitioner is the only domestic producer of Polytetramethylene Ether Glycol ("PTMEG"), the product covered by these investigations.[1]

Petitioner alleges that the producers and exporters of PTMEG in China, South Korea, Taiwan, and Vietnam are selling subject merchandise at less than fair value in the United States within the meaning of Section 731 of the Act.[2] Volumes II through V of the petitions contain the information supporting Petitioner's allegations of dumping of PTMEG from China, South Korea, Taiwan, and Vietnam.

Finally, Petitioner alleges that dumped imports from the subject countries are materially injuring the domestic industry and that they threaten the domestic industry with further material injury. The evidence demonstrates that the subject producers in the subject countries have used less than fair value pricing to take significant volumes of sales and market share from the domestic industry since 2023 and that the subject imports have severely harmed domestic prices, which have fallen significantly since 2023.

[1] For the full scope of these investigations, *see* **Section II.C.4.** of this volume.
[2] *See* 19 U.S.C. § 1673.

Moreover, the evidence presented in these petitions shows that the rapidly growing volumes of low-priced, unfairly traded imports from China, South Korea, Taiwan, and Vietnam have had a [ ] adverse impact on the overall condition of the petitioner, whose net sales, market share, and profitability levels have all fallen [ ] from 2023 to 2025. Additionally, since 2024, there have been significant declines in the petitioner's production volumes, U.S. shipment volumes, and sales revenues. Accordingly, the available evidence establishes that the subject imports have materially injured the domestic industry producing PTMEG.

In addition, the available evidence indicates that subject imports from China, South Korea, Taiwan, and Vietnam threaten additional injury to the domestic industry. In this regard, the available evidence indicates that the subject countries have ample amounts of available capacity that can be used to increase their already significant exports of PTMEG to the United States in the imminent future. Moreover, they rely heavily on exports to maintain their capacity utilization rates, which is a critical factor for this capital-intensive industry. Finally, they have a track record of using very low pricing to rapidly increase their sales to the U.S. market, which harms domestic pricing and profitability levels.

In sum, the available evidence indicates that, in the absence of trade relief, the subject producers in China, South Korea, Taiwan, and Vietnam will continue to ship large volumes of low-priced PTMEG to the U.S. market and that these volumes will continue to have a devastating impact on the domestic industry. It is therefore critical that the domestic industry obtain trade relief from the onslaught of unfairly traded imports from these countries in recent years. Absent sufficient relief, U.S. PTMEG production will no longer be sustainable, resulting

in the consequent loss of American manufacturing capacity and jobs and making another U.S. supply chain entirely dependent on imports from foreign sources.

As we noted above, this volume contains general information relating to the antidumping duty petitions against China, South Korea, Taiwan, and Vietnam, as well as required information concerning material injury and threat of material injury to the domestic industry. The allegations contained in this volume consist of information that is reasonably available to Petitioner. The petitions are being filed in conformity with the requirements of Section 351.202 of Commerce's regulations[3] and Section 207.11 of the Commission's regulations.[4]

II. GENERAL INFORMATION

A. Petitioner And Degree Of Industry Support For The Petition

1. The Petitioner

BASF, the Petitioner in these investigations, is the only producer of PTMEG in the United States. As a domestic producer of the domestic like product, BASF is an interested party within the meaning of 19 U.S.C. § 1677(9)(C).[5] The contact information for Petitioner is set forth below:

BASF Corporation
Address: 100 Park Avenue, Florham Park, NJ 07932
Phone: [ ]
Contact Name and Title: [ ]
Contact Email: [ ]
Website: www.basf.com/us

[3] *See generally* 19 C.F.R. § 351.202.
[4] *See generally* 19 C.F.R. § 207.11(b)(2)(i).
[5] This provision defines "interested party" to include "a manufacturer, producer, or wholesaler in the United States of a domestic like product."

2. Industry support for the petitions[6]

Under 19 U.S.C. § 1673a(c)(4)(A), Commerce must determine whether there is sufficient industry support for an antidumping duty petition. Under the statute, Commerce will find that a petition has sufficient industry support if: (1) the domestic producers or workers who support the petition account for at least 25 percent of the total production of the domestic like product; and (2) the domestic producers or workers who support the petition account for more than 50 percent of the production of the domestic like product made by that portion of the industry expressing support for or opposition to the petition.[7] In these investigations, Petitioner has accounted for 100 percent of U.S. production of PTMEG during the entire period relevant to Commerce's industry support analysis.[8] Petitioner therefore satisfies both industry support requirements under the statute.

B. Related Proceedings And Previous Requests For Relief[9]

Petitioner has not previously filed for antidumping or countervailing duty relief from imports of PTMEG under Sections 701 and 731 of the Act. Furthermore, Petitioner has not previously filed for trade relief from imports of PTMEG pursuant to Section 337 of the Act, Sections 201 or 301 of the Trade Act of 1974, or Section 232 of the Trade Expansion Act of 1962. However, imports of PTMEG have been subject to additional duties as described below.

Section 301. In April 2018, the U.S. Trade Representative ("USTR") determined that acts, policies, and practices of the Government of China related to technology transfer,

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[6] *See* 19 C.F.R. § 351.202(b)(3). 19 C.F.R. § 351.202(b)(3)(i) asks for "the total volume and value of U.S. production of the domestic like product."
[7] *See* 19 U.S.C. § 1673a(c)(4)(A).
[8] [ ], provided as **Exhibit I-1**; *see also* Domestic Industry Support, provided as **Exhibit I-2**.
[9] *See* 19 C.F.R. § 351.202(b)(4).

intellectual property, and innovation were unreasonable or discriminatory and burden or restrict U.S. commerce.[10] In response to these acts, policies, and practices, USTR used its authority under Section 301 of the Trade Act of 1974, as amended, ("Section 301") to impose an additional 10 percent *ad valorem* duty on imports of certain products from China.[11] The list included Harmonized Tariff Schedule of the United States ("HTSUS") number 3907.20.00,[12] which previously covered the product within the scope of this investigation before it was redesignated as subheading 3907.29.00. USTR subsequently increased the rate of the additional duty applicable to the tariff subheadings covered by Section 301 duties announced in September 2018 from 10 percent to 25 percent.[13] These duties remain in place today.[14]

[10] *See Notice of Action Pursuant to Section 301: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation*, 83 Fed. Reg. 14906 (USTR Apr. 6, 2018).
[11] *See Notice of Action Pursuant to Section 301: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation*, 83 Fed. Reg. 28710 (USTR Jun. 20, 2018); *Notice of Action Pursuant to Section 301: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation*, 83 Fed. Reg. 40823 (USTR Aug. 16, 2018); *Notice of Action Pursuant to Section 301: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation,* 83 Fed. Reg. 47974 (USTR Sep. 21, 2018).
[12] Effective January 27, 2022, subheading 3907.20.00 was redesignated as subheadings 3907.21.00 and 3907.29.00. PTMEG is now classifiable under HTSUS 3907.29.00. *See* Proclamation 10326 of December 23, 2021, *To Modify the Harmonized Tariff Schedule of the United States and for Other Purposes*, 86 Fed. Reg. 73593 (Exec. Off. Pres. Dec. 28, 2021) (adopting U.S. International Trade Commission, *Modifications to the Harmonized Tariff Schedule of the United States under Section 1206 of the Omnibus Trade and Competitiveness Act of 1988 and for Other Purposes*, Publication No. 5240 (Dec. 2021)).
[13] *See Notice of Modification of Section 301 Action: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation,* 83 Fed. Reg. 65198 (USTR Dec. 19, 2018). *See also Notice of Modification of Section 301 Action: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation*, 84 Fed. Reg. 7966 (USTR Mar. 5, 2019) (modifying the effective date for the increase in duties to May 10, 2019), *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 (USTR May 9, 2019).
[14] Since the imposition of the additional duties, USTR has granted exclusions from Section 301 duties to certain imports from China. None of those exclusions apply to the HTSUS numbers relevant to these investigations.

IEEPA. On January 20, 2025, President Trump declared a national emergency based on the threat of illegal immigration and illicit drugs.[15] On February 1, 2025, President Trump issued an Executive Order placing *ad valorem* duties on imports from China under the International Emergency Economic Powers Act ("IEEPA") to combat the fentanyl crisis.[16] On April 2, 2025, President Trump declared a national emergency based on the threat of structural imbalances in the global trading system and imposed reciprocal tariffs on several trading partners under IEEPA, including China, South Korea, Taiwan, and Vietnam.[17] These tariffs varied according to the trading partner and were modified based on agreements reached between the United States and certain countries.[18] On February 20, 2026, the Supreme Court issued a decision holding that President Trump lacked authority under IEEPA to impose the fentanyl and reciprocal tariffs.[19] On the same day, President Trump revoked all tariffs imposed pursuant to IEEPA.[20] These tariffs are no longer in effect.

Section 122. Simultaneous with the revocation of the IEEPA tariffs, President Trump proclaimed new additional duties at a rate of 10 percent pursuant to Section 122 of the Trade Act of 1974, as amended ("Section 122"), for a period from February 24, 2026 through July 24,

[15] *See Proclamation 10886 of January 20, 2025*, 90 Fed. Reg. 8327 (Exec. Off. Pres. Jan. 29, 2025) ("Declaring a National Emergency at the Southern Border").
[16] *See* Executive Order No. 14195 of February 1, 2025, *Imposing Duties To Address the Synthetic Opioid Supply Chain in the People's Republic of China*, 90 Fed. Reg. 9121 (Exec. Off. Pres. Feb. 7, 2025).
[17] *See* Executive Order No. 14257 of April 2, 2025, *Regulating Imports With a Reciprocal Tariff To Rectify Trade Practices That Contribute to Large and Persistent Annual United States Goods Trade Deficits*, 90 Fed. Reg. 15041 (Exec. Off. Pres. Apr. 7, 2025) (Reciprocal tariffs do not apply to Canada, Mexico, Russia, Belarus, Cuba, and North Korea).
[18] E.g., Executive Order 14326 of July 31, 2025, *Further Modifying the Reciprocal Tariff Rates*, 90 Fed. Reg. 37963 (Exec. Off. Pres Aug. 6, 2025) (applying different ad valorem rates for different trading partners).
[19] *See Learning Resources, Inc. v. Trump*, 607 U.S. ___ (2026).
[20] *See* Executive Order 14389 of February 20, 2026, *Ending Certain Tariff Actions*, 91 Fed. Reg. 9437 (Exec. Off. Pres. Feb. 25, 2026).

