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GEN-10, and GEN-11
PUBLIC VERSION

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

ANTIDUMPING AND COUNTERVAILING DUTY PETITION
VOLUME I
GENERAL and INJURY SECTIONS

POLYPROPYLENE CORRUGATED BOXES FROM
THE PEOPLE'S REPUBLIC OF CHINA AND THE SOCIALIST REPUBLIC OF VIETNAM

PETITIONERS:
COOLSEAL USA, INTEPLAST GROUP,
SEACA PLASTIC PACKAGING, AND TECHNOLOGY CONTAINER CORP.

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March 18, 2025

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**PETITION FOR THE IMPOSITION OF ANTIDUMPING AND COUNTERVAILING
DUTIES ON IMPORTS OF POLYPROPYLENE CORRUGATED BOXES FROM
CHINA AND VIETNAM**

On behalf of CoolSeal USA Inc., Intoplast Group Corporation, SeaCa Plastic Packaging, and Technology Container Corp. (collectively, “Petitioners”) – domestic producers of Polypropylene Corrugated Boxes as defined by the scope of this Petition (“PCBs”) – we submit this Petition to the U.S. Department of Commerce (the “Department”) and the U.S. International Trade Commission (“ITC” or “Commission”) pursuant to sections 702(c)(4) and 732(c)(4) of the Tariff Act of 1930, as amended (the “Act” or the “statute”). See 19 U.S.C. §§ 1671a(c)(4), 1673a(c)(4). As discussed below, Petitioners account for the majority of all production of PCBs in the United States and, therefore, represent the U.S. industry manufacturing PCBs within the meaning of the Act. See id.

Volumes II – III of this Petition present evidence that PCBs from the People’s Republic of China (“China”) and the Socialist Republic of Vietnam (“Vietnam”) are being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731(1) of the Act. See 19 U.S.C. § 1673(1). Volume IV of this Petition presents evidence that the Government of China is providing countervailable subsidies with respect to the manufacture, production, and export of PCBs within the meaning of section 701(a)(1) of the Act. See 19 U.S.C. § 1671(a)(1). This Petition demonstrates further that the U.S. industry manufacturing PCBs is suffering material injury, and is threatened with further material injury, by reason of unfairly traded imports of PCBs from China and Vietnam within the meanings of sections 701(a)(2) and 731(2) of the Act. See 19 U.S.C. §§ 1671(a)(2), 1673(2).

Petitioners, therefore, request that: (1) antidumping duties be imposed on imports of PCBs from China and Vietnam in an amount equal to the amount by which the normal value exceeds the export price or constructed export price of the merchandise; and (2) countervailing duties be imposed on imports of PCBs from China in an amount equal to the net countervailable subsidy. This Petition sets forth the information reasonably available to Petitioners and is filed in conformity with the requirements of section 351.202 of the regulations of the Department and section 207.11 of the regulations of the Commission. See 19 C.F.R. §§ 351.202 and 207.11.

I. GENERAL INFORMATION

A. Petitioners

This Petition is filed on behalf of CoolSeal USA Inc., Inteplast Group Corporation, SeaCa Plastic Packaging, and Technology Container Corp.¹ These companies are “interested parties” within the meaning of 19 U.S.C. § 1677(9)(C) and 19 C.F.R. § 351.102(b)(29)(v) because they manufacture PCBs at their production facilities in the United States. Contact information for Petitioners is provided below.

CoolSeal USA Inc.

232 J Street

Perrysburg, OH 43551

Phone: (419) 515-5515

Fax: (419) 872-5700

Contact: Tab Hinkle, President & General Manager

Email: thinkle@coolsealusa.com

Website: www.coolsealusa.com

¹ On December 6, 2024, Inteplast Group Corporation announced that it had completed the acquisition of substantially all of the assets of CoolSeal USA LLC via its acquisition vehicle, CoolSeal USA Inc. See Exhibit GEN-1. Although CoolSeal USA Inc. is a wholly-owned subsidiary of Inteplast Group Corporation, it operates as a separate entity and maintains its own branding. As such, it is listed separately for the purposes of this Petition.

Inteplast Group Corporation

9 Peach Tree Hill Road
Livingston, NJ 07039
Phone: (973) 994-8019
Fax: (973) 994-8028
Contact: Andy Chen, General Manager
Email: jychen@inteplast.com
Website: www.inteplast.com

SeaCa Plastic Packaging

23400 71st Place South
Kent, WA 98032
Phone: (206) 849-7101
Fax: (661) 721-3624
Contact: Rob Nist, President
Email: rob@seattlebox.com
Website: www.seacaplastics.com

Technology Container Corp.

1221 E. Centre Park Boulevard
Building 1, Suite 120
Desoto, TX 75115
Phone: (972) 228-1617
Fax: (972) 228-8621
Contact: Fred Dowd, President
Email: fdowd@techcontainer.com
Website: www.techcontainer.com

B. Other Domestic Producers

To the best of Petitioners' knowledge, four other domestic producers manufacture PCBs in the United States: (1) Minnesota Diversified Industries, of Minneapolis, MN; (2) ORBIS Corporation, of Oconomowoc, WI; (3) Plastpac, Inc., of Kenilworth, NJ; and (4) Primex Plastics Corporation, of Richmond, IN. Contact information for these companies is provided below.

