Canadian International Trade Tribunal
Tribunal canadien du commerce extérieur

CANADIAN INTERNATIONAL TRADE TRIBUNAL

Dumping and Subsidizing

FINDINGS AND REASONS

Inquiry No. NQ-2006-002

Copper Pipe Fittings

Findings issued
Monday, February 19, 2007

Reasons issued
Tuesday, March 6, 2007

Canada

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IN THE MATTER OF an inquiry, under section 42 of the *Special Import Measures Act*, respecting:

THE DUMPING OF COPPER PIPE FITTINGS ORIGINATING IN OR EXPORTED FROM THE UNITED STATES OF AMERICA, THE REPUBLIC OF KOREA AND THE PEOPLE'S REPUBLIC OF CHINA AND THE SUBSIDIZING OF COPPER PIPE FITTINGS ORIGINATING IN OR EXPORTED FROM THE PEOPLE'S REPUBLIC OF CHINA

FINDINGS

The Canadian International Trade Tribunal, under the provisions of section 42 of the *Special Import Measures Act*, has conducted an inquiry to determine whether the dumping of solder joint pressure pipe fittings and solder joint drainage, waste and vent pipe fittings, made of cast copper alloy, wrought copper alloy or wrought copper, for use in heating, plumbing, air conditioning and refrigeration applications, restricted to the products enumerated in the appendix to these findings (copper pipe fittings), originating in or exported from the United States of America, the Republic of Korea and the People's Republic of China and the subsidizing of copper pipe fittings originating in or exported from the People's Republic of China have caused injury or retardation or are threatening to cause injury to the domestic industry.

This inquiry is pursuant to the issuance by the President of the Canada Border Services Agency of a preliminary determination dated October 20, 2006, and of a final determination dated January 18, 2007, that copper pipe fittings originating in or exported from the United States of America, the Republic of Korea and the People's Republic of China have been dumped and, in the case of the People's Republic of China, that copper pipe fittings have also been subsidized, that the margins of dumping and the amount of subsidy on copper pipe fittings from the subject countries are not insignificant and that the volumes of dumped and subsidized copper pipe fittings are not negligible.

Pursuant to subsection 43(1) of the *Special Import Measures Act*, the Canadian International Trade Tribunal hereby finds that the dumping of copper pipe fittings originating in or exported from the Republic of Korea and the People's Republic of China and the subsidizing of copper pipe fittings originating in or exported from the People's Republic of China have caused injury to the domestic industry.

Pursuant to subsections 43(1) and 43(1.01) of the *Special Import Measures Act*, the Canadian International Trade Tribunal hereby finds that the dumping of copper pipe fittings originating in or exported from the United States of America has caused injury to the domestic industry.

Furthermore, the Canadian International Trade Tribunal hereby excludes the following copper pipe fittings from its injury findings: (a) "4 cast drainage lead 8 oz. closet flange"; and (b) "4 cast drainage 14 oz. lead closet flange".

Serge Fréchette
Serge Fréchette
Presiding Member

Pierre Gosselin
Pierre Gosselin
Member

Ellen Fry
Ellen Fry
Member

Susanne Grimes
Susanne Grimes
Acting Secretary

The statement of reasons will be issued within 15 days.

APPENDIX

Products Covered by the Tribunal's Injury Findings

1. The tables to this appendix list, by product category, the copper pipe fittings that are covered by the Tribunal's findings. Where an asterisk (*) follows a specific copper pipe fitting description, it indicates that both wrought and cast copper pipe fittings are covered by the Tribunal's findings.
2. Copper pipe fittings are identified in terms of imperial measurement, i.e. inches. However, the metric equivalents of the imperial measurement are also covered by the Tribunal's findings. The term "metric equivalent" refers to those copper pipe fittings that are soft converted equivalents of the imperial-sized copper pipe fittings and does not include fittings that are made specifically in metric dimensions. Copper pipe fittings are also identified in terms of nominal size.
3. Copper pipe fittings are identified in the tables to this appendix using the following abbreviated terms:

Abbreviation Chart			
WP	Wrought Pressure	FTG	Fitting End (Street End)
WD	Wrought Drainage	LT	Long Turn
CP	Cast Pressure	MJ	Mechanical Joint
CD	Cast Drainage	DE	Drop Ear
C	Copper Tube Cupped End or Sweat End	DWV	Drainage Waste, Vent
M	Male NPT Thread	TY	90˚ Drainage Tee
FE	Female NPT Thread	Y	45˚ Drainage Tee
SJ	Slip Joint End		

Subject Copper Pipe Fittings – Female Adapters

1-1/4 CXFE CD ADAPTER*	1-1/2 FTGXFE CD ADAPTER*
1-1/2 CXFE CD ADAPTER*	1-1/2 X 1-1/4 CXFE CD ADAPTER*
3 FTGXFE CD ADAPTER*	2 CXFE CD ADAPTER*
3 CXFE CD ADAPTER*	4 CXFE CD ADAPTER*
1/2 CXFE CP ADAPTER*	1/2 X 3/8 CXFE CP ADAPTER*
1/2 X 3/4 CXFE CP ADAPTER*	3/4 CXFE CP ADAPTER*
3/4 X 1/2 CXFE CP ADAPTER*	3/4 X 1 CXFE CP ADAPTER*
3/4 X 1-1/4 CXFE CP ADAPTER*	3/4 X 1-1/2 CXFE CP ADAPTER*
1 C X FE CP ADAPTER*	1 X 1/2 CXFE CP ADAPTER*
1 X 3/4 C X FE CP ADAPTER*	1 X 1-1/4 CXFE CP ADAPTER*
1-1/4 CXFE CP ADAPTER*	1-1/4 X 1/2 CXFE CP ADAPTER*
1-1/4 X 3/4 CXFE CP ADAPTER*	1-1/4 X 1 CXFE CP ADAPTER*
3/4 X 1/2 FTGXFE CP ADAPTER*	1 FTGXFE CP ADAPTER*
1-1/2 CXFE CP ADAPTER*	1-1/2 X 3/4 CXFE CP ADAPTER*
1-1/2 X 1 CXFE CP ADAPTER*	1-1/2 X 2 CXFE CP ADAPTER*
2 CXFE CP ADAPTER*	2-1/2 C X FE CP ADAPTER*
3 CXFE CP ADAPTER*	1/2 CXFE CP DROP EAR ADAPTER
3/4 CXFE CP DROP EAR ADAPTER	1/2 CXFE CP HIGH EAR ADAPTER*
4 CXFE CP ADAPTER*	5 C X FE CP ADAPTER*
6 C X FE CP ADAPTER*	1-1/4 CXFE WD ADAPTER*
1-1/4 X 1-1/2 CXFE WD ADAPTER*	1-1/4 FTGXFE WD ADAPTER*
1-1/2 FTGXFE WD ADAPTER*	2 FTGXFE WD ADAPTER*
1-1/2 CXFE WD ADAPTER*	1-1/2 X 1-1/4 CXFE WD ADAPTER*
1-1/2 X 2 CXFE WD ADAPTER*	3 FTGXFE WD ADAPTER*
2 C X FE WD ADAPTER*	2 X 1-1/2 CXFE WD ADAPTER*
3 C X FE WD ADAPTER*	1/4 C X FE WP ADAPTER*
3/8 C X FE WP ADAPTER*	3/8 X 1/4 CXFE WP ADAPTER*
3/8 X 1/2 CXFE WP ADAPTER*	1/2 C X FE WP ADAPTER*
1/2 X 1/4 CXFE WP ADAPTER*	1/2 X 3/8 CXFE WP ADAPTER*
1/2 X 3/4 CXFE WP ADAPTER*	1/2 X 1 CXFE WP ADAPTER*
5/8 X 1/2 CXFE WP ADAPTER*	5/8 X 3/4 CXFE WP ADAPTER*
3/4 C X FE WP ADAPTER*	3/4 X 1/2 CXFE WP ADAPTER*
3/4 X 1 CXFE WP ADAPTER*	3/4 X 1-1/4 CXFE WP ADAPTER*
3/4 X 1-1/2 CXFE WP ADAPTER*	1 C X FE WP ADAPTER*
1 X 1/2 CXFE WP ADAPTER*	1 X 3/4 CXFE WP ADAPTER*
1 X 1-1/4 CXFE WP ADAPTER*	1 X 1-1/2 CXFE WP ADAPTER*
1-1/4 C X FE WP ADAPTER*	1-1/4 C X 3/4 FE WP ADAPTER*
1-1/4 X 1 CXFE WP ADAPTER*	1-1/4 X 1-1/2 CXFE WP ADAPTER*
1-1/4 X 2 CXFE WP ADAPTER*	1/4 FTGXFE WP ADAPTER*
3/8 FTGXFE WP ADAPTER*	3/8 X 1/4 FTGXFE WP ADAPTER*
1/2 FTGXFE WP ADAPTER*	1/2 X 1/4 FTGXFE WP ADAPTER*
1/2 X 3/8 FTG X FE ADAPTER*	1/2 FTG X 3/4 FE WP ADAPTER*
3/4 FTGXFE WP ADAPTER*	3/4 FTG X 1/2 FE WP ADAPTER*
1 FTGXFE WP ADAPTER*	1 FTG X 3/4 FE WP ADAPTER*
1-1/4 FTGXFE WP ADAPTER*	1-1/2 FTGXFE WP ADAPTER*
2 FTGXFE WP ADAPTER*	1-1/2 C X FE WP ADAPTER*
2-1/2 FTGXFE WP ADAPTER*	1-1/2 C X 1 FE WP ADAPTER*
1-1/2 X 1-1/4 CXFE WP ADAPTER*	1-1/2 X 2 CXFE WP ADAPTER*
3 FTGXFE WP ADAPTER*	2 C X FE WP ADAPTER*
2 X 1 C X FE WP ADAPTER*	2 X 1-1/4 CXFE WP ADAPTER*
2 X 1-1/2 CXFE WP ADAPTER*	2-1/2 C X FE WP ADAPTER*
3 C X FE WP ADAPTER*	