2026.[21] These Section 122 duties apply to imports of PTMEG from China, South Korea, Taiwan, and Vietnam.

C. Description Of The Subject Merchandise

Petitioner provides below a detailed description of the subject merchandise that is included within the scope of the investigation, including the technical characteristics and uses of the merchandise and its current U.S. tariff classification number.[22]

1. Technical characteristics and uses

PTMEG is also known as polytetrahydrofuran ("PolyTHF" or "PTHF"), polytetramethylene ether glycol, and polybutylene glycol. PTMEG is a high-performance polymer derived from tetrahydrofuran ("THF").[23] PTMEG is a waxy, white solid that melts into a clear, colorless, viscous liquid at room temperature.[24] PTMEG is an extremely useful material widely employed as a reactant in the production of urethanes, where it serves as the soft block in elastomeric formulations.[25] PTMEG provides both performance advantages and processing benefits across diverse industries due to its elasticity, hydrolysis resistance, and low-temperature flexibility.[26]

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[21] *See* Proclamation 11012 of February 20, 2026, *Imposing a Temporary Import Surcharge To Address Fundamental International Payments Problems*, 91 Fed. Reg. 9339 (Exec. Off. Pres. Feb. 25, 2026). Section 122 authorizes the President to impose a temporary import surcharge for a period not exceeding 150 days unless such period is extended by an Act of the Congress. *See* 19 U.S. Code § 2132(a)(3).
[22] 19 C.F.R. § 351.202(b)(5).
[23] *See* ChemAnalyst, *Polytetramethylene Ether Glycol (PTMEG)* at 1 ("*ChemAnalyst PTMEG Production Process*"), provided as **Exhibit I-3***;* [ ], provided as **Exhibit I-4**.
[24] *See* Korea PTG Co., Ltd., Technical Data Sheet, provided as **Exhibit I-5**; [ ], provided as **Exhibit I-1**.
[25] *See ChemAnalyst PTMEG Production Process* at 1, provided as **Exhibit I-3***; see also* [ ], provided as **Exhibit I-4**.
[26] *See* Gantrade, Petrochemical Blog, *PTMEG: Polytetramethylene Ether Glycol* at 1 ("*Gantrade, PTMEG*"), provided as **Exhibit I-6**; *see also* BASF, *PolyTHF – Polytetrahydrofuran* at 4 ("*BASF PolyTHF*"), provided as **Exhibit I-7**.

PTMEG is commercially produced in molecular weights ranging from 250 to 3,000, with grades of 1,000, 1,800, and 2,000 molecular weight dominating global consumption.[27] The molecular weight and molecular weight distribution are key features, as they directly impact the properties of the resulting polymer.[28] Its hydroxyl groups react with other functional groups such as organic acids or isocyanates.[29] PTMEG is normally associated with Chemical Abstracts Service ("CAS") registry number 25190-06-1.[30]

As a component in polymers, PTMEG offers numerous beneficial properties including good mechanical properties and excellent resiliency over a wide temperature range, low temperature flexibility, superior hydrolytic stability, superior resistance against microbes and fungus attack, high abrasion resistance, non-allergenic characteristics, superior dynamic properties with minimum heat build-up, high reactivity as a bi-functional primary alcohol, high tear strength, relatively low viscosities leading to easier processing and handling, and long shelf lives.[31]

Thermoplastic elastomers made with PTMEG can be processed into downstream products by means of injection molding, extrusion, and fiber spinning.[32] The main end uses of PTMEG are spandex fibers,[33] polyurethane elastomers, and copolyester-ether elastomers.[34]

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[27] *See* BASF, *Expand your success on elastomers: PolyTHF* at 5 ("*BASF elastomers*"), provided as **Exhibit I-8**; [ ], provided as **Exhibit I-1**.
[28] *See Gantrade, PTMEG* at 2, provided as **Exhibit I-6**; [ ], provided as **Exhibit I-4**.
[29] *See BASF elastomers* at 5, provided as **Exhibit I-8**.
[30] *See BASF elastomers* at 4, provided as **Exhibit I-8**.
[31] *See* BASF, *Expand your success on elastic fibers: PolyTHF* at 5 ("*BASF elastic fibers*"), provided as **Exhibit I-9**; [ ], provided as **Exhibit I-4**.
[32] *See BASF elastomers* at 5, provided as **Exhibit I-8**.
[33] [

], provided as **Exhibit I-4**
[34] *See ChemAnalyst PTMEG Production Process* at 1, provided as **Exhibit I-3***;* [ ], provided as **Exhibit I-1**.

Globally, [

].[35] In the United States, [

].[36] Additional details on the leading applications for PTMEG are provided below.

Polyurethane Fibers (Spandex)[37]: PTMEG is the primary raw material used in the production of spandex fibers, which are highly elastic fibers found in many textiles.[38] Spandex fibers are lightweight, long-lasting, smooth to the touch, readily dyeable, and resist humidity, environmental pollutants, and microbes across a wide temperature range.[39] Applications include denim, swimwear, sportswear, undergarments, hosiery, athletic wear, diapers, and home furnishings.[40] Spandex has also been used in medical devices, such as orthopedic braces used on hand, shoulder, leg, and ankle.[41]

Thermoplastic Polyurethane Elastomers ("TPU")*:* PTMEG is an important intermediate in manufacturing thermoplastic polyurethane elastomers.[42] TPUs are made by the reaction of an

[35] *See BASF elastomers* at 5, provided as **Exhibit I-8**.
[36] [ ], provided as **Exhibit I-1**.
[37] [ ], provided as **Exhibit I-4**.
[38] *See ChemAnalyst PTMEG Production Process* at 1, provided as **Exhibit I-3**; [ ], provided as **Exhibit I-4**.
[39] *See BASF elastic fibers* at 5, provided as **Exhibit I-9**; [ ], provided as **Exhibit I-4**.
[40] *See BASF elastic fibers* at 5, provided as **Exhibit I-9**; [ ], provided as **Exhibit I-4**; [ ], provided as **Exhibit I-1**.
[41] *See BASF elastic fibers* at 3, provided as **Exhibit I-9**; [ ], provided as **Exhibit I-4**.
[42] *See BASF elastomers* at 7, provided as **Exhibit I-8**; *see also BASF PolyTHF* at 1, provided as **Exhibit I-7**.

isocyanate and a polyol in a bulk or solution polymerization process that results in linear polymeric chains combined in block structures.[43] PTMEG-based TPUs exhibit superior resistance to hydrolysis, excellent flexibility at low temperatures, high resiliency and rebound properties, excellent mechanical and dynamic properties, outstanding abrasion resistance, and good processing characteristics.[44] Products made from PTMEG-based TPUs include automotive and aviation hoses and gaskets, forklift tires and wheels, roller skate wheels, industrial belts, tank and pipe liners, mining and oil production pump liners, athletic shoes, apparel such as leather coats, and medical prostheses and catheters.[45]

Coatings, Adhesives, and Sealants: When used in coating materials, PTMEG improves surface finishing, water-resistance, and microbe and abrasion resistance, making it ideal for waterborne or radiation-curable coatings for wooden or plastic surfaces, and for producing waterproof yet breathable fabrics and textiles.[46] PTMEG-containing polyurethane adhesives are suited for use in a wide range of downstream products, including one-component adhesives, two-component reaction adhesives, solvent-based adhesives, and hot melt adhesives for construction, footwear, automotive, packaging, lamination, and binder applications.[47]

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[43] *See Methylene Diphenyl Diisocyanate (MDI Products) from China*, Inv. No. 731-TA-1733 (Preliminary) (Preliminary), USITC Pub. 5606 (Apr. 2025) at 1.3 (adopted by *Methylene Diphenyl Diisocyanate (MDI Products) From China,* 90 Fed. Reg. 14868 (U.S. Int'l Trade Comm'n Apr. 4, 2025) ("MDI products are a diverse class of isocyanates derived from aniline. MDI is typically reacted with the hydroxyl groups of polyols to form polyurethane products.").

[44] *See Gantrade, PTMEG* at 2, provided as **Exhibit I-6**; [ ], provided as **Exhibit I-4**.

[45] *See ChemAnalyst PTMEG Production Process* at 1, provided as **Exhibit I-3**; [ ], provided as **Exhibit I-1**.

[46] *See BASF elastic fibers* at 2-3, provided as **Exhibit I-9**; [ ], provided as **Exhibit I-4**.

[47] *See BASF elastomers* at 6-7, provided as **Exhibit I-8**; [ ], provided as **Exhibit I-4**.

Copolyester-Ether Elastomers ("COPE")*:* COPE elastomers are high-performance engineering materials based on dimethyl terephthalate and PTMEG.[48] They are used in automotive components (including air bag deployment doors and vacuum brake tubes), as well as industrial products such as drive belts, gears, hose and tubing, seals, and pump diaphragms.[49]

2. Manufacturing process

PTMEG is manufactured by polymerizing THF with the use of an acid catalyst.[50] Many producers are vertically integrated, and their production process begins with the production of 1,4-butanediol ("BDO"),[51] which is then used to produce THF.[52] THF is then captively consumed to produce PTMEG via the polymerization of THF with the use of an acid catalyst.[53] Producers that are not integrated will purchase BDO or THF to produce PTMEG.

PTMEG can be produced by a variety of approaches, with direct catalysis in the presence of a strong acid being the initial commercial route.[54] Current commercial PTMEG production technology uses acetic anhydride and acetic acid as catalysts in the polymerization process.[55] Temperature, mixing, and reaction times are all closely monitored to keep by-products like

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[48] *See BASF elastomers* at 6-7, provided as **Exhibit I-8**; [ ], provided as **Exhibit I-4**.

[49] *See Gantrade, PTMEG* at 2, provided as **Exhibit I-6**; [ ], provided as **Exhibit I-4**.

[50] *See* [ ], provided as **Exhibit I-1**; Acid catalysts commonly used in the process are fluorosulfonic acid (FSA) catalyst (HSO_3F) and acetic anhydride (Ac_2O). *See id.*; *see also* Mitsubishi Chemical Group, PTMEG Technology at 2 ("*Mitsubishi PTMEG Technology*"), provided as **Exhibit I-10**.

[51] BDO is produced by a variety of methods, mainly from petrochemicals. [

]

[52] *See* [ ], provided as **Exhibit I-11**.