Minnesota Diversified Industries

3501 Broadway Street NE
Suite 100
Minneapolis, MN 55413
Phone: (651) 999-8410

Fax: N/A
Email: finance@mdi.org
Website: www.mdi.org

ORBIS Corporation
1055 Corporate Center Drive
Oconomowoc, WI 53066
Phone: (800) 890-7292
Fax: N/A
Email: info@orbiscorporation.com
Website: www.orbiscorporation.com

Plastpac, Inc.
30 Boright Avenue
Kenilworth, NJ 07033
Phone: (908) 275-4440
Fax: N/A
Email: maggie@plastpac.com
Website: www.plastpac.com

Primex Plastics Corporation
1235 North F Street
Richmond, IN 47374
Phone: (765) 966-7774
Fax: (765) 935-1083
Email: mcramer@primexplastics.com
Website: www.primexplastics.com

C. Description of the Domestic Industry and Industry Support

The statute requires that “the domestic producers or workers who support the petition account for at least 25 percent of the total production of the domestic like product.” See 19 U.S.C. §§ 1671a(c)(4)(A)(i), 1673a(c)(4)(A)(i). In addition, the statute requires that “the domestic producers or workers who support the petition account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for or opposition to the petition.” See 19 U.S.C. §§ 1671a(c)(4)(A)(ii), 1673a(c)(4)(A)(ii).

The statutory requirements for standing are satisfied here. In 2024, the volume of PCBs manufactured by the domestic producers that support this Petition was [] pounds. See Exhibit GEN-2. Based on the attached declaration executed by Rob Nist, the President of SeaCa Plastic Packaging, the volume of PCBs manufactured in 2024 by the additional domestic producers identified above in Section I.B. is estimated to be [] pounds. See Exhibit GEN-3. There are no other known domestic producers of PCBs as described by the scope of this Petition. See id. Thus, total U.S. production of PCBs amounted to [55,000,000] pounds in 2024. See Exhibit GEN-2.

As shown below in Table 1, the domestic producers that support this Petition accounted for [80.0] percent of total U.S. production of PCBs in 2024. The domestic producers that support this Petition, therefore, surpass both the 25 percent and 50 percent thresholds for industry support established in the statute. See 19 U.S.C. §§ 1671a(c)(4)(A), 1673a(c)(4)(A).

Table 1: Standing Calculations		
	U.S. Production in 2024 (Pounds)	Share of Total U.S. Production
Petitioners	[]	[80.0%]
Other Domestic Producers	[]	[]
Total	[55,000,000]	[]
Source: Exhibit GEN-2 .		

D. Related Proceedings

Petitioners have not filed for import relief pursuant to section 201 of the Trade Act of 1974 (19 U.S.C. § 2251), section 232 of the Trade Expansion Act of 1962 (19 U.S.C. § 1862), section 337 of the Act (19 U.S.C. § 1337), or sections 702 and 732 of the Act (19 U.S.C. §§

1671a, 1673a) with respect to the merchandise that is the subject of this Petition. Imports of PCBs from China classified under Harmonized Tariff Schedule of the United States (“HTSUS”) subheading 3923.10.90 are currently subject to an additional duty of 25.0 percent pursuant to section 301 of the Trade Act of 1974 (19 U.S.C. § 2411). See Notice of Modification of Section 301 Action: China’s Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation, 83 Fed. Reg. 47,974 (USTR Sept. 21, 2018); Notice of Modification of Section 301 Action: China’s Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation, 84 Fed. Reg. 20,459 (USTR May 9, 2019). As of March 4, 2025, such imports are also subject to an additional duty of 20.0 percent pursuant to the International Emergency Economic Powers Act (50 U.S.C. §§ 1701-1710). See Further Amended Notice of Implementation of Additional Duties on Products of the People’s Republic of China Pursuant to the President’s Executive Order 14195, Imposing Duties To Address the Synthetic Opioid Supply Chain in the People’s Republic of China, 90 Fed. Reg. 11,426 (CBP Mar. 6, 2025).

E. Description of Subject Merchandise and Requested Scope of Investigation

1. Requested Scope of Investigation

The following language describes the imported merchandise that Petitioners intend to cover in this investigation:

The merchandise covered by these investigations is Polypropylene Corrugated Boxes (“PCBs”). PCBs are boxes, totes, or other containers made of corrugated polypropylene sheets, also known as polypropylene hollow core sheets, polypropylene twin wall sheets, or multi wall sheets. Such polypropylene sheets are typically produced using a continuous extrusion process from a plastic resin consisting of 50 percent or more polypropylene.

PCBs are covered by the scope irrespective of the particular mix of polypropylene homo-polymer, polypropylene co-polymer, recycled or virgin polypropylene, or ancillary chemicals such as electrostatic agents or flame retardants. PCBs are formed by corrugated polypropylene sheets cut to discrete lengths, scored for folding edges, and die-cut into specific box formats. PCBs may be printed with ink or digital designs. PCBs may enter the United States in folded form or may enter unfolded and later be constructed to form a box shape with a bottom wall and side walls. Unfolded and constructed PCBs may have manufacturers' joints to retain their final shape.