Subject Copper Pipe Fittings – Male Adapters

1-1/4 CXM CD ADAPTER*	1-1/4X1-1/2 CXM CD ADAPTER*
1-1/2 FTGXM CD ADAPTER*	1-1/2 CXM CD ADAPTER*
1-1/2X1-1/4 CXM CD ADAPTER*	2 CXM CD ADAPTER*
2 X 1-1/2 CXM CD ADAPTER*	3 CXM CD ADAPTER*
4 CXM CD ADAPTER*	1/2 CXM CP ADAPTER*
1/2 X 3/4 CXM CP ADAPTER*	3/4 CXM CP ADAPTER*
3/4 X 1/2 CXM CP ADAPTER*	3/4 X 1-1/4 CXM CP ADAPTER*
1 CXM CP ADAPTER*	1 X 1/2 CXM CP ADAPTER*
1 X 1-1/4 CXM CP ADAPTER*	1 X 1-1/2 CXM CP ADAPTER*
1-1/4 CXM CP ADAPTER*	1-1/4 X 1/2 CXM CP ADAPTER*
1-1/4 X 1 CXM CP ADAPTER*	1-1/2 CXM CP ADAPTER*
1-1/2 X 3/4 CXM CP ADAPTER*	2 CXM CP ADAPTER*
2 X 1-1/2 C X M CP ADAPTER*	2-1/2 CXM CP ADAPTER*
3 CXM CP ADAPTER*	4 CXM CP ADAPTER*
5 CXM CP ADAPTER	6 CXM CP ADAPTER
1-1/2 M X 1-1/2 WD ADAPTER*	1-1/4 CXM WD ADAPTER*
1-1/4X1-1/2 CXM WD ADAPTER*	1-1/2 FTGXM WD ADAPTER*
2 FTGXM WD ADAPTER*	1-1/2 CXM WD ADAPTER*
1-1/2 X 1-1/4 CXM WD ADAPTER*	1-1/2 X 2 CXM WD ADAPTER*
2 CXM WD ADAPTER*	2 X 1-1/2 CXM WD ADAPTER*
3 CXM WD ADAPTER*	4 CXM WD ADAPTER*
1-1/4 CXM WD FLUSH TRAP ADAPTER*	1-1/2 CXM WD FLUSH TRAP ADAPTER*
2 CXM WD FL TRAP ADAPTER*	1-1/2 CXM WD SCULLY BUSHING*
2 CXM WD SCULLY BUSHING*	1/4 CXM WP ADAPTER*
1/4 X 3/8 CXM WP ADAPTER*	1/4 X 1/2 CXM WP ADAPTER*
3/8 CXM WP ADAPTER*	3/8 X 1/4 CXM WP ADAPTER*
3/8 X 1/2 CXM WP ADAPTER*	1/2 CXM WP ADAPTER*
1/2 X 1/4 CXM WP ADAPTER*	1/2 X 3/8 CXM WP ADAPTER*
1/2 X 3/4 CXM WP ADAPTER*	1/2 X 1 CXM WP ADAPTER*
5/8 X 1/2 CXM WP ADAPTER*	5/8 X 3/4 CXM WP ADAPTER*
3/4 CXM WP ADAPTER*	3/4 C X 3/8 WP M ADAPTER*
3/4 X 1/2 CXM WP ADAPTER*	3/4 X 1 CXM WP ADAPTER*
3/4 X 1-1/4 CXM WP ADAPTER*	3/4 X 1-1/2 CXM WP ADAPTER*
1 CXM WP ADAPTER*	1 X 1/2 CXM WP ADAPTER*
1 X 3/4 CXM WP ADAPTER*	1 X 1-1/4 CXM WP ADAPTER*
1 X 1-1/2 CXM WP ADAPTER*	1 X 2 CXM WP ADAPTER*
1-1/4 CXM WP ADAPTER*	1-1/4 X 3/4 CXM WP ADAPTER*
1-1/4 X 1 CXM WP ADAPTER*	1-1/4 X 1-1/2 CXM WP ADAPTER*
1-1/4 X 2 CXM WP ADAPTER*	1/4 FTGXM WP ADAPTER*
3/8 FTGXM WP ADAPTER*	1/2 FTGXM WP ADAPTER*
1/2 X 3/8 FTGXM WP ADAPTER*	1/2 X 3/4 FTGXM WP ADAPTER*
3/4 FTGXM WP ADAPTER*	3/4 X 1/2 FTGXM WP ADAPTER*
1 FTGXM WP ADAPTER*	1 X 3/4 FTGXM WP ADAPTER*
1-1/4 FTGXM WP ADAPTER*	1-1/2 FTGXM WP ADAPTER*
2 FTGXM WP ADAPTER*	1-1/2 CXM WP ADAPTER*
2-1/2 FTGXM WP ADAPTER*	1-1/2 X 1 CXM WP ADAPTER*
1-1/2 X 1-1/4 CXM WP ADAPTER*	1-1/2 X 2 CXM WP ADAPTER*
3 FTG X M WP ADAPTER*	2 CXM WP ADAPTER*
2 X 1-1/4 CXM WP ADAPTER*	2 X 1-1/2 CXM WP ADAPTER*
2 X 2-1/2 C X M WP ADAPTER*	2-1/2 CXM WP ADAPTER*
2-1/2 X 2 CXM WP ADAPTER*	3 CXM WP ADAPTER*
4 CXM WP ADAPTER*	1/2 X 3/4 C X HOSE WP ADAPTER*

Subject Copper Pipe Fittings – Other Adapters

1-1/4 X 2 CXSP CD FERRULE*	1-1/2 X 2 CXSP CD FERRULE*
1-1/2 X 3 CXSP CD FERRULE*	2 CXSP CD FERRULE*
2 X 3 CXSP CD FERRULE*	2 X 4 CXSP CD FERRULE*
3 CXSP CD FERRULE*	3 X 4 CXSP CD FERRULE*
4 CXSP CD FERRULE*	3 X 4 CXSP CD ECCENTRIC FERRULE*
1-1/4 X 2 CXMJ CD ADAPTER*	1-1/4 X 3 CXMJ CD ADAPTER*
1-1/2 X 2 CXMJ CD ADAPTER*	1-1/2 X 3 CXMJ CD ADAPTER*
1-1/2 X 4 CXMJ CD ADAPTER*	2 X 3 CXMJ CD ADAPTER*
2 X 4 CXMJ CD ADAPTER*	3 CXMJ CD ADAPTER*
3 X 4 CXMJ CD ADAPTER*	4 CXMJ CD ADAPTER*
6 C X M J CD ADAPTER*	1-1/4 FTGXSJ CD ADAPTER*
4 ACT(3S)X1-1/2C-30 CD ROOF ADAPTER*	4 ACT(3S) X 2C-30 CD ROOF ADAPTER*
4 SOIL(5A)X 1-1/2 C CD ROOF ADAPTER*	4 SOIL(5A)X 2 C CD ROOF ADAPTER*
5ACT 4SX 3C CD ROOF ADAPT CALGARY*	5S X 3C CD ROOF ADAPT REGINA*
1-1/2 SJXODX3/4M/1/2FE CD CONDENSATE TEE	2 C X SJ CD ADAPTER*
2 C X MJ WD ADAPTER*	1-1/4 FE X SJ WD ADAPTER*
1-1/2 FE X SJ WD ADAPTER*	1-1/2 X1-1/4 FE X SJ WD ADAPTER*
1-1/4 FTG X SJ WD ADAPTER*	1-1/2 FTG X SJ WD ADAPTER*
1-1/2 X 1-1/4 FTG X SJ ADAPTER*	1-1/4 M X SJ WD ADAPTER*
1-1/2 M X SJ WD ADAPTER*	1-1/2 X 1-1/4 M X SJ WD ADAPTER*
1-1/4 C X SJ WD ADAPTER*	1-1/4 X 1-1/2 CXSJ WD ADAPTER*
1-1/2 C X SJ WD ADAPTER*	1-1/2 X 1-1/4 CXSJ WD ADAPTER*
2 C X SJ WD ADAPTER*	1/2 CXM WP FLUSH VALVE ADAPTER*
3/4 CXM WP FLUSH VALVE ADAPTER*	