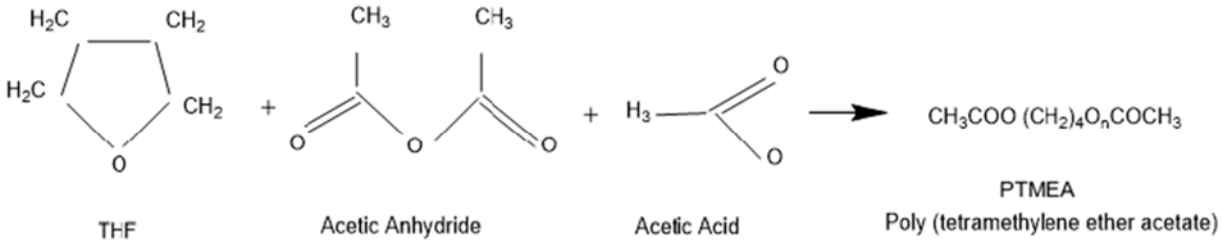
[53] *See* [ ], provided as **Exhibit I-1**.

[54] *See ChemAnalyst PTMEG Production Process* at 2, provided as **Exhibit I-3**; [ ], provided as **Exhibit I-4**.

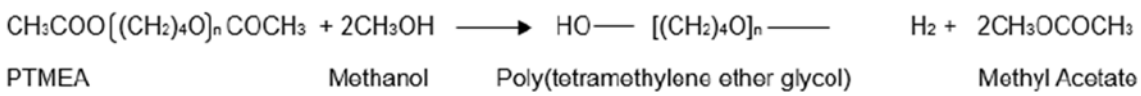
[55] [ ], provided as **Exhibit I-4**. Fluorosulfonic acid can also be used as a catalyst in the production of PTMEG. *See ChemAnalyst PTMEG Production Process* at 1, provided as **Exhibit I-3**.

cyclic oligomers low.[56] Additives are sometimes used to fine-tune molecular weight and hydroxyl value.[57] The chemical reactions involved in the process are summarized below:

Polymerization reaction: THF is polymerized with the use of acetic acid and acetic anhydride to create poly(tetramethylene ether acetate) ("PTMEA").[58]



Methanolysis reaction: The PTMEA is then reacted with methanol in a reactive transesterification step to yield PTMEG and methyl acetate in the presence of a basic catalyst.[59]



Catalyst recovery: The catalyst can be recovered from the polymerization step and recycled through hydrocarbon extraction, distillation, alumina adsorption, and molecular distillation.[60]

Molecular weight narrowing: The crude PTMEG has too broad a molecular weight distribution to be useful in polymeric applications, so it undergoes a "finishing" or "narrowing"

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[56] *See ChemAnalyst PTMEG Production Process* at 2, provided as **Exhibit I-3**.
[57] *See ChemAnalyst PTMEG Production Process* at 2, provided as **Exhibit I-3**.
[58] *See ChemAnalyst PTMEG Production Process* at 1, provided as **Exhibit I-3**; [ ], provided as **Exhibit I-4**.
[59] [ ], provided as **Exhibit I-4**; *see also Mitsubishi PTMEG Technology*, provided as **Exhibit I-10**.
[60] *See ChemAnalyst PTMEG Production Process* at 1, provided as **Exhibit I-3**; [ ], provided as **Exhibit I-4**.

step.[61] The current preferred commercial approach uses distillation chambers to separate PTMEG with different molecular weights.[62]

Packaging: PTMEG is typically blended with butylated hydroxytoluene ("BHT") or another stabilizer.[63] PTMEG is available in steel drums, and ISO tanks, tank trucks, and railroad tank cars.[64]

3. U.S. tariff classification numbers

The subject merchandise is classifiable in the HTSUS under subheading 3907.29.00.[65] The HTSUS General Duty rate is 6.5 percent.[66] This HTSUS code also includes out-of-scope products. Importers may also use other HTSUS subheadings to import PTMEG, including HTSUS subheading 2932.11.00. As discussed in the next section, the coverage of these petitions is determined by the written description of the scope of the investigations, not the HTSUS numbers.

4. Requested scope of the investigations

Petitioner proposes that the following scope for the imported merchandise that covered by these investigations:

> The merchandise covered by this investigation is polytetramethylene ether glycol ("PTMEG"), which is a polymer consisting of linear diols (i.e., organic chemical compound that has two hydroxyl (-OH) functional groups) with a molecular backbone

[61] *See ChemAnalyst PTMEG Production Process* at 1, provided as **Exhibit I-3**; [ ], provided as **Exhibit I-4**.
[62] [ ], provided as **Exhibit I-4**; *see also Mitsubishi PTMEG Technology* at 2 ("Oligomer separation"), provided as **Exhibit I-10**.
[63] [ ], provided as **Exhibit I-4**.
[64] [ ], provided as **Exhibit I-4**; BASF *PolyTHF* at 4, provided as **Exhibit I-7**.
[65] Chapter 39 of the HTSUS covers "Plastics and Articles Thereof; Rubber and Articles Thereof," and HTSUS subheading 3907.29.00 covers "Polyacetals, other polyethers and epoxide resins, in primary forms; polycarbonates, alkyd resins, polyallyl esters and other polyesters, in primary forms: Other polyethers: Other." *See* Chapter 39 of the HTSUS at 39-9, provided as **Exhibit I-12**.
[66] *See* HTSUS Chapter 39, provided as **Exhibit I-12**.

of repeating tetramethylene units (-$CH_2CH_2CH_2CH_2$-) interconnected through ether bonds (i.e., a single oxygen atom bonded to two carbon atoms), with a chemical formula $HO\{(CH_2)_4\}_nOH$. PTMEG is also referred to as Polytetrahydrofuran, PTHF, Polytetramethylene ether glycol, PTMG, and Polybutylene glycol. PTMEG is typically blended with butylated hydroxytoluene ("BHT") or another stabilizer. PTMEG is normally associated with Chemical Abstracts Service ("CAS") registry number 25190-06-1.

The scope includes all forms of PTMEG, regardless of physical form, purity, molecular weight, number of hydroxyls, number of acids, color, density, softening point, glass transition point, flash point, water content, viscosity, and packaging. PTMEG that has been blended with other products is included within this scope when such blends include constituent parts that have been intermingled but that have not been chemically reacted with each other to produce a different product. For such blends, only the PTMEG component of the mixture is covered by the scope of these investigations.

The scope includes merchandise matching the above description that has been processed in a third country, including by commingling, diluting, introducing, or removing stabilizers, modifiers, or additives, or performing any other processing that would not otherwise remove the merchandise from the scope of the investigations if performed in the subject country. The scope also includes PTMEG that is commingled or blended with PTMEG from sources not subject to these investigations. Only the subject component of such commingled products is covered by the scope of these investigations.

The subject merchandise is classifiable in the Harmonized Tariff Schedule of the United States ("HTSUS") under subheading 3907.29.00. Subject merchandise may also be imported under HTSUS subheading 2932.11.00. Although the HTSUS subheading and CAS registry number are provided for convenience and customs purposes, the written description of the scope is dispositive.

D. Class Or Kind Of Merchandise And Domestic Like Product[67]

PTMEG constitutes a single class or kind of merchandise. As explained in **Section III** below, there is a single domestic like product in these investigations, which includes all PTMEG, as that product is described in the scope. Thus, pursuant to 19 U.S.C. § 1677(10), domestic PTMEG is the product that is "like, or in the absence of like, most similar in characteristics and uses with the article subject to investigation."

E. Countries Of Exportation[68]

The countries in which the subject merchandise is manufactured or produced are China, South Korea, Taiwan, and Vietnam. Data regarding U.S. imports from these countries are included in **Exhibit I-13**.[69]

F. Producers, Exporters,[70] Importers,[71] And Purchasers[72] Of The Subject Merchandise

The name, address, and contact information for BASF, the petitioner and only domestic producer of PTMEG, is shown above in **Section II.A.** The names, addresses and contact information of producers and exporters of PTMEG in the subject countries are listed in **Exhibit I-14**. Information that would enable the Petitioner to estimate the percentage of exports accounted for by each individual exporter is not reasonably available.

The names, addresses, and contact information of the companies that the Petitioner believes may have imported the subject merchandise into the United States during the most

[67] 19 C.F.R. § 207.11(b)(2)(iv).
[68] *See* 19 C.F.R. § 351.202(b)(6).
[69] Petitioner provides import data based on U.S. Census as **Exhibit I-13a** and import data based on the industry report [ ] as **Exhibit I-13b**.
[70] *See* 19 C.F.R. § 351.202(b)(7)(i)(A-B) and 19 C.F.R. § 351.202(b)(7)(ii)(A-B).
[71] *See* 19 C.F.R. § 207.11(b)(2)(iii); 19 C.F.R. § 351.202(b)(9).
[72] *See* 19 C.F.R. § 207.11(b)(2)(v).

recent twelve-month period preceding the filing of the petition are listed in **Exhibit I-15**. A list of purchasers of the subject imports is provided in **Exhibit I-16**.

Contact information for all parties was obtained by Petitioner from its own market knowledge and from research on the Internet and from other sources. The exhibits referenced above reflect all information that is reasonably available to Petitioner at this time.

G. Volume And Value Of Subject Merchandise

An analysis of the volume and value of subject merchandise imported into the United States during the period from 2023 to 2025 is presented below in **Section IV.C**.

III. THE DOMESTIC LIKE PRODUCT AND THE DOMESTIC INDUSTRY

A. The Domestic Like Product Consists of All PTMEG Covered By The Scope

The domestic like product is defined as the product that is "like, or in the absence of like, most similar in characteristics and uses with the article subject to investigation."[73] Under the Commission's traditional like product factors, the available evidence establishes that all PTMEG covered by the scope constitute a single like product. The analysis below confirms that the domestic like product should be coextensive with the scope of the investigations. We discuss this issue below.

1. The legal standard

Under the statute, the Commission's analysis of the domestic like product begins with the "article subject to an investigation," *i.e.*, the subject merchandise as determined by Commerce.[74] Therefore, the scope of the imported merchandise is the starting point for the Commission's

[73] 19 U.S.C. § 1677(10).
[74] *See Thermal Paper from Germany, Japan, Korea, and Spain*, Inv. Nos. 731-TA-1546-1549 (Final), USITC Pub. 5237 (Nov. 2021) at 4 ("*Thermal Paper*") (adopted by *Thermal Paper From Germany, Japan, Korea, and Spain,* 86 Fed. Reg. 64958 (U.S. Int'l Trade Comm'n Nov. 19, 2021).

analysis.[75] The Commission then defines the domestic like product in light of the imported articles covered by the scope.