The subject merchandise includes PCBs with or without handles, with or without lids or tops, with or without reinforcing wire, and whether in a one-piece or multi-piece configuration.

The products subject to the investigations are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under statistical reporting number 3923.10.9000. Although the HTSUS statistical reporting number is provided for convenience and customs purposes, the written description of the merchandise is dispositive.

2. Physical Characteristics and Uses

a. Product Description

The merchandise covered by this Petition is PCBs, which includes boxes, crates, totes, and similar containers made of corrugated polypropylene sheets (also known as hollow core, twin wall, or multi wall sheets). PCBs are formed by cutting the corrugated sheets to discrete lengths, scoring them for folding edges, die cutting them into specific shapes and sizes, and then folding them into a finished box. The corrugated sheets are produced through the extrusion of a plastic resin that either consists of 50 percent or more polypropylene. The scope of this Petition covers PCBs manufactured from such plastic resins, irrespective of the particular mix of polypropylene homo-polymer and polypropylene co-polymer, the use of virgin polypropylene or

recycled polypropylene, or the presence of ancillary chemicals such as electrostatic agents or flame retardants.

Figure 1 – A Selection of PCBs



Most PCBs include an enclosed bottom wall, four side walls, and a partially enclosed top wall. PCBs commonly come in square or rectangular cross sections, and may be tapered such that their length or width becomes narrower from base to peak. The scope of this Petition, however, covers all PCBs regardless of shape or size, whether or not printed with designs, and with or without handles, lids, tops, and reinforcing wire. Further, the scope of this Petition includes PCBs that enter the United States in either folded or unfolded form, as well as PCBs that enter in either one-piece or multi-piece configurations.

As discussed below, PCBs are typically used for the packing, storage, conveyance, and transportation of other merchandise, and are frequently referred to by their intended end use application. They are most often used in agricultural industries (e.g., “asparagus boxes” and

“corn boxes”), seafood industries (e.g., “oyster boxes” and “salmon boxes”), and construction industries (e.g., “cultured stone boxes”). The scope of this Petition, however, covers all PCBs regardless of end use.

b. End Uses

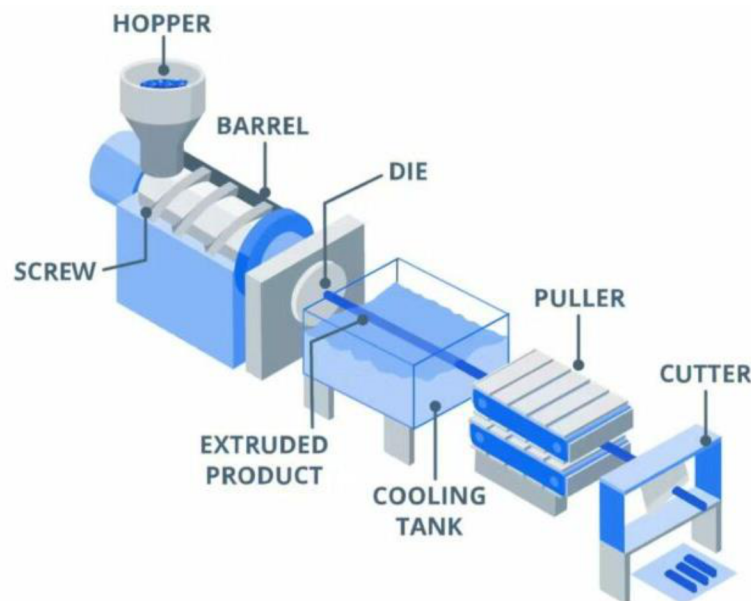
PCBs are sold directly, or through distribution, to end users involved in the production and shipment of agricultural goods, building products, seafood, and other consumer merchandise. The ultimate customers typically use PCBs for the packing, storage, conveyance, and transportation of these goods. As such, PCBs are frequently referred to based on their intended end use application (e.g., “asparagus boxes,” “broccoli boxes,” “corn boxes,” and “oyster boxes”). Regardless of end use, however, the scope of this Petition covers all PCBs as defined in the scope language above.

3. Production Process

The production process for PCBs begins with dry polypropylene pellets, which are melted and extruded into flat polypropylene corrugated sheets. The pellets are loaded into a hopper, and then forced into a barrel through the action of a large revolving screw. Once in the barrel, the pellets are blended, melted into a molten state, and pushed through a narrow opening known as a die. The die confers the ultimate shape of the sheets, which are then moved onto a conveyor belt for further processing. Air is blown through the still-malleable sheets to create small rectangular channels, giving them a distinctive corrugated form. The corrugated sheets are then passed through cold water tanks or industrial fans for cooling and fed into a pull roller for smoothing and stress relief.