Subject Copper Pipe Fittings – Bushings

3 X 1-1/2 FTGXC CD BUSHING*	5 X 4 FTGXC CP BUSHING*
6 X 2 FTGXC CP BUSHING*	6 X 3 FTGXC CP BUSHING*
6 X 4 FTGXC CP BUSHING*	6 X 5 FTGXC CP BUSHING*
1 X 1/2 FTGXFE CP FLUSH BUSHING*	1-1/4 X 1 FTGXFE CP FLUSH ADAPTER*
1 1/2 FTG X 1 FE C CP FLUSH BUSHING*	1-1/2X1-1/4 FTGXC WD BUSHING*
2 X 1-1/4 FTGXC WD BUSHING*	2 X 1-1/2 FTGXC WD BUSHING*
3 X 1-1/4 FTGXC WD BUSHING*	3 X 1-1/2 FTGXC WD BUSHING*
3 X 2 FTGXC WD BUSHING*	4 X 2 FTGXC WD BUSHING*
4 X 3 FTGXC WD BUSHING*	1-1/4 CXM WD TRAP BUSHING*
1-1/2 CXM WD TRAP BUSHING*	2 CXM WD TRAP BUSHING*
3/8 X 1/8 FTGXC WP BUSHING*	3/8 X 1/4 FTGXC WP BUSHING*
1/2 X 1/4 FTGXC WP BUSHING*	1/2 X 3/8 FTGXC WP BUSHING*
5/8 X 1/4 FTGXC WP BUSHING*	5/8 X 3/8 FTGXC WP BUSHING*
5/8 X 1/2 FTGXC WP BUSHING*	3/4 X 1/4 FTGXC WP BUSHING*
3/4 X 3/8 FTGXC WP BUSHING*	3/4 X 1/2 FTGXC WP BUSHING*
3/4 X 5/8 FTGXC WP BUSHING*	1 X 3/8 FTGXC WP BUSHING*
1 X 1/2 FTGXC WP BUSHING*	1 X 5/8 FTGXC WP BUSHING*
1 X 3/4 FTGXC WP BUSHING*	1-1/4 X 1/2 FTGXC WP BUSHING*
1-1/4 X 3/4 FTGXC WP BUSHING*	1-1/4 X 1 FTGXC WP BUSHING*
1-1/2 X 1/2 FTGXC WP BUSHING*	1-1/2 X 3/4 FTGXC WP BUSHING*
1-1/2 X 1 FTGXC WP BUSHING*	1-1/2 X1-1/4 FTGXC WP BUSHING*
2 X 1/2 FTGXC WP BUSHING*	2 X 3/4 FTGXC WP BUSHING*
2 X 1 FTGXC WP BUSHING*	2 X 1-1/4 FTGXC WP BUSHING*
2 X 1-1/2 FTGXC WP BUSHING*	2-1/2 X 1 FTGXC WP BUSHING*
2-1/2 X 1-1/4 FTGXC WP BUSHING*	2-1/2 X 1-1/2 FTGXC WP BUSHING*
2-1/2 X 2 FTGXC WP BUSHING*	3 X 1/2 FTGXC WP BUSHING*
3 X 3/4 FTGXC WP BUSHING*	3 X 1 FTGXC WP BUSHING*
3 X 1-1/4 FTGXC WP BUSHING*	3 X 1-1/2 FTGXC WP BUSHING*
3 X 2 FTGXC WP BUSHING*	3 X 2-1/2 FTGXC WP BUSHING*
3-1/2 X 2 FTGXC WP BUSHING*	3-1/2 X 2-1/2 FTGXC WP BUSHING*
3-1/2 X 3 FTGXC WP BUSHING*	4 X 1-1/4 FTGXC WP BUSHING*
4 X 1-1/2 FTGXC WP BUSHING*	4 X 2 FTGXC WP BUSHING*
4 X 2-1/2 FTGXC WP BUSHING*	4 X 3 FTGXC WP BUSHING*
4 X 3-1/2 FTGXC WP BUSHING*	1/2 X 1/4 FTGXC WP FLUSH BUSHING*
1/2 X 3/8 FTGXC WP FLUSH BUSHING*	5/8 X 3/8 FTGXC WP FLUSH BUSHING*
3/4 X 1/2 FTGXC WP FLUSH BUSHING*	1 X 1/2 FTGXC WP FLUSH BUSHING*
1 X 3/4 FTGXC WP FLUSH BUSHING*	1-1/4X3/4 FTGXC W FL BUSHING*
1-1/4 X 1 FTGXC WP FLUSH BUSHING*	1-1/2 X 1 FTGXC WP FLUSH BUSHING*
1-1/2 X 1-1/4 FTGXC WP FLUSH BUSHING*	2 X 1-1/2 FTGXC WP FLUSH BUSHING*
1 X 1/2 FE WP FLUSH BUSHING*	1-1/4 X 3/4 FE WP FLUSH BUSHING*
1-1/4 X 1 FTGXFE WP FLUSH BUSHING*	1-1/2 X 1 FTGXFE WP FLUSH BUSHING*

Subject Copper Pipe Fittings – Couplings

3/4 CXC CP COUPLING*	1-1/4 CXC CP COUPLING*
4 CXC CP COUPLING*	5 X 3 CXC CP COUPLING*
5 X 4 CXC CP COUPLING*	6 X 2 CXC CP COUPLING*
6 X 3 CXC CP COUPLING*	6 X 4 CXC CP COUPLING*
6 X 5 CXC CP COUPLING*	1/2 CXC CP JET DRAIN COUPLING
3/4 CXC CP JET DRAIN COUPLING	1 CXC CP JET DRAIN COUPLING
3/4 X 1/2 CXC CP ECCENTRIC COUPLING*	1 X 1/2 CP ECCENTRIC COUPLING*
1 X 3/4 CXC CP ECCENTRIC COUPLING*	1-1/4 X 1/2 CP ECCENTRIC COUPLING*
1-1/2 X 1 CXC CP ECCENTRIC COUPLING*	1-1/2 X 1-1/4 CXC CP ECCENTRIC COUPLING*
2 X 1-1/4 CXC CP ECCENTRIC COUPLING*	2 X 1-1/2 CXC CP ECCENTRIC COUPLING*
3 X 2 CXC CP ECCENTRIC COUPLING*	3/4 CXC CP CROSSOVER COUPLING*
1/2C X 1M X 1/2 FE CP BOILER COUPLING	1/2 X 1 X 1/2 CXMXFE CP BOILER COUPLING
1-1/4 CXC WD COUPLING*	1-1/2 CXC WD COUPLING*
1-1/2X 1-1/4 CXC WD COUPLING*	2 CXC WD COUPLING*
2 X 1-1/4 CXC WD COUPLING*	2 X 1-1/2 CXC WD COUPLING*
3 CXC WD COUPLING*	3 X 1-1/4 CXC WD COUPLING*
3 X 1-1/2 CXC WD COUPLING*	3 X 2 CXC WD COUPLING*
4 CXC WD COUPLING*	4 X 1-1/2 CXC WD COUPLING*
4 X 2 CXC WD COUPLING*	4 X 3 CXC WD COUPLING*
4 X 1-1/2 CXC CD COUPLING*	4 X 3 CXC CD COUPLING*
6 CXC WD COUPLING*	1-1/4 CXC WD COUPLING NO STOP*
1-1/2 CXC WD COUPLING NO STOP*	2 CXC WD COUPLING NO STOP*
3 CXC WD COUPLING NO STOP*	4 CXC WD COUPLING NO STOP*
1/8 CXC WP COUPLING*	1/4 CXC WP COUPLING*
1/4 X 1/8 CXC WP COUPLING*	3/8 CXC WP COUPLING*
3/8 X 1/4 CXC WP COUPLING*	1/2 CXC WP COUPLING*
1/2 X 1/8 CXC WP COUPLING*	1/2 X 1/4 CXC WP COUPLING*
1/2 X 3/8 CXC WP COUPLING*	5/8 CXC WP COUPLING*
5/8 X 1/4 CXC WP COUPLING*	5/8 X 3/8 CXC WP COUPLING*
5/8 X 1/2 CXC WP COUPLING*	3/4 CXC WP COUPLING*
3/4 X 1/4 CXC WP COUPLING*	3/4 X 3/8 CXC WP COUPLING*
3/4 X 1/2 CXC WP COUPLING*	3/4 X 5/8 CXC WP COUPLING*
1 CXC WP COUPLING*	1 X 3/8 CXC WP COUPLING*
1 X 1/2 CXC WP COUPLING*	1 X 5/8 CXC WP COUPLING*
1 X 3/4 CXC WP COUPLING*	1-1/4 CXC WP COUPLING*
1-1/4 X 1/2 CXC WP COUPLING*	1-1/4 X 3/4 CXC WP COUPLING*
1-1/4 X 1 CXC WP COUPLING*	1-1/2 CXC WP COUPLING*
1-1/2 X 1/2 CXC WP COUPLING*	1-1/2 X 3/4 CXC WP COUPLING*
1-1/2 X 1 CXC WP COUPLING*	1-1/2 X 1-1/4 CXC WP COUPLING*
2 CXC WP COUPLING*	2 X 1/2 CXC WP COUPLING*
2 X 3/4 CXC WP COUPLING*	2 X 1 CXC WP COUPLING*
2 X 1-1/4 CXC WP COUPLING*	2 X 1-1/2 CXC WP COUPLING*
2-1/2 CXC WP COUPLING*	2-1/2 X 3/4 CXC WP COUPLING*
2-1/2 X 1 CXC WP COUPLING*	2-1/2 X 1-1/4 CXC WP COUPLING*
2-1/2 X 1-1/2 CXC WP COUPLING*	2-1/2 X 2 CXC WP COUPLING*
3 CXC WP COUPLING*	3 X 3/4 CXC WP COUPLING*
3 X 1 CXC WP COUPLING*	3 X 1-1/4 CXC WP COUPLING*
3 X 1-1/2 CXC WP COUPLING*	3 X 2 CXC WP COUPLING*