The decision regarding the appropriate domestic like product is a factual determination, and the Commission has applied the statutory standard of "like" on a case-by-case basis.[76] When making its domestic like product determination, the Commission typically considers several factors, including the following: (1) the physical characteristics and uses of the products; (2) their interchangeability; (3) their channels of distribution; (4) customer and producer perceptions of the products; (5) whether they are produced using similar manufacturing facilities, production processes, and production employees; and, where appropriate, (6) price.[77] No single factor is dispositive, and the Commission may consider other factors it deems relevant based on the facts of a particular investigation.[78] The Commission looks for clear dividing lines among possible like products and disregards minor variations.[79]

2. The domestic like product

a. Physical characteristics and end uses

All forms of PTMEG share the same physical characteristics and end uses.[80] In this regard, all forms of PTMEG have a similar chemical composition, because they have the same chemical formula (i.e., $HO\{(CH_2)_4\}_nOH$), with only the number of tetramethylene units

[75] *Thermal Paper* at 4.
[76] *Thermal Paper* at 5.
[77] *See Nippon Steel Corp. v. United States*, 19 C.I.T. 450, 455 (1995); *see also Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int'l Trade 1996).
[78] *Thermal Paper* at 5.
[79] *Thermal Paper* at 5.
[80] *See e.g., Citric Acid and Certain Citrate Salts from Belgium, Colombia, and Thailand,* Investigation Nos. 701-TA-581 and 731-TA-1374-1376 (Preliminary), USITC Pub. 4710 (July 2017) at 7-10, adopted by *Citric Acid and Certain Citrate Salts From Belgium, Colombia, and Thailand*, 82 Fed. Reg. 33925 (U.S. Int'l Trade Comm'n July 21, 2017).

varying.[81] PTMEG comes in different molecular weights, depending on the number of tetramethylene units.[82] There is no significant distinction between various forms of PTMEG, and all grades of PTMEG are associated with a single CAS number.[83] PTMEG consists of a waxy, white solid that melts into a clear, colorless, viscous liquid at room temperature.[84]

All forms of PTMEG are used in the same range of end uses. In particular, PTMEG is used in the production of spandex, thermoplastic polyurethane elastomers, coatings, adhesives, cast products, and certain industrial applications. Given these facts, this factor supports a finding that all PTMEG are part of the same domestic like product.

b. Interchangeability

Because all forms of PTMEG are used for the same purposes in the same range of end uses, all forms of PTMEG are broadly interchangeable.[85] Depending on the specific application, a user might purchase PTMEG with a specific functionality, reactivity, viscosity, flexibility, or mold flowability. Nonetheless, these preferences do not create a clear distinction between any of the forms of PTMEG that are covered by the scope. Thus, this factor supports treating all PTMEG as part of the same domestic like product.

[81] *See e.g.*, Korea PTG Co., Ltd., Technical Data Sheet, provided as **Exhibit I-5**; *BASF elastomers* at 4, provided as **Exhibit I-8**.
[82] *See e.g.*, *BASF elastomers* at 10, provided as **Exhibit I-8**. The most common commercial grades are 250, 650, 1000, 1400, 1800, 2000, and 3000. *Id*.
[83] *See e.g.*, *BASF elastomers* at 4, provided as **Exhibit I-8**; Gantrade*, Products, Polytetramethylene Ether Glycol*, provided as **Exhibit I-17**.
[84] [ ], provided as **Exhibit I-1**; Gantrade, PTMEG at 1, provided as **Exhibit I-6**.
[85] *See Gantrade*, *PTMEG* at 2, provided as **Exhibit I-6** (showing that polyurethane resins can be produced using any of the available grades and that at least two grades – PTMEG 1000 and PTMEG 2000 – can be used in industries, including for fiber and non-fiber applications).

c. Channels of distribution

The channels of distribution are the same for all forms of PTMEG. As a general matter, both BASF and importers market PTMEG to end users and distributors.[86] Accordingly, this factor also supports treating PTMEG as a single domestic like product.

d. Producer and customer perceptions

Both customers and producers generally recognize that the PTMEG covered by these petitions is a single like product. All of BASF's PTMEG is marketed under the same registered trademark, PolyTHF.[87] Other market participants in the United States also market all PTMEG as a single product category.[88] Finally, industry reports are often dedicated exclusively to PTMEG.[89] Thus, this factor supports treating all PTMEG as part of the same domestic like product.

e. Common manufacturing facilities, production processes, and production employees

All forms of PTMEG are made in the manufacturing facilities, using the same general process and the same employees. The manufacturing process is described in **Section II.C.2** above. As discussed above, PTMEG is generally made through the polymerization of THF in the presence of a catalyst. This factor also supports treating all PTMEG as part of the same domestic like product.

f. Price

As described above, all forms of PTMEG share similar physical and chemical characteristics, are produced in the same facilities by the same workers, and are generally used

[86] *See* List of U.S. Importers, provided as **Exhibit I-15** (listing distributors and end users); *see also* Petitioner's Trade and Financial Data, provided as **Exhibit I-21** (showing the shipment volume per channel of distribution).
[87] *See BASF PolyTHF* provided as **Exhibit I-7**.
[88] *See e.g.*, Gantrade, *Products, Polytetramethylene Ether Glycol*, provided as **Exhibit I-17**.
[89] *See e.g.*, [ ], provided as **Exhibit I-1**.

for the same purposes. As a result, prices for all types of PTMEG tend to be influenced by the same factors and typically move together in response to changes in supply and demand. Once again, therefore, this factor – like the other factors normally considered by the Commission – supports treating all PTMEG as part of the same domestic like product.

g. Conclusion

As shown above, a review of the Commission's traditional domestic like product factors demonstrates that all forms of PTMEG that are covered by the scope constitute a single domestic like product. Therefore, the Commission should find that all forms of PTMEG that are covered by the scope constitute a single domestic like product.

B. The Domestic Industry Consists Of BASF, The Only U.S. Producer Of The Domestic Like Product

The Act defines the term "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 total domestic production of the product."[90] As we previously noted, Petitioner is the only producer of PTMEG in the United States.[91] Accordingly, BASF accounted for all domestic production of PTMEG in the United States during the entire period of investigation.[92] Thus, the domestic industry consists of BASF's PTMEG operations in the United States.

[90] 19 U.S.C. § 1677(4)(A).
[91] *See* [ ]; *see also* The LYCRA Company Sep. 2022 Quarterly Report at 4, provided as **Exhibit I-18**. Until 2020, the LYCRA Company also produced PTMEG. LYCRA closed its PTMEG manufacturing facility in La Porte, Texas, in 2020, leaving BASF as the only producer of PTMEG in the United States
[92] *See* Domestic Industry Support, provided as **Exhibit I-2**.

IV. THE DOMESTIC INDUSTRY IS BEING MATERIALLY INJURED BY REASON OF SUBJECT IMPORTS[93]

A. The Subject Imports Are Not Negligible

Pursuant to Section 771(24)(A)(i) of the Act, if the Commission finds that imports of the subject merchandise from a particular country are "negligible," the investigation into those imports must be terminated.[94] Under the Act, imports are not considered "negligible" if they account for less than three percent of the volume of all such merchandise imported into the United States in the most recent twelve-month period for which data are available that precedes the filing of the petition.[95] The Act further provides that, in the context of a threat of injury determination, the Commission shall not treat imports as negligible if it determines that there is a potential that subject imports will imminently exceed the relevant negligibility threshold.[96]

In addition, under Section 771(24)(A)(ii) of the Act, imports that would otherwise be negligible under clause (i) because they fall below the three percent negligibility threshold shall not be negligible if the aggregate volume of such imports from all countries exceeds seven percent of the volume of all such merchandise imported into the United States during the applicable twelve-month period. When analyzing negligibility, the Commission may make reasonable estimates on the basis of available statistics.[97]

Information on subject imports for the most recent twelve-month period for which Census data are available is contained in **Exhibit I-19**.[98] These data demonstrate that imports from China, South Korea, Taiwan, and Vietnam under the HTSUS subheading covering PTMEG

[93] *See* 19 C.F.R. § 351.202(b)(10).
[94] *See* 19 U.S.C. § 1673b(a)(1).
[95] *See* 19 U.S.C. § 1677(24)(A)(i).
[96] *See* 19 U.S.C. § 1677(24)(A)(iv).
[97] 19 U.S.C. § 1677(24)(C).
[98] *See* Import Data for 12 Months, provided as **Exhibit I-19a** (The most recent twelve-month period for which Census data are available consists of the period from March 2025 through February 2026).

each accounted for more than three percent of total imports over the period. In this regard, the available evidence establishes that the subject imports from China, South Korea, Taiwan, and Vietnam accounted for approximately 12.0, 45.7, 6.5, and 3.7 percent, respectively, of the volume of all imports during this period. Thus, imports from these four countries are not negligible.[99]

Because the HTSUS subheading covering PTMEG is a basket category that includes imports of items other than PTMEG, Petitioner has analyzed import data for PTMEG in the [ ] and is the most current industry report on PTMEG. The [ ] contains data for full year 2025 and, therefore, represents the most recent twelve-month period for which import data specific to PTMEG are available at the time the petition is filed.

According to this report, the subject imports from China, South Korea, Taiwan, and Vietnam accounted for approximately [ ] percent, respectively, of the volume of all imports during this period.[100] Thus, these data confirm that the subject imports from each of these four countries accounted for at least three percent of total imports during the most recent period for which data are reasonably available.

In sum, the available evidence establishes that imports of PTMEG from China, South Korea, Taiwan, and Vietnam are above the negligibility threshold during the twelve-month period for which data are available as of the petition's filing date.[101] Thus, the available evidence shows that the subject imports from China, South Korea, Taiwan, and Vietnam are not negligible.

[99] *See* Import Data for 12 Months, provided as **Exhibit I-19a**.
[100] *See* Import Data for 12 Months, provided as **Exhibit I-19b**.
[101] *See* Import Data for 12 Months, provided as **Exhibit I-19a**.