Because polypropylene is a chemically inert and nonporous material, the corrugated sheets must undergo corona treatment, whereby a high voltage electrical discharge is applied to their surface. This step improves the adhesive properties of the corrugated sheets and increases their receptiveness towards inks and coatings. Afterwards, the corrugated sheets are passed through a printer, and imparted with the requisite designs and finishes requested by the customer. While some manufacturers use a rotary printing process, others may use digital or silkscreen printing processes. In either case, the corrugated sheets are then cut to size, palletized, and transferred to a box making line.

Figure 2 – Polypropylene Extrusion Line



Each individual corrugated sheet is placed into a die cutter, which can process between 3,000 and 5,000 units per hour. As the corrugated sheets are perforated and slit along predetermined edges, excess plastic scrap falls away and is collected for recycling. The corrugated sheets are then folded, compressed, and joined to form a finished box. While some

manufacturers join boxes through the application of liquid adhesives such as glue, others join boxes via a sonic welding procedure. In the former case, it may take 24 to 72 hours for the adhesive material to cure and set. Afterwards, the finished boxes are inspected, palletized, and prepared for shipment to the ultimate customer.

4. U.S. Tariff Classification

Imports of PCBs are properly classified under HTSUS statistical reporting number 3923.10.9000, which provides for “Articles for the conveyance or packing of goods, of plastics . . . Boxes, cases, crates, and similar articles,” other than those specially shaped or fitted for the conveyance or packing of semiconductor wafers, masks, or reticles. See Exhibit GEN-4. The volume of imports under this provision is reported in kilograms, and the “general” or “column one” rate of duty is 3.0 percent ad valorem. See id.

The statistical reporting number above is provided for convenience and U.S. Customs and Border Protection purposes and does not define the scope of this Petition. Moreover, this provision is a broad basket category applicable to both in-scope PCBs and other out-of-scope plastic boxes, cases, and crates. Because this statistical reporting number covers substantial volumes of out-of-scope merchandise, official import statistics under this provision exceed the level of subject merchandise that Petitioners believe to be imported into the United States based on market intelligence and research of reasonably available information. See Exhibits GEN-3, GEN-4.

F. Countries of Exportation

The PCBs that are the subject of this Petition are produced in and exported from China and Vietnam. Petitioners have no knowledge that the subject merchandise is currently being transhipped through any third country to the United States.

G. Producers and Exporters of Subject Merchandise

As required by the Department's regulations, a list of all known producers and exporters of PCBs from China and Vietnam is appended in **Exhibit GEN-5**. See 19 C.F.R. § 351.202(b)(7)(i)(A).

H. Volume and Value of Imports

Pursuant to the Department's regulations, estimates of the volume and value of U.S. imports of PCBs from China and Vietnam are presented in **Exhibit GEN-6** for the period of investigation ("POI") – that is, for calendar years 2022, 2023, and 2024. See 19 C.F.R. § 351.202(b)(8). As discussed above in Section I.E.4, imports of in-scope PCBs enter the United States primarily under a broadly defined HTSUS statistical reporting number that also covers other out-of-scope plastic boxes, cases, and crates. See supra Section I.E.4. Accordingly, official import statistics do not constitute an accurate or reliable basis for evaluating the volume and value of subject imports. See id.

Petitioners have, therefore, derived estimates for U.S. imports of PCBs from China and Vietnam based on publicly available shipment manifest records and market intelligence from domestic producers. See Exhibits GEN-3, GEN-6. These estimates represent the best information reasonably available to Petitioners and are consistent with Petitioners' experience in the U.S. market during the POI. See Exhibit GEN-3. Although there are no other publicly

available sources of these data, the Commission will collect comprehensive data on U.S. imports of PCBs through its questionnaire process over the course of its investigations.

I. Names and Addresses of U.S. Importers

Based on information reasonably available to Petitioners, a list of known and suspected U.S. importers of PCBs from China and Vietnam is appended in **Exhibit GEN-7**, as required by the Department's regulations. See 19 C.F.R. § 351.202(b)(9).

II. INFORMATION RELATED TO SALES AT LESS THAN FAIR VALUE AND COUNTERAVAILABLE SUBSIDIES

Information related to allegations of less-than-fair-value sales of the subject merchandise from China and Vietnam is provided in Volumes II – III of this Petition. Information related to allegations of countervailable subsidies on the subject merchandise from China is provided in Volume IV of this Petition.

III. THE U.S. PCB INDUSTRY HAS BEEN MATERIALLY INJURED BY REASON OF UNFAIRLY TRADED IMPORTS FROM CHINA AND VIETNAM

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

The statute defines a “domestic like product” as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation.” 19 U.S.C. § 1677(10). In identifying the domestic like product, the starting point for the Commission's analysis is the scope of the case. See, e.g., Hitachi Metals, Ltd. v. United States, 949 F.3d 710, 717-718 (Fed. Cir. 2020) (citing Cleo Inc. v. United States, 501 F.3d 1291, 1298 n.1 (Fed. Cir. 2007)).