Subject Copper Pipe Fittings – Couplings (cont'd)

3 X 2-1/2 CXC WP COUPLING*	3-1/2 CXC WP COUPLING*
3-1/2 X 3 CXC WP COUPLING*	4 CXC WP COUPLING*
4 X 1-1/2 CXC WP COUPLING*	4 X 2 CXC WP COUPLING*
4 X 2-1/2 CXC WP COUPLING*	4 X 3 CXC WP COUPLING*
4 X 3-1/2 CXC WP COUPLING*	5 CXC WP COUPLING*
6 CXC WP COUPLING*	6 X 2-1/2 WP COUPLINGS*
1-1/4 X 3/4 CXC WP ECCENTRIC COUPLING*	1-1/4 X 1 CXC WP ECCENTRIC COUPLING*
1/8 CXC WP COUPLING NO STOP*	1/4 CXC WP COUPLING NO STOP*
3/8 CXC WP COUPLING NO STOP*	1/2 CXC WP COUPLING NO STOP*
5/8 CXC WP COUPLING NO STOP*	3/4 CXC WP COUPLING NO STOP*
1 CXC WP COUPLING NO STOP*	1-1/4 CXC WP COUPLING NO STOP*
1-1/2 CXC WP COUPLING NO STOP*	2 CXC WP COUPLING NO STOP*
2-1/2 CXC WP COUPLING NO STOP*	3 CXC WP COUPLING NO STOP*
4 CXC WP COUPLING NO STOP*	5 CXC WP COUPLING NO STOP*
6 CXC WP COUPLING NO STOP*	1/2 X 3 CXC WP REPAIR COUPLING
1/2 X 6 C X C WP REPAIR COUPLING	3/4 X 3 C X C WP REPAIR COUPLING
1/8 CXC WP RING COUPLING*	1/4 CXC WP RING COUPLING*
3/8 CXC WP RING COUPLING*	1/2 CXC WP RING COUPLING*
5/8 CXC WP RING COUPLING*	3/4 CXC WP RING COUPLING*
1 CXC WP RING COUPLING*	1-1/4 CXC WP RING COUPLING*
1-1/2 CXC WP RING COUPLING*	2 CXC WP RING COUPLING*
2-1/2 CXC WP RING COUPLING*	3 CXC WP RING COUPLING*
4 CXC WP RING COUPLING*	1/2 X 3-1/4 FTGXC WP SLIDE COUPLING
3/4 X 5 FTGXC WP SLIDE COUPLING	1/2 CXC WP CROSSOVER COUPLING*
3/4 CXC WP CROSSOVER COUPLING*	

Subject Copper Pipe Fittings – Elbows

1-1/4 CXC 11-1/4 CD ELBOW*	1-1/2 CXC 11-1/4 CD ELBOW*
2 CXC 11-1/4 CD ELBOW*	3 CXC 11-1/4 CD ELBOW*
4 C X C 11-1/4 CD ELBOW*	1-1/4 CXC 22-1/2 CD ELBOW*
1-1/2 CXC 22-1/2 CD ELBOW*	2 CXC 22-1/2 CD ELBOW*
3 CXC 22-1/2 CD ELBOW*	4 CXC 22-1/2 CD ELBOW*
3 FTGXC 45 CD ELBOW*	4 FTGXC 45 CD ELBOW*
2 CXM CD 45 ELBOW*	1-1/4 CXC 45 CD ELBOW*
1-1/2 CXC 45 CD ELBOW*	2 CXC 45 CD ELBOW*
3 CXC 45 CD ELBOW*	4 CXC 45 CD ELBOW*
1-1/4 CXC 60 CD ELBOW*	1-1/2 CXC 60 CD ELBOW*
2 CXC 60 CD ELBOW*	3 CXC 60 CD ELBOW*
4 CXC 60 CD ELBOW*	1-1/4 CXC CD 90 ELBOW*
1-1/4 FTGXC CD 90 ELBOW*	1-1/2 FTGXC CD 90 ELBOW*
2 FTGXC CD 90 ELBOW*	1-1/2 CXC CD 90 ELBOW*
1-1/2 X 1-1/4 CXC CD 90 ELBOW*	3 CD FTGXC 90 ELBOW*
4 FTGXC CD 90 ELBOW*	2 CXC CD 90 ELBOW*
2X 1-1/4 CXC CD 90 ELBOW*	2 X 1-1/2 CXC CD 90 ELBOW*
1-1/2 CXFE CD 90 ELBOW*	2 CXFE CD 90 ELBOW*
1-1/2 CXM CD 90 ELBOW	2 CXM CD 90 ELBOW
3 CXC CD 90 ELBOW	4 CXC CD 90 ELBOW
1-1/2 CXSJ CD 90 ELBOW	1/2 X 1 CXC CP CLOSE RETURN BEND
3/4 1-3/8 CXC CP CLOSE RETURN BEND	1 X 1-3/4 CXC CP CLOSE RETURN BEND
1/2 C X M CP 45 ELBOW	3/4 C X M CP 45 ELBOW
1-1/4 C X M CP 45 ELBOW	4 CXC CP 45 ELBOW
6 CXC CP 45 ELBOW	1/2 C X C CP 90 ELBOW
1-1/4 CXC CP 90 ELBOW	1-1/4 X 1/2 CXC CP 90 ELBOW
1-1/4 X 3/4 CP 90 ELBOW	1-1/4 X 1 CP 90 ELBOW
1-1/2 X 1/2 CP 90 ELBOW	1-1/2 X 3/4 CXC CP 90 ELBOW
1-1/2 X 1 CXC CP 90 ELBOW	1/4 C X FE CP 90 ELBOW
1/2 CXFE CP 90 ELBOW	1/2 X 3/8 CXFE CP 90 ELBOW
1/2 X 3/4 CXFE CP 90 ELBOW	1/2 X 1 CXFE CP 90 ELBOW
3/4 CXFE CP 90 ELBOW	3/4 X 1/2 CXFE CP 90 ELBOW
3/4 X 1 CXFE CP 90 ELBOW	1 CXFE CP 90 ELBOW
1 X 1/2 C X FE CP 90 ELBOW	1 X 3/4 CXFE CP 90 ELBOW
1-1/4 CXFE CP 90 ELBOW	1-1/4 X 1/2 CXFE CP 90 ELBOW
1-1/4 X 3/4 CXFE CP 90 ELBOW	1-1/4 X 1 CXFE CP 90 ELBOW
2 X 3/4 CXC CP 90 ELBOW	2 X 1 CXC CP 90 ELBOW
2 X 1-1/4 CXC CP 90 ELBOW	1-1/2 CXFE CP 90 ELBOW
1-1/2 X 1 C X FE CP 90 ELBOW	2 CXFE CP 90 ELBOW
3 C X FE CP 90 ELBOW	1/2 CXFE CP 90 DROP EAR ELBOW
1/2C X 3/8FE CP 90 DROP EAR ELBOW	1/2 X 3/4 CXFE CP 90 DROP EAR ELBOW
3/4 CXFE CP 90 DROP EAR ELBOW	3/4C X 1/2FE CP 90 DROP EAR ELBOW
1 CXFE CP 90 DROP EAR ELBOW	1/2 CXFE CP DROP EAR IMPORT 90 ELBOW
1/2 CXFE CP HIGH EAR 90 ELBOW	3/4 CXFE CP HIGH EAR 90 ELBOW
1/2 CXFE CP FLANGE SINK 90 ELBOW	1/2 CXM CP 90 ELBOW
1/2 X 3/8 CXM CP 90 ELBOW	1/2 X 3/4 CXM CP 90 ELBOW
3/4 CXM CP 90 ELBOW	3/4 X 1/2 CXM CP 90 ELBOW
3/4 C X 1 M CP 90 ELBOW	1 CXM CP 90 ELBOW
1 X 3/4 CXM CP 90 ELBOW	1-1/4 CXM CP P 90 ELBOW
1-1/4 X 1 CXM CP 90 ELBOW	1-1/2 CXM CP 90 ELBOW
2 CXM CP 90 ELBOW	1/2 CXC CP DROP EAR 90 ELBOW
3/4 CXC CP 90 DROP EAR ELBOW	1 CXC CP 90 DROP EAR ELBOW

Subject Copper Pipe Fittings – Elbows (cont'd)