B. The Subject Imports Should Be Cumulated For Purposes Of The Commission's Material Injury Analysis

The Act provides for the cumulative analysis of subject imports from more than one country, subject to certain conditions and exceptions. When deciding whether subject imports materially injure a domestic industry, the Commission must cumulatively assess the volume and effect of imports of the subject merchandise from all countries with respect to which petitions were filed on the same day, if such imports compete with each other and with the domestic like product in the U.S. market.[102] In assessing whether imports compete with each other and with the domestic like product, the Commission generally has considered the following four factors:

- The degree of ***fungibility*** between the imports from different countries and between imports and the domestic like product;
- The presence of sales or offers to sell in the ***same geographic markets*** of imports from different countries and the domestic like product;
- The existence of ***common or similar channels of distribution*** for imports from different countries and the domestic like product; and
- Whether the imports are ***simultaneously present*** in the market.[103]

Although no single factor is necessarily determinative, and the list of factors is not exclusive, these factors provide the Commission with a framework for determining whether the subject imports compete with each other and with the domestic like product.[104] When assessing whether

[102] 19 U.S.C. § 1677(7)(G).
[103] *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).
[104] *Granular Polytetrafluoroethylene (PTFE) Resin from India and Russia*, Inv. Nos. 701-TA-663-664 & 731-TA-1555-1556 (Final), USITC Pub. 5285 (March 2022) at 16-17 (adopted by *Granular Polytetrafluoroethylene (PTFE) Resin From India and Russia; Determinations*, 87 Fed. Reg. 14038 (U.S. Int'l Trade Comm'n Mar. 11, 2022)).

to cumulate subject imports from multiple countries, the Commission looks only for a reasonable overlap of competition.[105]

In these investigations, the statutory criteria for cumulation are met. First, the petitions covering imports of PTMEG from China, South Korea, Taiwan, and Vietnam are being filed on the same day. Second, as we discuss below, there is a reasonable overlap in competition among imports from the subject countries and the domestic like product. Thus, the subject imports from China, South Korea, Taiwan, and Vietnam compete with one another and with the domestic like product and should be cumulated for purposes of the Commission's material injury analysis. We discuss each of the cumulation factors below.

Fungibility. The subject and domestic PTMEG share the same physical characteristics and specifications. PTMEG is a commodity product, and the physical characteristics of the types of PTMEG sold in the U.S. market are the same, whether they are produced by the domestic industry or imported from subject countries. In other words, regardless of where it is produced, all forms of PTMEG have the same chemical composition and meet the same industry requirements. Moreover, there is no significant physical or end use difference between domestic and subject PTMEG. In other words, there is a reasonable degree of fungibility between the subject imports from each source and the domestic like product.

Channels of Distribution. The subject imports from China, South Korea, Taiwan, and Vietnam and the domestic like product are sold in significant volumes directly to end users and distributors. Thus, imported PTMEG from the subject countries and the domestic like product are being sold in the same channels of trade in the U.S. market.

[105] *Granular Polytetrafluoroethylene (PTFE) Resin from India and Russia*, Inv. Nos. 701-TA-663-664 & 731-TA-1555-1556 (Final), USITC Pub. 5285 (March 2022) at 16-17 (adopted by *Granular Polytetrafluoroethylene (PTFE) Resin From India and Russia; Determinations*, 87 Fed. Reg. 14038 (U.S. Int'l Trade Comm'n Mar. 11, 2022)).

Geographic Markets. Imports of PTMEG from China, South Korea, Taiwan, and Vietnam and the domestic like product are sold in the same geographic regions in the United States. In this regard, the [

][106] [ ] the available data indicate that the subject imports from China, South Korea, Taiwan, and Vietnam are generally sold throughout the United States.[107] Consequently, there is a reasonable geographic overlap among the subject imports and the domestic like product.

Simultaneous Presence. During the period from 2023 to 2025, Petitioner sold substantial volumes of PTMEG in the U.S. market.[108] Similarly, during each year of this period, PTMEG imports from China, South Korea, Taiwan, and Vietnam were sold in significant volumes in the U.S. market.[109] As a result, the subject imports and the domestic like product were simultaneously present in the U.S. market throughout the period of investigation.

Conclusion. The reasonably available evidence demonstrates that there is a reasonable overlap of competition between imports from each of the subject countries and the domestic like product. The domestic like product and the subject imports are reasonably fungible, they are sold in the same channels of distribution and the [ ] geographic regions, and they have been simultaneously present in the United States from 2023 onwards. Accordingly, the Commission should cumulate the subject imports from China, South Korea, Taiwan, and Vietnam.

C. Subject Imports Have Caused Material Injury To The Domestic Industry

In antidumping duty investigations, the Commission must determine whether an industry in the United States is materially injured, or threatened with material injury, by reason of imports

[106] List of Purchasers, provided as **Exhibit I-16**.
[107] *See* Geographic Distribution of the Subject Imports, provided as **Exhibit I-20**.
[108] *See* Petitioner's Trade and Financial Data, provided as **Exhibit I-21**.
[109] *See* Import Data, provided as **Exhibit I-13**.

of subject merchandise.[110] The Act defines "material injury" as "harm which is not inconsequential, immaterial, or unimportant."[111] When analyzing the causal link between unfair trade and material injury, the Commission has recognized that "{i}n many investigations, there are other economic factors at work, some or all of which may also be having adverse effects on the domestic industry."[112] Nonetheless, the Commission "need not isolate the injury caused by other factors from injury caused by unfairly traded imports."[113] Furthermore, the law does not "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."[114]

When assessing whether the domestic industry has been materially injured by reason of imports of subject merchandise, the Commission considers: (1) the volume of imports of the subject merchandise, (2) the effect of imports of subject merchandise on prices in the United States for domestic like products, and (3) the impact of imports of such merchandise on producers of the domestic like product in the context of production operations within the United States.[115] As shown below, the facts related to each of these statutory factors show that subject imports have caused material injury to the domestic industry.

[110] *See* 19 U.S.C. § 1673d(b)(1).
[111] 19 U.S.C. § 1677(7)(A).
[112] *See Sodium Nitrate from Russia*, Inv. No. 701-TA-680 (Final), USITC Pub. 5342 (Aug. 2022) ("*Sodium Nitrate from Russia*") at 18 (adopted by *Sodium Nitrite From Russia*, 87 Fed. Reg. 51141 (U.S. Int'l Trade Comm'n Aug. 19, 2022)).
[113] *Sodium Nitrate from Russia* at 19.
[114] *Sodium Nitrate from Russia* at 19-20.
[115] 19 U.S.C. § 1677(7)(B)(i). The Commission may also consider "such other economic factors as are relevant to the determination regarding whether there is material injury by reason of imports." 19 U.S.C. § 1677(7)(B)(ii).

1. Conditions of competition in the PTMEG market make the domestic industry susceptible to injury

In examining the impact of subject imports, the Commission is directed to evaluate all relevant economic factors specified in the statute "within the context of the business cycle and conditions of competition that are distinctive to the affected industry."[116] Here, conditions of competition in the market for PTMEG make the domestic industry highly susceptible to the adverse impact of aggressive price competition from subject imports.

a. Demand Trends

In the United States, demand for PTMEG in the United States is driven primarily by [ ] applications, which are projected to increase at a rate of [ ] percent rate annually[117] and by demand for [ ], which is expected to grow at a [ ] percent rate annually until 2030.[118] As a result, demand for PTMEG in the United States is expected to increase by [ ] percent annually until 2030.[119] Based on reasonably available data, demand for PTMEG has increased by [ ] percent between 2023 and 2025,[120] which is a trend that provides a strong incentive for the subject imports to continue attacking the U.S. market with unfairly traded pricing levels.

b. Subject imports are highly interchangeable with the domestic like product

As we described above, domestic and imported PTMEG share the same basic characteristics and uses and are highly interchangeable. PTMEG is a commodity product, and all PTMEG, whether produced by the domestic producer or the subject producers, has the same

[116] 19 U.S.C. § 1677(7)(C)(iii).
[117] *See* [ ], provided as **Exhibit I-1**.
[118] *See* [ ], provided as **Exhibit I-1**.
[119] *See* [ ], provided as **Exhibit I-1**.
[120] Apparent Domestic Consumption and U.S. Market Shares, provided as **Exhibit I-22**.

chemical composition and meets the same industry requirements. As a result, the subject imports of PTMEG are highly interchangeable with the domestic like product.

c. Price is a critical factor in the purchase decision for PTMEG

Because there is a high degree of substitutability between the domestic like product and subject imports, price is a critical factor in purchase decisions in the U.S. market. As a result, subject imports' very low prices in the U.S. market have a significant adverse impact on BASF's ability to obtain sales volumes and prices at sustainable levels.

d. The production process for PTMEG is capital-intensive

The production process for PTMEG is a technically sophisticated, capital-intensive process involving a high level of fixed costs. As a result, BASF and subject foreign producers have strong incentives to operate at high capacity utilization rates to lower their unit costs and maintain their operating margins at a reasonable level. Importantly, the capital intensity of PTMEG production drives subject producers to ship significant additional volumes of PTMEG to the United States. It also means that lost sales and market share have very significant adverse effects on the domestic producer's per-unit fixed costs and profitability.

2. The volume of the subject imports is significant

a. Import volumes from the subject countries

Under Commerce's regulations, a petition should contain the "volume and value of the subject merchandise imported during the most recent two-year period and any other recent period that the petitioner believes to be more representative."[121] For its part, when analyzing import volume trends, the Commission routinely examines import data for the subject imports

[121] 19 C.F.R. § 351.202(b)(8).

for the three most recent full years and for the most recently completed quarter for the year in which the petition is filed.

In this case, there are two sources of reasonably available information for subject imports of PTMEG into the United States, Census data and the data for PTMEG imports contained in the [ ]. As previously noted, the HTSUS subheading covering imports of PTMEG – *i.e.*, 3907.29.00, HTSUS – is a basket category that also covers products outside the proposed scope. The Census data for imports under 3907.29.00, HTSUS, for the four subject countries during 2023-2025 period are as follows:[122]

Quantity (short tons)

	2023	2024	2025
South Korea	53,774	78,378	90,660
China	38,856	43,871	29,743
Taiwan	9,232	9,341	12,825
Vietnam	3,520	6,039	7,807
Subject countries	**105,381**	**137,629**	**141,035**

C.I.F. Value (1,000 $)

	2023	2024	2025
South Korea	119,393	162,088	177,345
China	61,931	68,039	40,422
Taiwan	23,529	20,722	23,594
Vietnam	8,214	12,610	14,473
Subject countries	**213,066**	**263,459**	**255,834**

Source: Import Data, **Exhibit I-13a**.