In reaching a like product determination, the Commission considers a number of factors, including physical characteristics and uses, interchangeability, channels of distribution, customer

and producer perceptions, common manufacturing facilities, production processes and employees, and, where appropriate, price. See, e.g., Timken Co. v. United States, 913 F. Supp. 580, 584 (Ct. Int'l Trade 1996); Nippon Steel Corp. v. United States, 19 CIT 450, 455 (1995). The Commission's decision regarding the appropriate like product is a case-by-case factual determination in which no single factor is dispositive. See S. Rep. No. 249, 96th Cong., 1st Sess. 90-91 (1979). The Commission looks for clear defining lines between products, but disregards minor variations. See, e.g., Nippon Steel Corp., 19 CIT at 455; Torrington Co. v. United States, 747 F. Supp. 744, 749 n.3 (Ct. Int'l Trade 1990), aff'd, 938 F.2d 1278 (Fed. Cir. 1991).

All PCBs are manufactured using the same types of production methods, on the same types of production lines, in the same production facilities, and by the same employees. PCBs are produced through the use of specialized machinery that is capable of extruding polypropylene pellets into polypropylene sheets, and then transforming these polypropylene sheets into finished boxes. The specialized machinery can be adjusted in the extrusion, cutting, or joining stages to confer the ultimate shapes and sizes of the merchandise at issue. PCBs consist primarily of virgin polypropylene resin and, thus, share the same basic physical characteristics – they are lightweight yet robust, durable, waterproof, recyclable, and resistant to fluctuations in temperature.

All PCBs are sold directly, or through distribution, to end users involved in the production and shipment of agricultural goods, building products, seafood, and other consumer merchandise. The end users typically utilize PCBs for the packing, storage, conveyance, and transportation of these goods. Both producers and customers perceive PCBs to be a continuum of products that have different shapes and sizes, but that are all ultimately designed for the same

applications. PCBs are also priced within a general range based primarily on their dimensions and weight. For the foregoing reasons, the domestic like product in these investigations should be defined as PCBs, co-extensive with the scope definition.

B. The Domestic Industry Consists of All U.S. Producers of PCBs

Section 771(4)(A) of the Act defines the relevant industry as the “producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product.” See 19 U.S.C. § 1677(4)(A). Based on the domestic like product definition, the domestic industry consists of all U.S. producers of PCBs, as identified above in Section I.²

C. Imports of PCBs from China and Vietnam Are Not Negligible

Pursuant to section 771(24) of the Act, imports from any single country that account for less than three percent of the total import volume for subject merchandise in the most recent 12-month period for which data are available preceding the filing of the Petition are considered negligible. See 19 U.S.C. § 1677(24)(A)(i). As indicated below in Table 2, U.S. import volumes for the most recent 12-month period for which data are available (i.e., March 2024 through February 2025) indicate that imports of PCBs from China and Vietnam exceed the statutory negligibility threshold.

² Petitioners confirm that they did not import PCBs from China or Vietnam between January 2022 and December 2024. As such, no Petitioner should be excluded from the domestic industry as a related party within the meaning of 19 U.S.C. § 1677(24)(B). Although Petitioners are not aware of imports of PCBs from China or Vietnam by any other U.S. producers over the POI, they reserve the right to comment on the domestic industry definition over the course of these investigations.

Table 2: U.S. Imports of PCBs, Mar. 2024 – Feb. 2025		
Source	Quantity in Pounds	Share of Total Imports
China	15,362,656	43.6%
Vietnam	7,073,759	20.1%
<i>Subtotal</i>	<i>22,436,416</i>	<i>63.6%</i>
All Others	12,828,534	36.4%
Total	35,264,950	100.0%
Source: Exhibit GEN-8 . ³		

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

In assessing material injury, the Commission is required by statute to cumulate the volume and price effects of subject imports from all countries with respect to which petitions are filed on the same day and that compete with each other and the domestic like product in the U.S. market. See 19 U.S.C. § 1677(7)(G)(i). The statutory criteria for cumulation are met in this case. As a threshold matter, these Petitions against imports of PCBs from China and Vietnam are being filed simultaneously. Further, none of the statutory exceptions to cumulation apply in this case. See 19 U.S.C. § 1677(7)(G)(ii). Therefore, as there is evidence of a reasonable overlap in competition, cumulation of subject imports for purposes of these investigations is required by statute.

The Commission typically considers four factors in determining whether there is a reasonable overlap in competition between subject imports and the domestic like product: (1)

³ Petitioners have relied on Panjiva data for U.S. import shipments of PCBs (**Exhibit GEN-6**), as corroborated by the sworn declaration of an industry expert (**Exhibit GEN-3**). Petitioners were unable to rely on the data in official import statistics because the HTSUS category covering subject merchandise is a basket category that also covers out-of-scope merchandise.

fungibility of the product from various sources; (2) the presence of sales or offers to sell in the same geographic markets; (3) common channels of distribution; and (4) simultaneous presence in the market. See, e.g., Certain Cast-Iron Pipe Fittings from Brazil, the Republic of Korea, and Taiwan, USITC Pub. 1845 (Final) (May 1986), aff'd, Fundicao Tupy S.A. v. United States, 678 F. Supp. 898 (Ct. Int'l Trade 1988), aff'd per curiam, 859 F.2d 915 (Fed. Cir. 1988). No single factor is determinative. See Goss Graphic Sys., Inc. v. United States, 33 F. Supp. 2d 1082, 1086 (Ct. Int'l Trade 1998). As discussed below, each factor is met in this case.