1/2 CXC CP HIGH EAR 90 ELBOW	3/4 CXC CP HIGH EAR 90 ELBOW
6 CXC CP 90 ELBOW	1/2C X 1/8FE X 1/2C CP BASE TEE*
1/2C X 1/8FE X 3/4C CP BASE TEE*	3/4C X 1/8FE X 3/4C CP BASE TEE*
1C X 1/8FE X 1 C CP BASE TEE*	1-1/4C X 1/8FEX1-1/4C CP BASE TEE*
3/4FE X 1/8FE X 3/4C CP BASE TEE	1-1/4 CXFTG WD 45 ELBOW*
1-1/2 FTGXC WD 45 ELBOW*	2 FTGXC WD 45 ELBOW*
3 C X FTG WD 45 ELBOW*	1-1/4 CXC WD 45 ELBOW*
1-1/2 CXC WD 45 ELBOW*	2 CXC WD 45 ELBOW*
3 CXC WD 45 ELBOW*	1-1/4 CXC WD 90 ELBOW*
1-1/4 FTGXC WD 90 ELBOW*	1-1/2 FTGXC WD 90 ELBOW*
2 FTGXC WD 90 ELBOW*	1-1/2 CXC WD 90 ELBOW*
2 CXC WD 90 ELBOW*	3 CXC WD 90 ELBOW*
1-1/2 CXC WD 90 LT ELBOW*	2 CXC WD 90 LT ELBOW*
1/4 CXC WP 45 ELBOW*	3/8 CXC WP 45 ELBOW*
1/2 CXC WP 45 ELBOW*	5/8 CXC WP 45 ELBOW*
3/4 CXC WP 45 ELBOW*	1 CXC WP 45 ELBOW*
1-1/4 CXC WP 45 ELBOW*	1/4 FTG X C WP 45 ELBOW*
3/8 FTGXC WP 45 ELBOW*	1/2 FTGXC WP 45 ELBOW*
5/8 FTGXC WP 45 ELBOW*	3/4 FTGXC WP 45 ELBOW*
1 FTGXC WP 45 ELBOW*	1-1/4 FTGXC WP 45 ELBOW*
1-1/2 FTGXC WP 45 ELBOW*	2 FTGXC WP 45 ELBOW*
1-1/2 CXC WP 45 ELBOW*	2-1/2 FTGXC WP 45 ELBOW*
2 CXC WP 45 ELBOW*	2-1/2 CXC WP 45 ELBOW*
3 CXC WP 45 ELBOW*	4 CXC WP 45 ELBOW*
1/4 CXC WP 90 ELBOW*	3/8 CXC WP 90 ELBOW*
1/2 CXC WP 90 ELBOW*	5/8 CXC WP 90 ELBOW*
3/4 CXC WP 90 ELBOW*	3/4 X 1/2 CXC WP 90 ELBOW*
1 CXC WP 90 ELBOW*	1 X 1/2 CXC WP 90 ELBOW*
1 X 3/4 CXC WP 90 ELBOW*	1-1/4 CXC WP 90 ELBOW*
1-1/4 X 1 CXC WP 90 ELBOW*	1/4 FTGXC WP 90 ELBOW*
3/8 FTGXC WP 90 ELBOW*	1/2 FTGXC WP 90 ELBOW*
5/8 FTGXC WP 90 ELBOW*	3/4 FTGXC WP 90 ELBOW*
1 FTGXC WP 90 ELBOW*	1-1/4 FTGXC WP 90 ELBOW*
1/2 FTGXFTG WP 90 ELBOW*	3/4 FTG X FTG WP 90 ELBOW*
1-1/2 FTGXC WP 90 ELBOW*	2 FTGXC WP 90 ELBOW*
1-1/2 CXC WP 90 ELBOW*	2-1/2 FTGXC WP 90 ELBOW*
1-1/2CX 1-1/4C WP 90 ELBOW*	2 CXC WP 90 ELBOW*
2-1/2 CXC WP 90 ELBOW*	3 CXC WP 90 ELBOW*
4 CXC WP 90 ELBOW*	1/2 CXC WP 90 VENT ELBOW*
3/4 CXC WP 90 VENT ELBOW*	1 CXC WP 90 VENT ELBOW*
1/4 CXC LT WP 90 ELBOW	3/8 CXC LT WP 90 ELBOW
1/2 CXC LT WP 90 ELBOW	5/8 CXC LT WP 90 ELBOW
3/4 CXC LT WP 90 ELBOW	1 CXC LT WP 90 ELBOW
1-1/4 CXC LT WP 90 ELBOW	1/4 CXFTG LT WP 90 ELBOW
3/8 C X FTG LT WP 90 ELBOW	1/2 C X FTG LT WP 90 ELBOW
5/8 CXFTG LT WP 90 ELBOW	3/4 CXFTG LT WP 90 ELBOW
1 CXFTG LT WP 90 ELBOW	1-1/4 CXFTG LT WP 90 ELBOW
1-1/2 CXFTG LT WP 90 ELBOW	2 CXFTG LT WP 90 ELBOW
1-1/2 CXC LT WP 90 ELBOW	2 CXC LT WP 90 ELBOW

Subject Copper Pipe Fittings – Flanges

3 X 4 CXC CD CLOSET FLANGE*	8 COMPANION CP FLANGE 150# SILVER BRAZED
4 CD CAULKING FLOOR FLANGE*	4 X 4 CXC CD CLOSET FLANGE*
3 X 4 FITTING CD CLOSET FLANGE	3 X 4 CD ECCENTRIC CLOSET FLANGE*
3 X 4 CD M J CLOSET FLANGE*	3/4 CP COMPANION FLANGE - 125#
1/2 CP COMPANION FLANGE - 125#	1-1/4 CP COMPANION FLANGE - 125#
1 CP COMPANION FLANGE - 125#	2 CP COMPANION FLANGE - 125#
1-1/2 CP COMPANION FLANGE - 125#	3 CP COMPANION FLANGE - 125#
2-1/2 CP COMPANION FLANGE - 125#	4 CP COMPANION FLANGE - 125#
3-1/2 CP COMPANION FLANGE #125	6 CP COMPANION FLANGE - 125#
5 CP COMPANION FLANGE - 125#	1/2 CP COMPANION FLANGE - 150#
8 CP COMPANION FLANGE - 125#	1 CP COMPANION FLANGE - 150#
3/4 CP COMPANION FLANGE - 150#	1-1/2 CP COMPANION FLANGE - 150#
1-1/4 CP COMPANION FLANGE - 150#	2-1/2 CP COMPANION FLANGE - 150#
2 CP COMPANION FLANGE - 150#	3-1/2 CP COMPANION FLANGE - 150#
3 CP COMPANION FLANGE - 150#	5 CP COMPANION FLANGE - 150#
4 X 9 CP COMPANION FLANGE - 150#	8 CP COMPANION FLANGE - 150#
6 CP COMPANION FLANGE -150#	1 X 5 CP COMPANION FLANGE - 300#
1/2 CP COMPANION FLANGE - 300#	1-1/2 X 6-1/2 CP COMPANION FLANGE-300#
1-1/4 CP COMPANION FLANGE - 300#	2-1/2 CP COMPANION FLANGE - 300#
2 CP COMPANION FLANGE - 300#	4 CP COMPANION FLANGE - 300#
3 X 8-1/4 CP COMPANION FLANGE - 300#	2 X 6 CP BLIND COMPANION FLANGE
1-1/2 CP BLIND COMPANION FLANGE	13-1/2 X 8 CP BLIND COMPANION FLANGE
3 X 7-1/2 CP BLIND COMPANION FLANGE	3 COMPANION CP FLANGE 150# SILVER BRAZED
8 COMPANION CP FLANGE 125# SILVER BRAZED	