[122] *See* Import Data, as provided as **Exhibit I-13a**.

Below are the data for PTMEG imports in the [ ], which is the most recently available report covering PTMEG imports specifically.[123]

	Quantity (short tons)		
	2023	**2024**	**2025**
South Korea	[		]
China	[		]
Taiwan	[		]
Vietnam	[		]
Subject countries	**[**		**]**

Source: Import Data, **Exhibit I-13b**.

Petitioner believes the [ ] represents the best publicly available data relating to the volume of the subject imports of PTMEG into the United States. However, [ ] Thus, for purposes of 19 C.F.R. § 351.202(b)(8), which seeks data regarding volume and value, we have provided the Census data above as the best information currently available to the Petitioner for the values of the subject imports.

b. The volume of the subject imports is significant, both in absolute and relative terms

The Act provides that "{i}n 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."[124] As shown in more detail below, the evidence available to Petitioner indicates that the volume of the subject imports is significant, both in absolute terms and relative to U.S. apparent consumption and domestic production.

[123] Petitioner converted the figures from thousand metric tons to short tons using the figures contained in the accompanying [ ]. *See* [ ], provided as **Exhibit I-1**; *see also* Import Data, as provided as **Exhibit I-13b**.
[124] 19 U.S.C. § 1677(7)(C)(i).

As explained above, we believe that the best publicly available data for the volume of the subject imports of PTMEG from China, South Korea, Taiwan, and Vietnam for the most recent three years is the data for these imports reported in the [ ]. When combined with the U.S. shipment data of the Petitioner, which is the lone domestic producer of PTMEG, the data demonstrate the following:

- The volume of the subject imports from China, South Korea, Taiwan, and Vietnam increased significantly between 2023 and 2025, increasing from [ ] short tons in 2023 to [ ] short tons in 2025. This represents an increase in subject volumes of [ ] percent.[125]

- The market share of the subject imports in the United States also increased significantly during the same period, growing from [ ] percent in 2023 to [ ] percent in 2025, for an increase of [ ] percentage points.[126]

- The domestic industry's share of the market dropped significantly between 2023 and 2025, falling from [ ] percent in 2023 to [ ] percent in 2025, for an overall decline of [ ] percentage points.[127]

- Moreover, the ratio of the subject imports to domestic production also grew between 2023 and 2025, increasing from [ ] percent in 2023 to [ ] percent in 2025.[128]

Given these trends, the reasonably available evidence shows that, between 2023 and 2025, the volumes of the subject imports was significant and grew significantly, in absolute terms and relative to U.S. apparent consumption and domestic production. Moreover, the available evidence indicates that the growth in the volume of the subject imports has significantly and adversely affected the sales and market share of the domestic industry since 2023.

[125] *See* Import Data, as provided as **Exhibit I-13b**.
[126] Apparent Domestic Consumption and U.S. Market Shares, provided as **Exhibit I-22**.
[127] Apparent Domestic Consumption and U.S. Market Shares, provided as **Exhibit I-22**.
[128] Ratio of subject imports to domestic production, provided as **Exhibit I-23**.

3. The price effects of the subject imports are significant

In evaluating the effects of subject imports on prices, the Commission shall consider whether: (1) there has been significant underselling by the imported merchandise as compared with the price of the domestic like product, and (2) the effect of such merchandise otherwise depresses prices to a significant degree or prevents price increases, which otherwise would have occurred, to a significant degree.[129] As shown below, the available evidence shows that the subject imports have consistently undersold the domestic like product since 2023, and the subject imports have also significantly depressed and suppressed domestic prices. Accordingly, the available evidence shows that the subject imports have had a significant adverse impact on domestic prices.

a. The subject imports have undersold the domestic like product significantly

The available evidence indicates that subject imports undersold the domestic industry significantly between 2023 and 2025. Two methodologies comparing the average unit values ("AUVs") of the domestic producer's U.S. commercial shipments to the AUVs of subject imports confirm this pattern.

First, Petitioner compares the domestic producer's U.S. commercial shipments to the AUVs of subject imports from Census data for the HTSUS number covering PTMEG imports:[130]

AUV Comparison ($/short ton) – U.S. Census Data			
	2023	**2024**	**2025**
Petitioner's U.S. commercial shipments (A)	[ ]	[ ]	[ ]
Cumulated subject imports (B)	2,022	1,914	1,814
Difference between domestic and subject import AUVs (C) (C = A – B)	[ ]	[ ]	[ ]

[129] 19 U.S.C. § 1677(7)(C)(ii).
[130] Underselling Comparisons, provided as **Exhibit I-24a**. The average unit value of the subject imports is derived from the available Census data for the HTSUS number covering PTMEG imports.

Source: Petitioner's Trade Data; Import Data

Based on this data, the average unit value of the subject imports has been [ ] lower than the average unit value of the domestic industry's commercial U.S. shipments between 2023 and 2025. Moreover, as can also be seen from the table, the AUVs for the subject countries fell dramatically during the same period.[131] Because subject imports and the domestic like product are highly substitutable, and given that price is a critical factor in purchasing decisions of PTMEG, the very low prices being offered by the subject imports have had a severe depressing effect on domestic prices, which fell from [ ] per short ton in 2023 to [ ] per short ton in 2025, for an overall decline of [ ] percent.[132] Importantly, even though BASF [ ] with the low prices being offered by the subject imports, the domestic producer still lost a large amount of market share to the subject imports during the period. BASF's market share fell by approximately [ ] percentage points between 2023 and 2025 while subject imports' market share increased by [ ] percentage points over the same period.[133]

Second, recognizing that Census figures rely on basket categories, and therefore, they include imports of items other than PTMEG, Petitioner compares domestic AUVs to subject import AUVs specifically for PTMEG producer's U.S. commercial shipments to the AUVs of the subject imports compiled by industry report providers. In the table below, we provide a

[131] *See* Import Data, provided as **Exhibit I-13a**.
[132] *See* Petitioner's Trade and Financial Data, provided as **Exhibit I-21**.
[133] Apparent Domestic Consumption and U.S. Market Shares, provided as **Exhibit I-22**. Petitioner relies on the market share based on the volume of imported PTMEG as reported in the [ ].

comparison of the AUVs of the domestic producer's U.S. commercial shipments to the AUVs of the subject imports during that period from the [ ]:[134]

AUV Comparison ($/short ton) – Market Report			
	2023	2024	2025
Petitioner's U.S. commercial shipments (A)	[ ]	[ ]	[ ]
Cumulated subject imports (B)	[ ]	[ ]	[ ]
Difference between domestic and subject import AUVs (C) (C = A – B)	[ ]	[ ]	[ ]

Source: Petitioner's Trade Data; [ ].

These data also show underselling: subject import AUVs remained [ ] lower than domestic AUVs, and the gap widened over time. Subject import prices fell sharply from [ ] per short ton in 2023 to [ ] in 2024, for a [ ] percent[135] decrease, then declined further to [ ] in 2025, for an additional [ ] percent decrease.[136]

Moreover, the information that Petitioner is providing regarding lost sales and lost revenues further demonstrates that the subject imports have been underselling and otherwise harming prices for the domestic like product. For example, the lost sales and revenues information provided in **Exhibit I-25** shows that:

- [

]

]

- [

[137]

[134] Underselling Comparisons, provided as **Exhibit I-24b**. The [ ]

[135] *See* Import Data, provided as **Exhibit I-13a**.

[136] *See* Import Data, provided as **Exhibit I-13a**.

[137] *See* Lost Sales Lost Revenues Chart, provided as **Exhibit I-25**.

]138

Importantly, these are just some examples of the aggressively low pricing offers from the subject importers that the Petitioner has been facing in the market. There can be no doubt that the subject producers and importers have been using extremely low prices to take sales and market share from the domestic industry in the past three years.

In order to perform its price comparisons in its preliminary phase investigations, Petitioner requests that the Commission collect data for the following four representative products:

- **Product 1**.-- PTMEG, grade 1000, molecular weight 950-1050, sold in bulk (e.g., bulk trucks, railcars, ISO tanks, and isotainers).
- **Product 2**.-- PTMEG, grade 1000, molecular weight 950-1050, sold in packages (e.g., totes/IBCs, and drums).
- **Product 3**.-- PTMEG, grade 2000, molecular weight 1901-2117, sold in bilk(e.g., bulk trucks, railcars, ISO tanks, and isotainers).
- **Product 4**.-- PTMEG, grade 2000, molecular weight 1901-2117, sold in packages (e.g., totes/IBCs, and drums).

In this regard, Petitioner also requests that, in addition to price data on U.S. importers' sales to U.S. purchasers, the Commission collect purchase cost data for Products 1-4 from U.S. importers. Doing so would account for the fact that some U.S. importers internally consume significant amounts of PTMEG that they purchase from subject foreign producers.[139]

[138] *See* Lost Sales Lost Revenues Chart, provided as **Exhibit I-25**.
[139] *Compare* List of U.S. Importers, provided as **Exhibit I-15**, *with* List of U.S. Purchasers, provided as **Exhibit I-16**.

b. The subject imports have significantly depressed and suppressed the domestic industry's prices

In addition to underselling, the available information shows that the very low pricing levels being offered by the subject imports have also been depressing and suppressing domestic prices to a significant degree.[140] From 2023 to 2025, the average unit value of BASF's U.S. commercial shipments fell from [ ] per short ton to [ ] per short ton, a decline of [ ] percent. Furthermore, the domestic industry suffered a "cost-price squeeze" between 2023 and 2025, with BASF's ratio of cost of goods sold to net sales values increasing from [ ] percent in 2023 to [ ] percent in 2024, and then to [ ] percent in 2025.[141] As a result, Petitioner has experienced [ ] decline in its operating margins, which fell from [ ] percent in 2023 to [ ] percent in 2024 and then to [ ] percent in 2025. In sum, the aggressive pricing of subject imports has significantly depressed and suppressed U.S. prices for the domestic like product.

c. Lost sales and lost revenues

Exhibit I-25 contains examples of lost sales and lost revenues suffered by the Petitioner.[142] As this information shows, the domestic industry has lost significant sales and revenues due to aggressive pricing competition by the subject imports.[143] This evidence, combined with the other evidence cited above, leaves no doubt that the adverse price effects of subject imports have been significant.