1. Imports from All Subject Countries and Domestic PCBs Are Fungible

Imports from China and Vietnam are highly substitutable with each other and with the domestic like product. Regardless of source, PCBs imported into the United States are produced from polypropylene resin, processed through die cutters, and then folded along pre-scored lines to form finished boxes. This merchandise is ultimately sold to customers for use in the packing, storage, conveyance, and transportation of other goods. The same is also true of the domestic like product. Thus, there is a high degree of fungibility among the subject imports from China and Vietnam, and between subject imports from China and Vietnam and the domestic like product.

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

Imports from each subject country also compete with imports from the other subject country and with the domestic like product throughout the U.S. market. These products are all sold on a nationwide basis to the major customers. With regard to channels of distribution, PCBs

are sold to both distributors and end users by both U.S. producers and importers from the subject countries.

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

Subject imports from both China and Vietnam have been simultaneously present in the U.S. market during 2023 and 2024. See Exhibit GEN-6. Similarly, domestically produced PCBs have been available in the U.S. market throughout the POI. See Exhibit GEN-9. Thus, this factor provides further evidence that subject imports are competing with each other and the domestic like product.

4. Conclusion

In sum, a reasonable overlap of competition exists among the subject imports and between subject imports and the domestic like product within the meaning of the statute. Accordingly, the Commission should cumulate imports of PCBs from China and Vietnam in analyzing whether subject imports have caused material injury to the domestic industry in this case.

E. Imports from China and Vietnam Are Causing Material Injury to the Domestic PCB Industry

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

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

See 19 U.S.C. § 1677(7)(B). Information reasonably available to Petitioners demonstrates that increasing volumes of dumped and subsidized imports of PCBs from China and Vietnam have been – and continue to be – a cause of material injury to the domestic industry.

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

The statute instructs the Commission to consider “whether the volume of imports of the merchandise, or any increase in that volume, either in absolute terms or relative to production or consumption in the United States, is significant.” 19 U.S.C. § 1677(7)(C)(i). Here, the volume of U.S. imports of PCBs from China and Vietnam is significant on an absolute basis, as well as relative to U.S. production and U.S. consumption. Subject imports accounted for 62.8 percent of total U.S. imports of PCBs in 2024. See Exhibit GEN-10. Moreover, subject imports were equal to [45.0] percent of domestic production, and [] percent of apparent domestic consumption, in that same year. See id.; **Exhibit GEN-9**.

U.S. imports of PCBs from China and Vietnam also increased significantly during the POI. On a cumulated basis, subject imports rose by 480.6 percent over the past three years, surging from 3.3 million pounds in 2022 to 19.4 million pounds in 2024. See Exhibit GEN-10. U.S. imports of PCBs from China and Vietnam also expanded their share of the domestic market during the POI. See id. The market share held by subject imports surged over the past three years, increasing from [] percent in 2022 to [30.0] percent in 2024, or by [] percentage points. See id. The volume of and market share held by subject imports, as well as the increases in those volumes and market shares, are significant within the meaning of the statute.

2. **The Dumped and Subsidized Subject Imports Have Had Significant Negative Price Effects on the U.S. PCB Industry**

PCBs are price-sensitive products. The increasing volumes of low-priced, dumped, and subsidized imports of PCBs from China and Vietnam have caused significant negative price effects on U.S. producers of PCBs. Price underselling by unfairly-traded subject imports has taken sales from the domestic industry and has significantly depressed the prices at which domestic producers have sold PCBs during the POI.

a. **Subject Imports Have Undercut and Depressed U.S. Prices**

Information reasonably available to Petitioners indicates that the surge in imports of PCBs from China and Vietnam was accomplished through significant underselling of U.S. producer prices by subject imports, providing important evidence that subject imports have had negative price effects in the U.S. market. Petitioners' examples of lost sales and lost revenues set forth in **Exhibit GEN-11** show that the prices of the subject imports are consistently below domestic producer prices, placing significant pricing pressure on the domestic industry. See Exhibit GEN-11.

Table 3: Domestic Industry's Price Depression (Quantity in Pounds, Value in Dollars)			
	2022	2023	2024
Net Sales Quantity	[38,000,000]	[]	[]
Net Sales Value	[]	[]	[]
Unit Net Sales Value	[]	[\$2.00]	[]
COGS	[]	[]	[70,000,000]
Unit COGS	[\$1.90]	[]	[]

Source: **Exhibit GEN-9.**

As reflected in the domestic industry's financial data above, the domestic industry's unit net sales value declined by [] per pound from 2022 to 2024, despite unit costs declining by

only [] per pound during that same period. See Exhibit GEN-9. The *price depression* from 2022 to 2024 led to the U.S. producers' continued financial decline, as described below. See infra Section III.E.3. As subject imports overwhelmingly undersold the domestic like product, the domestic industry was forced to compete with lower-priced imports and accept lower prices. These lower prices resulted in the domestic industry experiencing a price-cost squeeze that led to *price depression* and the industry's poor and worsening condition.