Subject Copper Pipe Fittings – Pressure Tees

1/2 CXCXC CP DROP EAR TEE	1/2 CXCXFE CP TEE
1/2 X 1/2 X 1/4 CXCXFE CP TEE	1/2C X 1/2C X 3/8FE CP TEE
1/2 X 1/2 X 3/4 CXCXFE CP TEE	3/4 CXCXFE CP TEE
3/4C X 1/2C X 1/2FE CP TEE	3/4 X 1/2 X 3/4 CXCXFE CP TEE
3/4 X 3/4 X 3/8 CCFE CP TEE	3/4C X 3/4C X 1/2FE CP TEE
3/4 X 3/4 X 1 CXCXFE CP TEE	1 CXCXFE CP CP TEE
1 X 1 X 1/2 CXCXFE CP TEE	1 X 1 X 3/4 CXCXFE CP TEE
1-1/4 CXCXFE CP TEE	1-1/4 X 1-1/4 X 1/2 CCFE CP TEE
1-1/4 X 1-1/4 X 3/4 CCFE CP TEE	1-1/4X1-1/4X1 CCFE CP TEE
1-1/2 CXCXFE CP TEE	1-1/2X1-1/2X1/2 CCFE CP TEE
1-1/2 X 1-1/2 X 3/4 CCFE CP TEE	1-1/2 X 1-1/2 X 1 CCFE CP TEE
1/2 CXFEXFE CP TEE	1/2C X 3/4FE X 1/2FE CP TEE
3/4 C X FE X FE CP TEE	3/4 C X 3/4 FE X 1/2 FE CP TEE
2 CXCXFE CP TEE	2 X 2 X 1/2 CXCXFE CP TEE
2 X 2 X 3/4 CXCXFE CP TEE	2 X 2 X 1 CXCXFE CP TEE
1/2 CXCXFE CP DROP EAR TEE	3/4 CXCXFE CP DROP EAR TEE
3/4C X 3/4C X 1/2FE CP DROP EAR TEE	3/8 C X FE X C CP TEE
1/2 CXFEXC CP TEE	1/2C X 1/2FE X 3/4C CP TEE
1/2C X 3/4FE X 1/2C CP TEE	3/4 CXFEXC CP TEE
3/4 X 1/2 X 1/2 CXFEXC CP TEE	3/4C X 1/2FE X 3/4C CP TEE
3/4C X 3/4FE X 1/2C CP TEE	1 CXFEXC CP TEE
1C X 1/2FE X 1C CP TEE	1 X 3/4 X 1 CXFEXC CP TEE
1-1/4 CXFEXC CP TEE	1-1/4 X 1/2 X 1-1/4 CXFEXC CP TEE
1-1/4 X 3/4 X 1-1/4 CXFEXC CP TEE	1-1/2 C X FE X C CP TEE
1-1/2X1/2X1-1/2 CXFEXC CP TEE	1-1/2X3/4X1-1/2 CXFEXC CP TEE
1/2 FEXFEXC CP TEE	3/4 FEXFEXC CP TEE
3/4FE X 1/2FE X 1/2C CP TEE	3/4FE X 1/2FE X 3/4C CP TEE
3/4FE X 3/4FE X 1/2C CP TEE	2 C X FE X C CP TEE
2 X 1/2 X 2 CXFEXC CP TEE	2 X 3/4 X 2 CXFEXC CP TEE
1/2FE X 3/4M X 1/2C CP TEE	1/2 CXCXCXC CP CROSS*
3/4 CXCXCXC CP CROSS*	1 CXCXCXC CP CROSS*
1-1/2 CXCXCXC CP CROSSES*	2 CXCXCXC CP CROSS*
3/4 CXFTGXC CP TEE*	2 X 2 X 3 CXCXC CP TEE*
2-1/2 X 1/2 X 2-1/2 CP TEE*	2-1/2 X 1-1/2 X 1-1/2 CP TEE*
5 CXCXC CP TEE*	5 X 5 X 3 CXCXC CP TEE*
6 CXCXC CP TEE*	3/4FE X 1/8 FE X 3/4C WP BASEBOARD TEE*
1/8 CXCXC WP TEE*	1/4 CXCXC WP TEE*
3/8 CXCXC WP TEE*	1/2 CXCXC WP TEE*
1/2 X 1/2 X 3/4 CXCXC WP TEE*	3/4 CXCXC WP TEE*
3/4 X 1/2 X 1/2 CXCXC WP TEE*	3/4 X 1/2 X 3/4 CXCXC WP TEE*
3/4 X 3/4 X 1/4 CXCXC WP TEE*	3/4C X 3/4C X 3/8C CXCXC WP TEE*
3/4 X 3/4 X 1/2 CXCXC WP TEE*	1 CXCXC WP TEE*
1 X 1/2 X 1/2 CXCXC WP TEE*	1 X 1/2 X 3/4 CXCXC WP TEE*
1 X 1/2 X 1 CXCXC WP TEE*	1 X 3/4 X 1/2 CXCXC WP TEE*
1 X 3/4 X 3/4 CXCXC WP TEE*	1 X 3/4 X 1 CXCXC WP TEE*
1 X 1 X 3/8 CXCXC WP TEE*	1 X 1 X 1/2 CXCXC WP TEE*
1 X 1 X 3/4 CXCXC WP TEE*	1-1/4 CXCXC WP TEE*
1-1/4 X 1/2 X 1/2 CXCXC WP TEE*	1-1/4 X 1/2 X 3/4 CXCXC WP TEE*

Subject Copper Pipe Fittings – Pressure Tees (cont'd)

1-1/4 X 1/2 X 1 CXCXC WP TEE*	1-1/4 X 1/2 X 1-1/4 CXCXC WP TEE*
1-1/4 X 3/4 X 1/2 CXCXC WP TEE*	1-1/4 X 3/4 X 3/4 CXCXC WP TEE*
1-1/4 X 3/4 X 1 CXCXC WP TEE*	1-1/4 X 3/4 X 1-1/4 CXCXC WP TEE*
1-1/4 X 1 X 1/2 CXCXC WP TEE*	1-1/4 X 1 X 3/4 CXCXC WP TEE*
1-1/4 X 1 X 1 CXCXC WP TEE*	1-1/4 X 1 X 1-1/4 CXCXC WP TEE*
1-1/4 X 1-1/4 X 1/2 CXCXC WP TEE*	1-1/4 X 1-1/4 X 3/4 CXCXC WP TEE*
1-1/4C X 1-1/4C X 1C CXCXC WP TEE*	1-1/2 CXCXC CXCXC WP TEE*
1-1/2 X 1/2 X 1/2 CXCXC WP TEE*	1-1/2 X 1/2 X 3/4 CXCXC WP TEE*
1-1/2 X 1/2 X 1 CXCXC WP TEE*	1-1/2 X 1/2 X 1-1/4 CXCXC WP TEE*
1-1/2 X 1/2 X 1-1/2 CXCXC WP TEE*	1-1/2 X 3/4 X 1/2 CXCXC WP TEE*
1-1/2 X 3/4 X 3/4 CXCXC WP TEE*	1-1/2 X 3/4 X 1 CXCXC WP TEE*
1-1/2 X 3/4 X 1-1/4 CXCXC WP TEE*	1-1/2 X 3/4 X 1-1/2 CXCXC WP TEE*
1-1/2 X 1 X 1/2 CXCXC WP TEE*	1-1/2 X 1 X 3/4 CXCXC WP TEE*
1-1/2 X 1 X 1 CXCXC WP TEE*	1-1/2 X 1 X 1-1/4 CXCXC WP TEE*
1-1/2 X 1 X 1-1/2 CXCXC WP TEE*	1-1/2 X 1-1/4 X 1/2 CXCXC WP TEE*
1-1/2 X 1-1/4 X 3/4 CXCXC WP TEE*	1-1/2 X 1-1/4 X 1 CXCXC WP TEE*
1-1/2 X 1-1/4 X 1-1/4 CXCXC WP TEE*	1-1/2 X 1-1/4 X 1-1/2 CXCXC WP TEE*
1-1/2 X 1-1/2 X 1/2 CXCXC WP TEE*	1-1/2 X 1-1/2 X 3/4 CXCXC WP TEE*
1-1/2 X 1-1/2 X 1 CXCXC WP TEE*	1-1/2 X 1-1/2 X 1-1/4 CXCXC WP TEE*
2 CXCXC CXCXC WP TEE*	2 X 1/2 X 2 CXCXC WP TEE*
2 X 3/4 X 2 CXCXC WP TEE*	2 X 1 X 3/4 CXCXC WP TEE*
2 X 1 X 1 CXCXC WP TEE*	2C X 1C X 1-1/4C CXCXC WP TEE*
2 X 1 X 1-1/2 CXCXC WP TEE*	2 X 1 X 2 CXCXC WP TEE*
2 X 1-1/4 X 1/2 CXCXC WP TEE*	2 X 1-1/4 X 3/4 CXCXC WP TEE*
2 X 1-1/4 X 1 CXCXC WP TEE*	2 X 1-1/4 X 1-1/4 CXCXC WP TEE*
2 X 1-1/4 X 1-1/2 CXCXC WP TEE*	2 X 1-1/4 X 2 CXCXC WP TEE*
2 X 1-1/2 X 1/2 CXCXC WP TEE*	2 X 1-1/2 X 3/4 CXCXC WP TEE*
2 X 1-1/2 X 1 CXCXC WP TEE*	2 X 1-1/2 X 1-1/4 CXCXC WP TEE*
2 X 1-1/2 X 1-1/2 CXCXC WP TEE*	2 X 1-1/2 X 2 CXCXC WP TEE*
2 X 2 X 1/2 CXCXC WP TEE*	2 X 2 X 3/4 CXCXC WP TEE*
2 X 2 X 1 CXCXC WP TEE*	2 X 2 X 1-1/4 CXCXC WP TEE*
2 X 2 X 1-1/2 CXCXC WP TEE*	2-1/2 CXCXC WP TEE*
2-1/2 X 1/2 X 2-1/2 CXCXC WP TEE*	2-1/2 X 3/4 X 1-1/2 CXCXC WP TEE*
2-1/2 X 3/4 X 2-1/2 CXCXC WP TEE*	2-1/2 X 1 X 1-1/4 CXCXC WP TEE*
2-1/2 X 1 X 1-1/2 CXCXC WP TEE*	2-1/2 X 1 X 2 CXCXC WP TEE*
2-1/2 X 1 X 2-1/2 CXCXC WP TEE*	2-1/2 X 1-1/4 X 1-1/4CXCXC WP TEE*
2-1/2 X 1-1/4 X 1-1/2 CXCXC WP TEE*	2-1/2 X 1-1/4 X 2 CXCXC WP TEE*
2-1/2 X 1-1/4 X 2-1/2 CXCXC WP TEE*	2-1/2 X 1-1/2 X 1 CXCXC WP TEE*
2-1/2 X 1-1/2 X 1-1/4 CXCXC WP TEE*	2-1/2 X 1-1/2 X 1-1/2 CXCXC WP TEE*
2-1/2 X 1-1/2 X 2 CXCXC WP TEE*	2-1/2 X 1-1/2 X 2-1/2 CXCXC WP TEE*
2-1/2 X 2 X 1/2 CXCXC WP TEE*	2-1/2 X 2 X 3/4 CXCXC WP TEE*
2-1/2 X 2 X 1 CXCXC WP TEE*	2-1/2 X 2 X 1-1/4 CXCXC WP TEE*
2-1/2 X 2 X 1-1/2 CXCXC WP TEE*	2-1/2 X 2 X 2 CXCXC WP TEE*
2-1/2 X 2 X 2-1/2 CXCXC WP TEE*	2-1/2 X 2-1/2 X 1/2 CXCXC WP TEE*
2-1/2 X 2-1/2 X 3/4 CXCXC WP TEE*	2-1/2 X 2-1/2 X 1 CXCXC WP TEE*
2-1/2 X 2-1/2 X 1-1/4 CXCXC WP TEE*	2-1/2 X 2-1/2 X 1-1/2 CXCXC WP TEE*
2-1/2 X 2-1/2 X 2 CXCXC WP TEE*	3 CXCXC WP TEE*
3 X 3/4 X 3 CXCXC WP TEE*	3 X 1 X 3 CXCXC WP TEE*