[140] *See* 19 U.S.C. § 1677(7)(C)(ii)(II).
[141] *See* Petitioner's Trade and Financial Data, provided as **Exhibit I-21**.
[142] In accordance with 19 C.F.R. § 207.11(b)(2)(v), Petitioner will submit lost sales and lost revenues allegations electronically in the manner specified in the Commission's Handbook on Filing Procedures.
[143] *See* Lost Sales Lost Revenues Chart, provided as **Exhibit I-25**.

4. The subject imports have had a significant adverse impact on the domestic industry

Under the Act, the Commission is directed to assess whether the subject imports have had a significant adverse impact on the industry's production operations in the United States.[144] When examining the impact of subject imports, the Commission is directed to evaluate all relevant economic factors which have a bearing on the state of the industry in the United States, including, but not limited to:

- 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,
- factors affecting domestic prices,
- actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment, and
- 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.[145]

The Commission must evaluate all relevant economic factors within the context of the business cycle and conditions of competition that are distinctive to the affected industry.[146]

The available evidence establishes that the significant volumes of unfairly traded, low-priced imports of PTMEG from China, South Korea, Taiwan, and Vietnam have had a significant adverse impact on the overall condition of the domestic industry. In particular, the evidence shows that:

- The subject imports from the subject countries took significant sales and market share from the domestic industry.

[144] 19 U.S.C. § 1677(7)(B)(i)(III).
[145] 19 U.S.C. § 1677(7)(C)(iii).
[146] 19 U.S.C. § 1677(7)(C)(iii).

- Between 2024 and 2025, the domestic industry's commercial U.S. shipments fell from [ ] short tons to [ ] short tons, for a decline of [ ] percent.[147]

- The domestic industry lost significant market share as subject imports' market share increased by [ ] percentage points between 2023 and 2025. In this regard, the market share of the domestic industry fell from [ ] percent in 2023 to [ ] percent in 2025, for a decline of [ ] percentage points.

- The growing presence of low-priced subject imports in the market had a significant negative impact on the domestic industry's production levels and capacity utilization rates during the period.[148]

  - Between 2024 and 2025, the domestic industry's production levels fell from [ ] short tons to [ ] short tons, for a decline of [ ] percent.[149]

  - The capacity utilization rate of the domestic industry also fell [ ], dropping from [ ] percent in 2024 to [ ] percent in 2025, which is obviously an [ ][150]

- The subject imports also had a [ ] adverse impact on the financial performance of the domestic industry.[151] In particular, the available evidence shows that:

  - Between 2023 and 2025, the total net sales values of the domestic producer fell from $[ ] to $[ ], for a decrease of [ ] percent. When compared the most recent calendar years, the total net sales values fell from $[ ] to $[ ], for a decrease of [ ] percent.[152]

  - The domestic industry's operating income or loss levels also deteriorated [ ] between 2023 and 2025, falling from a [ ] in 2023 to a [ ] in 2024 and then to a [ ] in 2025. The [ ] increased by [ ] percent from 2023 to 2025.[153]

  - Petitioner's operating margins [ ], dropping from [ ] percent in 2023 to [ ] percent in 2024, and [ ] percent in 2025.[154]

[147] *See* Petitioner's Trade and Financial Data, provided as **Exhibit I-21**.
[148] *See* Apparent Domestic Consumption and U.S. Market Shares, provided as **Exhibit I-22**.
[149] *See* Petitioner's Trade and Financial Data, provided as **Exhibit I-21**.
[150] *See* Petitioner's Trade and Financial Data, provided as **Exhibit I-21**.
[151] *See* Petitioner's Trade and Financial Data, provided as **Exhibit I-21**.
[152] *See* Petitioner's Trade and Financial Data, provided as **Exhibit I-21**.
[153] *See* Petitioner's Trade and Financial Data, provided as **Exhibit I-21**.
[154] *See* Petitioner's Trade and Financial Data, provided as **Exhibit I-21**.

In sum, the available evidence makes clear that the significant volumes of unfairly priced imports from the subject countries have had a very negative impact on the condition of the domestic industry.

The subject imports have also had a significant negative impact on the existing development and production efforts of the domestic industry. BASF has made significant investments in its U.S. facilities in order to maintain the efficiency of its production lines and the quality of its PTMEG. Those investments are currently at risk because of the unfairly traded imports from the subject countries, given that their presence in the market has made it impossible for the domestic producer to obtain a fair rate of return on its PTMEG investments. This is further evidence of the harmful impact on the domestic industry.

Indeed, low-priced imports of PTMEG have been harming the domestic industry for years. Over the past two decades, the United States has lost two producers of PTMEG: [ ] and The LYCRA Company. [ ].[155] In [ ].[156] Similarly, in October 2020, The LYCRA Company closed its [ ] PTMEG facility at La Porte, Texas, making BASF the sole producer of PTMEG in the United States.[157] If the subject imports continue to be sold at extremely low, unfairly traded prices in the United States, [ ].

[155] *See* [ ], provided as **Exhibit I-1**.
[156] *See* [ ], provided as **Exhibit I-1**.
[157] *See* [ ] *see also* The LYCRA Company Sep. 2022 Quarterly Report at 4, provided as **Exhibit I-18**.

Given all of these facts, the Commission should find that the adverse impact of subject imports on the domestic industry was significant.

5. Conclusion

In sum, the available evidence relating to the volume of subject imports, the adverse price effects of subject imports, and the adverse impact of subject imports show that the domestic industry is materially injured by reason of subject imports. In this regard, the available evidence demonstrates that: (i) there has been a significant increase in the volumes and market share of the subject imports in the past three years, (ii) the subject imports have undersold the domestic like product significantly during the period and depressed and suppressed domestic prices, and (iii) the domestic industry's production, shipments, sales, revenues, market share, pricing, and profitability levels have all fallen [ ] because of the aggressive unfair pricing and sales competition from the subject imports. In other words, all of the available evidence demonstrates that the subject imports are causing material injury to the domestic industry.

D. The Subject Imports Threaten The Domestic Industry With Material Injury Going Forward

Under the Act, the Commission is directed to consider eight factors when determining whether an industry in the United States is threatened with material injury by reason of imports of the subject merchandise.[158] In addition to those eight factors, the Commission is also directed to consider "any other demonstrable adverse trends that indicate the probability that there is likely to be material injury" by reason of subject imports.[159] As discussed below, these factors indicate that, in the absence of trade relief, the subject imports threaten to cause further material injury to the domestic industry in the imminent future.

[158] *See* 19 U.S.C. §§ 1677(7)(F)(i)(I) to (VIII). Please note that one of these factors, which relates to raw agricultural products, is not relevant here. *See* 19 U.S.C. § 1677(7)(F)(i)(VII).
[159] 19 U.S.C. § 1677(7)(F)(i)(IX).

1. The Commission should cumulate the subject imports from all subject countries for purposes of its threat analysis

Under the Tariff Act, the Commission has the discretion to cumulate subject imports in its threat analysis if the petitions were filed on the same date and if such imports compete with one another and the domestic like product.[160] The Commission should cumulate the subject imports in these investigations, given that the petitions were filed on the same day, and the available information indicates a reasonable overlap of competition between and among subject imports from China, South Korea, Taiwan, and Vietnam and the domestic like product.

Additionally, no other factor warrants a decision not to cumulate the subject imports for purposes of the Commission's threat analysis. In particular, the subject imports from China, South Korea, Taiwan, and Vietnam shared similar volume and price trends during the period,[161] with the available evidence showing that (i) the volumes of the China, South Korea, Taiwan, and Vietnam imports have all grown between 2023 and 2025, and (ii) their prices have declined during the period.[162]

Moreover, the Hyosung Corporation, a major South Korean headquartered industrial conglomerate, owns significant producers of PTMEG in China and Vietnam.[163] Similarly, the Chang Chun Group owns and controls the Dairen Chemical Corporation, which has production facilities in China and Taiwan.[164] These relationships indicate that the producers in these

[160] 19 U.S.C. § 1677(7)(H).
[161] *See, 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 (Oct. 2008) (analyzing similarities in volume and pricing trends when assessing whether to cumulate the subject imports for purpose of its threat analysis) (adopted by *Polyethylene Terephthalate Film, Sheet, and Strip From Brazil, China, Thailand, and the United Arab Emirates*, 73 Fed. Reg. 36353 (U.S. Int'l Trade Comm'n June 26, 2008)).
[162] *See* Import Data, provided as **Exhibit I-13a**.
[163] *See* Hyosung, *Global Network*, provided as **Exhibit I-26**.
[164] *See* Dairen Chemical Corporation, *Profile*, provided as **Exhibit I-27**.

corporate groups have the ability to coordinate their sales to the U.S. market, which will mean that they can shift sales between these producers if imports from one or more of these countries are not subject to trade remedies. Given the facts, the Commission should exercise its discretion to cumulate these imports for purpose of its threat analysis in these investigations.

2. The likely volumes of the subject imports will be significant in the imminent future

Under the Act, when assessing whether the subject imports are threatening further injury to the domestic industry, the Commission is directed to consider several factors relating to the likely volume of subject imports in the absence of trade relief.[165] First, under the Act, the Commission is directed to consider whether there has been "a significant rate of increase of the volume or market penetration of imports of the subject merchandise indicating the likelihood of substantially increased imports."[166] As we have already shown above, imports of PTMEG from the subject countries have increased significantly, both in absolute terms and relative to U.S. apparent consumption and domestic production.

In particular, during the period between 2023 and 2025, the volume of subject imports from China, South Korea, Taiwan, and Vietnam have increased significantly, rising by [ ] percent between 2023 and 2025.[167] Moreover, they have captured significant market share from the domestic industry, taking [ ] percentage points of market share from the domestic industry during this same period.[168] These facts show that, in the absence of trade relief, the subject imports will continue entering the market at significant volumes in the imminent future.

[165] 19 U.S.C. § 1677(7)(F)(i)(III).
[166] 19 U.S.C. § 1677(7)(F)(i)(III).
[167] *See* Import Data, provided as **Exhibit I-13b**.
[168] Apparent Domestic Consumption and U.S. Market Shares, provided as **Exhibit I-22**.