b. Price Descriptors for ITC Questionnaires

Pursuant to Section 207.11(b)(2)(iv) of the Commission's regulations, 19 C.F.R. § 207.11(b)(2)(iv), Petitioners recommend that the Commission collect pricing data on the following PCB products:

Product 1: Eastern Corn Box – Box Dimensions: 19-20 inches long X 12-13 inches wide X 10.5-11.5 inches deep; Sheet Thickness: 4 millimeters; Printed

Product 2: Western Corn Box – Box Dimensions: 19-20 inches long X 12-13 inches wide X 11.6-13 inches deep; Sheet Thickness: 4 millimeters; Printed

Product 3: 5-Kilo Asparagus Box – Of Various Box Dimensions; Printed

Product 4: 60-Count Vegetable/Broccoli Box – Box Dimensions: 19-20 inches long X 11-12 inches wide X 10.5-11.5 inches deep; Sheet Thickness: 4 millimeters; Printed

The unit of measurement for the pricing quantity data should be pounds. These price descriptors accounted for a significant percentage of sales of PCBs in the United States over the past three years (both domestically-produced and subject imports) and, accordingly, are the appropriate products for the Commission's analysis and price comparisons.

c. **The Commission Should Solicit Data on Direct Import Pricing**

To the best of Petitioners' knowledge, subject imports are imported directly from each of the subject countries by major end users of PCBs, such as Bro Quali Harvest, Inc., JET Farm Georgia, Inc., Turek Farms, and Westlake Royal Stone, LLC. See, e.g., Exhibit GEN-6. The Commission, therefore, should gather direct import pricing data on the products identified for both subject countries.

3. **Unfair Imports Have Had an Injurious Impact on the Domestic Industry Producing PCBs**

In assessing whether the domestic industry is materially injured by reason of unfairly traded imports, the Commission considers relevant statutory factors reflecting the state of the domestic industry. See 19 U.S.C. § 1677(7)(c)(iii). The domestic industry has suffered material injury by reason of the subject imports, as manifested in market share lost to the unfair imports, depressed U.S. prices, and the resulting deterioration in key trade and financial variables.

- The increase in low-priced imports from China and Vietnam resulted in a significant [] percentage point gain in subject import market share over the 2022 to 2024 period, from [] percent in 2022 to [30.0] percent in 2024. See Exhibit GEN-10. As a result, domestic producers' market share fell precipitously from [] percent in 2022 to [] percent in 2024 (or by [15.0] percentage points). See id.
- As a result of this significant loss in market share, the domestic industry was forced to operate at a capacity utilization rate of only [35.0] percent in 2024. See Exhibit GEN-9. The domestic industry has ample capacity to produce PCBs to supply customers' requirements, but has been unable to supply more PCBs to the market due to the loss of sales and market share to the high volume of lower-priced, unfairly-traded subject imports.
- The increasing volumes of low-priced subject imports that continually undercut U.S. producer prices resulted in substantial financial harm as well. The domestic industry's profitability declined from 2022 to 2024. See id. Specifically, operating income dropped from [] in 2022 to [] losses in 2024. See id.

As a share of net sales, operating income dropped from [] percent in 2022 to [] percent in 2024. See id. Similarly, net income plummeted from [] in 2022 to [] losses in 2024. See id. As a share of net sales, net income dropped from [] percent in 2022 to [] percent in 2024. See id.

The causal link between imports and the U.S. industry's financial performance is further corroborated by the significant incidents of lost sales and lost revenues provided in this Petition. See Exhibit GEN-11. This exhibit identifies instances in which the domestic industry lost sales to unfairly-traded imports of PCBs from China and Vietnam, as well as transactions in which the domestic industry lost revenues as a result of being forced to lower prices in response to competing bids from subject imports. See id. This evidence of lost sales and revenues ties the financial performance of the domestic industry to the injurious price and volume impact of dumped and subsidized subject imports.

4. Conclusion

In sum, each of the statutory factors demonstrating material injury is met in this case. The volume of subject imports increased over the POI and was significant both in absolute terms and in relation to the size of the U.S. market. The subject imports systematically undersold the domestic like product, capturing significant volumes of sales from the domestic industry and depressing U.S. prices. The impact on the domestic industry was a weak and deteriorating trade and financial performance from 2022 to 2024. On this basis, imports of PCBs from China and Vietnam have caused material injury to the domestic industry.

IV. **THE DOMESTIC INDUSTRY IS THREATENED WITH FURTHER MATERIAL INJURY BY REASON OF UNFAIRLY TRADED IMPORTS OF POLYPROPYLENE CORRUGATED BOXES FROM CHINA AND VIETNAM**

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

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

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

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

As discussed above, the current state of the domestic industry is characterized by anemic profitability, shrinking market share, and unsustainably low levels of capacity utilization. See supra Section III.E; **Exhibit GEN-9**; **Exhibit GEN-10**. Notably, as subject import market share increased from [] percent in 2022 to [30.0] percent in 2024, the domestic industry’s operating income fell by [] in absolute terms, and its operating income to net sales ratio fell from [] to [a loss]. See id. Throughout the POI, moreover, U.S. producers maintained capacity utilization rates well below [40.0] percent – substantially lower than the levels necessary to maintain profitability in this industry. See id.