Subject Copper Pipe Fittings – Pressure Tees (cont'd)

3 X 1-1/4 X 3 CXCXC WP TEE*	3 X 1-1/2 X 1-1/4 CXCXC WP TEE*
3 X 1-1/2 X 1-1/2 CXCXC WP TEE*	3 X 1-1/2 X 2-1/2 CXCXC WP TEE*
3 X 1-1/2 X 3 CXCXC WP TEE*	3 X 2 X 1/2 CXCXC WP TEE*
3 X 2 X 1 CXCXC WP TEE*	3 X 2 X 1-1/4 CXCXC WP TEE*
3 X 2 X 1-1/2 CXCXC WP TEE*	3 X 2 X 2 CXCXC WP TEE*
3 X 2 X 2-1/2 CXCXC WP TEE*	3 X 2 X 3 CXCXC WP TEE*
3 X 2-1/2 X 3/4 CXCXC WP TEE*	3 X 2-1/2 X 1 CXCXC WP TEE*
3 X 2-1/2 X 1-1/4 CXCXC WP TEE*	3 X 2-1/2 X 1-1/2 CXCXC WP TEE*
3 X 2-1/2 X 2 CXCXC WP TEE*	3 X 2-1/2 X 2-1/2 CXCXC WP TEE*
3 X 2-1/2 X 3 CXCXC WP TEE*	3 X 3 X 1/2 CXCXC WP TEE*
3 X 3 X 3/4 CXCXC WP TEE*	3 X 3 X 1 CXCXC WP TEE*
3 X 3 X 1-1/4 CXCXC WP TEE*	3 X 3 X 1-1/2 CXCXC WP TEE*
3 X 3 X 2 CXCXC WP TEE*	3 X 3 X 2-1/2 CXCXC WP TEE*
4 CXCXC WP TEE*	4 X 1-1/2 X 3 CXCXC WP TEE*
4 X 2 X 2 CXCXC WP TEE*	4 X 2 X 3 CXCXC WP TEE*
4 X 2-1/2 X 2-1/2 CXCXC WP TEE*	4 X 2-1/2 X 3 CXCXC WP TEE*
4 X 3 X 2 CXCXC WP TEE*	4 X 3 X 2-1/2 CXCXC WP TEE*
4 X 3 X 3 CXCXC WP TEE*	4 X 4 X 1/2 CXCXC WP TEE*
4 X 4 X 3/4 CXCXC WP TEE*	4 X 4 X 1 CXCXC WP TEE*
4 X 4 X 1-1/4 CXCXC WP TEE*	4 X 4 X 1-1/2 CXCXC WP TEE*
4 X 4 X 2 CXCXC WP TEE*	4 X 4 X 2-1/2 CXCXC WP TEE*
4 X 4 X 3 CXCXC WP TEE*	5 X 5 X 2 CXCXC WP TEE*

Subject Copper Pipe Fittings – Unions

2-1/2 CXFE CP UNION*	2-1/2 CXC CP UNION*
2 CXM CP UNION*	2-1/2 C X M CP UNION*
3 CXC CP UNION*	3/4 CXM CP UNION ELBOW
3/4 CXC WP UNION*	1 CXC WP UNION*
1-1/4 CXC WP UNION*	1-1/2 C X C WP UNION*
1/2 C X FE WP UNION*	3/4 C X FE WP UNION*
1 C X FE WP UNION*	2 CXC WP UNION*
1-1/4 C X FE WP UNION*	1-1/2 C X FE WP UNION*
2 C X FE WP UNION*	1/2 C X M WP UNION*
3/4 C X M WP UNION*	1 C X M WP UNION*
1-1/4 C X M WP UNION*	1-1/2 C X M WP UNION*
2 C X M WP UNION*	

Subject Copper Pipe Fittings – P-Traps

1-1/4 CXC CD P-TRAP BODY N/CO	1-1/2 C X C CD P-TRAP BODY N/CO
2 C X C CD P-TRAP BODY N/CO	3 C X C CD P-TRAP BODY N/CO
1-1/4 CD P TRAP - N/CO	1-1/4 CD P TRAP-N/CO- ELBOW
1-1/2 P TRAP - N/CO-	1-1/2 CD P TRAP-N/CO-ELBOW
2 CD P TRAP - N/CO	2 CD P TRAP-N/CO-ELBOW
3 CD P TRAP - N/CO	3 CD P TRAPS-N/CO-ELBOW
1 1/4 CD S TRAP N/CO	1 1/2 CD S TRAP N/CO
1-1/4 CD S TRAP - W/CO	1-1/2 CD S TRAP - W/CO
2 CD S TRAP W/CO	1-1/2 C X C CD P-TRAP BODY - W/CO
2 C X C CD P-TRAP BODY - W/CO	1-1/4 CD P TRAP - W/CO
1-1/4 CD P TRAP-W/CO-ELBOW	1-1/2 CD P TRAP W/CO
1-1/2 CD P TRAP-W/CO-ELBOW	2 CD P TRAP - W/CO
2 CD P TRAP-W/CO-ELBOW	3 CD P TRAP - W/CO
3 CD P TRAP-W/CO-ELBOW	3 X 6 X 1-1/2 X 1-1/2 CD DRUM TRAP
1-1/2 CD P TRAP L/CO GROUND SWIVEL	1-1/2 CD P TRAP W/CO GROUND SWIVEL

Subject Copper Pipe Fittings – DWV TY's

1-1/4 CXCXCXC CD DOUBLE WASTE FTG	1-1/2 CXCXCXC CD DOUBLE WASTE FTG
1-1/2 1-1/4 1-1/4 1-1/4 CXCXCXC CD DOUBLE WASTE FTG	1-1/2 1-1/4 1-1/2 1-1/2 CXCXCXC CD DOUBLE WASTE FTG
1-1/2 1-1/2 1-1/4 1-1/4 CXCXCXC CD DOUBLE WASTE FTG	2 1-1/2-1-1/4-1-1/4 CXCXCXC CD DOUBLE WASTE FTG
2 1-1/2 1-1/2 1-1/2 CXCXCXC CD DOUBLE WASTE FTG	1-1/4 CXCXC CD TY*
1-1/2 CXCXC CD TY*	1-1/2 X 1-1/4 X 1-1/4 CXCXC CD TY*
1-1/2 X 1-1/4 X 1-1/2 CXCXC CD TY*	1-1/2 X 1-1/2 X 1-1/4 CXCXC CD TY*
3 FTG X C X C CD TY*	3 X 3 X 1-1/4 FTGXCXC CD TY*
3 X 3 X 1-1/2 FTGXCXC CD TY*	3 X 3 X 2 FTGXCXC CD TY*
2 CXCXC CD TY*	2 X 1-1/4 X 1-1/4 CXCXC CD TY*
2 X 1-1/4 X 1-1/2 CXCXC CD TY*	2 X 1-1/4 X 2 CXCXC CD TY*
2 X 1-1/2 X 1-1/4 CXCXC CD TY*	2 X 1-1/2 X 1-1/2 CXCXC CD TY*
2 X 1-1/2 X 2 CXCXC CD TY*	2 X 2 X 1-1/4 CXCXC CD TY*
2 X 2 X 1-1/2 CXCXC CD TY*	1-1/2 CXCXFE CD TY*
2 CXCXFE CD TY	2 X 1-1/2 X 1-1/2 CXCXF CD TY
3 CXCXC CD TY*	3 X 1-1/2 X 1-1/4 CXCXC CD TY*
3 X 2 X 1-1/2 CXCXC CD TY*	3 X 3 X 1-1/4 CXCXC CD TY*
3 X 3 X 1-1/2 CXCXC CD TY*	3 X 3 X 2 CXCXC CD TY*
4 CXCXC CD TY*	4 X 4 X 1-1/2 CXCXC CD TY*
4 X 4 X 2 CXCXC CD TY*	4 X 4 X 3 CXCXC CD TY*
1-1/4 CXCXCXC CD DOUBLE TY	1-1/2 CXCXCXC CD DOUBLE TY
1-1/2 1-1/2 1-1/4 1-1/4 CXCXCXC CD DOUBLE TY	1-1/2 1-1/4 1-1/4 1-1/4 CXCXCXC CD DOUBLE TY
2 CXCXCXC CD DOUBLE TY	2 X 2 X 1-1/4 X 1-1/4 CXCXCXC CD DOUBLE TY
2 X 2 X 1-1/2 X 1-1/2 CXCXCXC CD DOUBLE TY	3 CXCXCXC CD DOUBLE TY
3 X 3 X 1-1/4 X 1-1/4 CXCXCXC CD DOUBLE TY	3 X 3 X 1-1/2 X 1-1/2 CXCXCXC CD DOUBLE TY
3 X 3 X 2 X 2 CXCXCXC CD DOUBLE TY	4 CXCXCXC CD DOUBLE TY
4 X 4 X 2 X 2 CXCXCXC CD DOUBLE TY	4 X 4X 3 X 3 CXCXCXC CD DOUBLE TY
1-1/4 CXCXCXC CD DOUBLE LONG TURN TY	1-1/2 CXCXCXC CD DOUBLE LONG TURN TY
1-1/2 1-1/2 1-1/4 1-1/4 CXCXCXC CD DLT TY	2 CXCXCXC CD DOUBLE LONG TURN TY
2 X 2 X 1-1/4 X 1-1/4 CXCXCXC CD DLT TY	2 X 2 X 1-1/2 X 1-1/2 CXCXCXC CD DLT TY
1-1/2 CXCXC LONG TURN CD TY	2 CXCXC LONG TURN CD TY
3X3X3X1-1/2 CXCXCXC SIDEOUT RH CD TY	3X3X3X1-1/2 CXCXCXC SIDEOUT LH CD TY