Under the Act, the Commission is also directed to consider whether there is "any existing unused capacity or {an} imminent, substantial increase in production capacity" in China, South Korea, Taiwan, and Vietnam that indicates "the likelihood of substantially increased imports of the subject merchandise into the United States."[169] As shown in the table below, the information reasonably available to Petitioner indicates that the subject industries have strikingly low utilization rates and enormous amounts of capacity that can be used to ship even larger volumes of PTMEG to the United States in the imminent future.[170]

Subject Capacity, Production, and Unused Capacity in 2025 (in short tons)

Country	Capacity	Production[1]	Capacity Utilization (%)	Unused Capacity
China	[			]
South Korea	[			]
Taiwan	[			]
Vietnam	[			]
Total	[			]

Source: [ ].
[1] The production volume of [ ].

Given that the production process for PTMEG is capital intensive, these data underscore the subject producers' strong financial incentives to use their available production and excess capacity to ship increased amounts of PTMEG to the United States.

Moreover, as can be seen from the table below, the aggregate amount of the unused capacity in the four subject countries is more than [ ] than total apparent U.S. consumption in 2025:

[169] 19 U.S.C. § 1677(7)(F)(i)(II).
[170] *See* [ ] provided as **Exhibit I-1**.

Ratio of unused capacity to apparent U.S. consumption (in short tons)

	2025
Unused Capacity of Subject Producers	[ ]
U.S. Apparent Consumption	[ ]
Ratio of unused capacity to apparent U.S. consumption	[ ]

Source: [ ]; Petitioner's Trade and Financial Data.

Given these data, it is obvious that the subject industries have ample amounts of unused capacity that can – and will – be used to flood the U.S. market with large amounts of low-priced, unfairly traded PTMEG.

Moreover, the available evidence indicates that the subject producers are expanding capacity. Even though the subject producers in China and Vietnam are operating at low capacity utilization rates, they are nonetheless expanding their capacity levels. For instance, PTMEG producers in China are expected to add [ ] short tons of production capacity between [ ].[171] Similarly, the Vietnamese producer [ ] intends to add [ ] short tons of production capacity by [ ].[172] As shown in the table below, this additional production capacity corresponds to more than [ ] the size of the U.S. market in 2025:

Planned Capacity Expansion

Country	Capacity increase
China	[ ]
Vietnam	[ ]
Total	[ ]
U.S. Apparent Consumption	[ ]
Ratio of planned capacity to apparent U.S. consumption	[ ]

[171] *See* [ ] provided as **Exhibit I-1**.
[172] *See* [ ] provided as **Exhibit I-1**.

Source: [ ]; Petitioner's Trade and Financial Data.

Finally, the subject industries rely heavily on exports. For example, in 2025, Chinese producers exported [ ] short tons of PTEMG to global markets, which is an amount that is equivalent to [ ] percent of U.S. apparent consumption in 2025.[173] Similarly, South Korean and Taiwanese producers exported [ ] short tons of PTMEG to global markets in 2025, an amount that is equivalent to [ ] percent of U.S. apparent consumption.[174] Finally, Vietnamese producers exported [ ] short tons of PTMEG in 2025. This amount is equivalent to [ ] percent of U.S. apparent consumption.[175] All of this indicates that the subject producers will be intent on continuing to increase their exports of PTMEG to the United States in the absence of trade relief.

The Act also directs the Commission to consider inventories of the subject merchandise.[176] The available evidence indicates that, with appropriate processing, PTMEG has significant shelf life and can be sold in significant volumes from inventory.[177] Therefore, it is likely that subject importers have the ability to build inventories that will continue weighing on the U.S. market, taking sales from the domestic industry, and placing downward pressure on U.S. pricing.

[173] [ ]

[174] [ ]

[175] [ ]

[176] 19 U.S.C. § 1677(7)(F)(i)(V).

[177] *See* Korea PTG Co., Ltd., Technical Data Sheet, provided as **Exhibit I-5** ("Shelf life of PTMEG is approximate 2 years, under condition that the product is stored in unopened, tightly sealed original container at no greater than 90℃ and is not contacted with air under a dry nitrogen blanket.").

Finally, under the Act, the Commission is directed to consider whether subject producers benefit from subsidies in their home market, especially export subsidies, and whether these subsidies make it more likely to cause them to increase their exports of the subject imports.[178] Commerce has recently found that the governments of the subject countries granted countervailable subsidies to producers in the chemical industries.[179] As a chemical product, these subsidies are likely to be available for PTMEG producers. Obviously, these subsidies, including the subsidies that are specifically tied to exports of the subject PTMEG, will encourage producers in the subject countries to increase their exports to the United States in the imminent future.

In sum, the available evidence indicates that the subject producers have ample amounts of unused capacity that can, and will, be used to ship significant additional volumes of additional PTMEG to the United States unless antidumping orders are issued. Moreover, the available evidence also indicates that the subject producers are expanding their production capacity, which will encourage subject producers to produce and ship significant amounts of additional PTMEG to the United States. Further, the subject producers rely heavily on exports, which means that they will continue to look for opportunities to increase their shipments of PTMEG to the United States. Finally, the subject producers are already shipping large volumes of PTMEG to the U.S.

[178] 19 U.S.C. § 1677(7)(F)(i)(V).
[179] *See e.g., Certain Epoxy Resins from the People's Republic of China: Final Affirmative Countervailing Duty Determination and Final Affirmative Determination of Critical Circumstances*, 90 Fed. Reg. 14628 (Dep't of Commerce Apr. 3, 2025); *Certain Epoxy Resins from the Republic of Korea: Final Affirmative Countervailing Duty Determination and Final Negative Critical Circumstances Determination*, 90 Fed. Reg. 14605 (Dep't of Commerce Apr. 3, 2025); *Certain Monomers and Oligomers from Taiwan: Final Affirmative Countervailing Duty Determination and Final Affirmative Critical Circumstances Determination*, 91 Fed. Reg. 3114 (Dep't of Commerce Jan. 26, 2026); Hard Empty Capsules from the Socialist Republic of Vietnam: Final Affirmative Countervailing Duty Determination, 90 Fed. Reg. 60620 (Dep't of Commerce Dec. 29, 2025) (in-scope product included products that can be imported under Chapter 39 of the HTSUS).

market and will, no doubt, continue doing so unless trade relief is imposed. In sum, the available evidence makes clear that, in the absence of trade relief, the subject producers will continue to increase their exports of PTMEG to the U.S. market.

3. The subject imports will have a significant adverse impact on domestic prices in the imminent future

As part of its threat analysis, the Commission is directed to consider "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."[180] Unless trade relief is provided to the domestic industry, the subject imports will enter the U.S. market at prices that will have a significant depressing and suppressing effect on domestic prices.

As demonstrated above, a high degree of substitutability exists between domestic and subject PTMEG. Moreover, PTMEG is typically sold on the basis of price. Importantly, between 2023 and 2025, the available evidence indicates that the subject imports have significantly undersold the domestic like product and otherwise depressed and suppressed domestic prices. Finally, by underselling the domestic product significantly, the subject imports have taken significant sales and market share from the domestic industry, effectively making it impossible for Petitioner to obtain a true market price for its PTMEG.

In short, the available evidence demonstrates that the subject imports will continue to be offered at prices that will put downward pressure on domestic pricing, suppress domestic pricing levels, and increase demand for unfairly traded imports in the imminent future. Accordingly, the Commission should find that, in the absence of trade relief, dumped imports will enter the U.S. market at prices that will likely depress and suppress domestic pricing to a significant degree.

[180] 19 U.S.C. § 1677(7)(F)(i)(I).

4. The subject imports will have a significant adverse impact on the domestic industry in the imminent future

Under the Act, the Commission must also consider whether the subject imports will have a significant impact on the existing development and production efforts of the domestic industry as part of its threat analysis.[181] In these investigations, there is no doubt that [

] Given this issue, the Commission should find that unless the antidumping duty orders are issued, the cumulated subject imports will continue to have a significant adverse impact on the domestic industry's ability to make the ongoing investments needed to maintain development and production efforts.

Finally, when assessing whether the subject imports will have a significant impact on the domestic industry unless trade relief is provided, the Commission typically considers whether the domestic industry is vulnerable to the adverse impact of the subject imports in the imminent future.[182] As we have already shown, between 2023 and 2025, the domestic industry's financial performance deteriorated [ ] because of subject imports.[183] Even though certain volume indicators improved somewhat from 2023 to 2024, all of the domestic industry's indicia deteriorated between 2024 and 2025.[184] In 2025, the domestic industry's production volumes, U.S. shipment volumes, and sales revenues declined [ ], and the domestic industry

[181] 19 U.S.C. § 1677(7)(F)(i)(VIII) & (IX).
[182] *E.g., Drill Pipe and Drill Collars from China*, Inv. Nos. 701-TA-474 & 731-TA-1176 (Final), USITC Pub. 4213 (February 2011) at 35-36 (adopted by *Drill Pipe and Drill Collars From China*, 76 Fed. Reg. 11812 (U.S. Int'l Trade Comm'n Mar. 3, 2011)).
[183] *See* Petitioner's Trade and Financial Data, provided as **Exhibit I-21**.
[184] *See* Petitioner's Trade and Financial Data, provided as **Exhibit I-21**.

has continued to experience [

].[185]

In other words, the domestic industry is clearly in a highly vulnerable condition that makes it susceptible to additional material injury by reason of the subject imports in the imminent future in the absence of trade relief. Given these considerations, the Commission should determine that, unless orders are issued here, the subject imports will continue to have a significant adverse impact on the domestic industry unless orders are imposed and that the subject imports from China, South Korea, Taiwan, and Vietnam threaten the domestic industry with additional material injury.

V. CONCLUSION

As set forth in the other volumes of these petitions, imports of PTMEG from China, South Korea, Taiwan, and Vietnam are sold at less than fair value in the United States. Moreover, as discussed above, the domestic industry has been materially injured, and is threatened with additional material injury, by reason of subject imports.

[185] *See* Petitioner's Trade and Financial Data, provided as **Exhibit I-21**.

To prevent further injury by these imports, Petitioner requests that Commerce initiate antidumping duty investigations on imports of PTMEG from China, South Korea, Taiwan, and Vietnam. Petitioner also requests that the Commission find that subject imports have caused material injury to domestic industry and threaten further material injury going forward. The future of domestic PTMEG manufacturing, its workers, and the security of domestic supply chains depend on Commerce and the Commission providing effective relief from unfair trade.

Respectfully submitted,

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