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

The statute instructs the Commission to examine whether there has been a “significant rate of increase of the volume or market penetration of imports of the subject merchandise” in analyzing the likelihood of a substantially increased volume of subject imports in the future. 19 U.S.C. § 1677(7)(F)(i)(III). As demonstrated above, cumulated subject imports rose from 3.3 million pounds in 2022 to 19.4 million pounds in 2024 (or by 480 percent). See supra Section III.E.1; **Exhibit GEN-10**. This rapid surge in subject imports solidified their foothold in the U.S. market, as the market share held by these imports grew by [20.0] percentage points – from [] percent in 2022 to [] percent in 2024. See id. As such, the rapidly accelerating rate of growth in subject imports is a sign of likely continued volume and market share increases in the future absent the imposition of trade remedies.

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

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

E. Subject Producers Maintain Massive Excess Capacity to Produce PCBs and Are Highly Export-Oriented

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

China

- **Hangzhou Acme Imp. & Exp. Co. Ltd. (“Acme”)** produces PCBs at two manufacturing facilities in Wuxi and Xuchang. See Exhibit GEN-12. Based on Panjiva, Acme is estimated to account for a majority (i.e., over 50 percent) of exports of PCBs from China. See Exhibit GEN-6. The company advertises that it has “become one of the leading manufacturers for corrugated plastic sheets and packaging products in China.” See Exhibit GEN-12.
- **Chengdu Jinjia Plastic Products Co. Ltd. (“Jinjia”)** manufactures PCBs in Chengdu, China. See id. The factory occupies an area of 5,000 square meters. See id. Based on its website, Jinjia produces \$10 million of polypropylene sheets and boxes each year. See id. The company currently exports 70 percent of its production worldwide, including to the United States. See id.
- **Shandong Runping Plastics Co. Ltd. (“Runping”)** manufactures PCBs in Shandong, China and has an annual capacity of 20,000 tons (40 million pounds). See id. Based on its website, Runping “opened up to international markets,” as its products are exported to 58 countries, including the United States. See id.

Vietnam

- **Sam Manufacture and Trading One Member Co. Ltd. (“Sam”)** produces PCBs in Hai Duong City, Vietnam. See id. The company advertises that it has “extensive experience in manufacturing and supplying plastic products to customers both domestically and internationally” (including to the United States), and that it is “committed to providing products at the most reasonable and competitive prices.” See id.
- **Dashun International Co. Ltd. (“Dashun”)** manufactures PCBs on 10 lines in two factories in Ho Chi Minh City, Vietnam and Binh Duong Province, Vietnam. See id. Based on its website, Dashun is “one of the largest manufacturers of corrugated plastic sheets and boxes in Vietnam.” See id. The company produces 32,000 tons (70 million pounds) of corrugated plastic sheets and boxes per year. See id. The company also advertises that it offers “highly competitive pricing.” See id.

F. Subject Producers in China Benefit from Substantial Countervailable Subsidies

The Government of China encourages exportation of PCBs through countervailable subsidies, including export subsidies. The statute directs the Commission to consider the nature of any countervailable subsidies, particularly export and import substitution subsidies expressly prohibited by Article 3 of the WTO Agreement on Subsidies and Countervailing Measures (“SCM Agreement”), and whether imports of the subject merchandise are likely to increase as a result of such subsidies. See 19 U.S.C. § 1677(7)(F)(i)(I). Article 3 of the SCM Agreement describes subsidies that are prohibited because they are contingent upon export performance or upon the use of domestic over imported goods. See Agreement on Subsidies and Countervailing Measures (Apr. 15, 1994), Marrakesh Agreement Establishing the World Trade Organization, Annex 1, 1867 U.N.T.S. 14 at Art. 3.

Subject producers in China have received countervailable subsidies, including numerous export subsidies. See Petition Vol. IV. Among these subsidies are:

- Export loans, credit, and insurance provided to PCB producers at preferential rates by government authorities where receipt of the financing is contingent upon exporting;
- Preferential income tax treatment or exemptions, contingent upon exporting, for PCB producers; and
- Grants provided to PCB producers and exporters to assist in the defense of trade disputes or the development of export markets, or to recognize export performance.

See id. These export and import substitution subsidies violate Article 3 of the SCM Agreement and are likely to provide PCB producers in China with additional incentives to target their production toward export markets, and particularly toward the United States.

V. CONCLUSION

The information presented in this Petition provides evidence reasonably available to Petitioners that PCBs from China and Vietnam are being, or are likely to be, sold in the United States at less than fair value, and that the Government of China is providing countervailable subsidies with respect to the manufacture, production, and export of PCBs. This Petition further provides evidence that the U.S. industry producing PCBs is being materially injured, and is threatened with further material injury, by reason of these unfairly traded imports. Accordingly, antidumping and countervailing duty investigations should be initiated against imports of PCBs from China and Vietnam, and duties should be imposed to offset these unfair trade practices.