Subject Copper Pipe Fittings – DWV Y's

1-1/4 CXCXC CD 45 Y*	1-1/2 CXCXC CD 45 Y*
1-1/2CX 1-1/4CX 1-1/4C CD 45 Y*	1-1/2CX 1-1/4CX 1-1/2C CD 45 Y*
1-1/2CX 1-1/2CX 1-1/4C CD 45 Y*	2 CXCXC 45 CD Y*
2CX 1-1/4CX 1-1/4C CD 45 Y*	2CX 1-1/4CX 1-1/2C CD 45 Y*
2CX 1-1/4CX 2C CD 45 Y*	2CX 1-1/2CX 1-1/4C CD 45 Y*
2CX 1-1/2CX 1-1/2C CD 45 Y*	2CX 1-1/2CX 2C CD 45 Y*
2CX 2CX 1-1/4C CD 45 Y*	2CX 2CX 1-1/2C CD 45 Y*
3 CXCXC CD 45 Y*	3C X 2C X 2C CD 45 Y*
3CX 3CX 1-1/4C CD 45 Y*	3CX 3CX 1-1/2C CD 45 Y*
3CX 3CX 2C CD 45 Y*	4 CXCXC CD 45 Y*
4CX 4CX 2C CD 45 Y*	4CX 4CX 3C CD 45 Y*
1-1/4 CXCXCXC CD 45 DOUBLE Y	1-1/2 CXCXCXC CD 45 DOUBLE Y
1-1/2 1-1/2 1-1/4 1-1/4 CXCXCXC CD DOUBLE Y	2 CXCXCXC CD 45 DOUBLE Y
2 X 2 X 1-1/4 X 1-1/4 CXCXCXC CD DOUBLE Y	2 X 2 X 1-1/2 X 1-1/2 CXCXCXC CD DOUBLE Y
3 CXCXCXC CD 45 DOUBLE Y	3 X 3 X 1-1/2 X 1-1/2 CXCXCXC CD DOUBLE Y

Subject Copper Pipe Fittings – Caps and Cleanouts

5 CP TUBE END CAP*	6 CP TUBE END CAP*
1-1/2 CXC/O CD TUBE END CLEANOUT*	3 CD CXC/O TUBE END CLEANOUT*
3 FTGXC/O CD CLEANOUT - FLUSH TYPE*	4 FTGXC/O CD CLEANOUT - FLUSH TYPE*
1-1/4 FTGXC/O CD CLEANOUT - FULL PLUG*	1-1/2 FTGXC/O CD CLEANOUT - FULL PLUG*
2 FTGXC/O CD CLEANOUT - FULL PLUG*	3 FTGXC/O CD CLEANOUT - FULL PLUG*
4 FTGXC/O CD CLEANOUT - FULL PLUG*	1-1/4 CXCXCO CD LINE CLEANOUT
1-1/2 CXCXCO CD LINE CLEANOUT	2 CXCXCO CD LINE CLEANOUT
3 CXCXCO CD LINE CLEANOUT	4 CXCXCO CD LINE CLEANOUT
1-1/2 CXCXCO CLEANOUT-FULL PLUG	2 CXCXCO CD CLEANOUT - FULL PLUG
3 CXCXCO CD CLEANOUT - FULL PLUG	1-1/4 CXCO WD TUBE END CLEANOUT*
1-1/2 CXCO WD TUBE END CLEANOUT*	2 CXCO WD TUBE END CLEANOUT*
3 CXCO WD TUBE END CLEANOUT*	1-1/4 WD FLUSH FTGXCO CLEANOUT*
1-1/2 FTGXCO WD CLEANOUT-FLUSH TYPE*	1-1/2 X 1 FTGXCO WD CLEANOUT - FLUSH*
2 FTGXCO WD CLEANOUT-FLUSH TYPE*	1-1/4 FTGXCO WD CLEANOUT FULL PLUG*
1-1/2 FTGXCO WD CLEANOUT FULL PLUG*	2 FTGXCO WD CLEANOUT FULL PLUG*

Place of Hearing:	Ottawa, Ontario
Dates of Hearing:	January 15 to 19, 2007
Tribunal Members:	Serge Fréchette, Presiding Member Pierre Gosselin, Member Ellen Fry, Member
Research Director:	Audrey Chapman
Lead Researcher:	Manon Carpentier
Research Officers:	Mark Howell Nadine Comeau
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Counsel for the Tribunal:	Nick Covelli
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Cello Products Inc. Bow Plumbing Group	Victoria Bazan
Domestic Producer and Importer of Copper Pipe Fittings not Subject to this Inquiry	**Counsel/Representatives**
Tri-Went Industries Ltd.	Geoffrey C. Kubrick Yasir A. Naqvi Ruba El-Sayegh
Importers/Exporters/Others	**Counsel/Representatives**
Mueller Industries, Inc. (Streamline Copper & Brass Ltd. and affiliated companies within the Mueller Group)	Lawrence L. Herman Craig S. Logie J. Alan Smellie

Elkhart Products Corporation Elkhart Products Limited	Wendy J. Wagner Richard Dearden Andrew Bradley Chris Schafer
NCI Marketing Inc.	Peter Clark Chris Hines Gordon LaFortune Wallis Stagg
NIBCO, Inc.	Riyaz Dattu
BMI Canada Inc. BMI West	Cyndee Todgham Cherniak Paul Lalonde Rajeev Sharma Michelle Wong Judith Parisien
D.A. Fehr Inc.	Cyndee Todgham Cherniak Elliot J. Feldman John J. Burke Bryan J. Brown
NDL Industries Inc.	William E. Knutson, Q.C.

WITNESSES:

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STATEMENT OF REASONS

BACKGROUND

1. The Canadian International Trade Tribunal (the Tribunal), under the provisions of section 42 of the *Special Import Measures Act*,[1] has conducted an inquiry to determine whether the dumping of solder joint pressure pipe fittings and solder joint drainage, waste and vent (DWV) pipe fittings, made of cast copper alloy, wrought copper alloy or wrought copper, for use in heating, plumbing, air conditioning and refrigeration (ACR) applications, restricted to the products enumerated in the appendix to the findings (copper pipe fittings), originating in or exported from the United States of America, the Republic of Korea (South Korea) and the People's Republic of China (China) and the subsidizing of copper pipe fittings originating in or exported from China (the subject goods) have caused injury or retardation or are threatening to cause injury to the domestic industry.

2. On June 8, 2006, the President of the Canada Border Services Agency (CBSA), following a complaint filed by Cello Products Inc. (Cello), which was supported by the only other known domestic producer of copper pipe fittings, Bow Plumbing Group (Bow), initiated an investigation into whether imports of copper pipe fittings from the United States, South Korea and China had been dumped and whether imports of copper pipe fittings from China had been subsidized.

3. On June 9, 2006, pursuant to subsection 34(2) of *SIMA*, the Tribunal issued a notice advising interested parties that it had initiated a preliminary injury inquiry to determine whether the evidence disclosed a reasonable indication that the dumping of copper pipe fittings from the United States, South Korea and China and the subsidizing of copper pipe fittings from China had caused injury or retardation or were threatening to cause injury to the domestic industry. On August 8, 2006, the Tribunal made a preliminary determination of injury, stating that there was evidence that disclosed a reasonable indication that the dumping and subsidizing of copper pipe fittings had caused injury to the domestic industry. In its reasons, the Tribunal indicated that the question of whether there was more than one class of goods merited further consideration.

4. On October 20, 2006, the CBSA issued a preliminary determination of dumping with respect to copper pipe fittings from the United States, South Korea and China and a preliminary determination of subsidizing with respect to copper pipe fittings from China. As a result of its preliminary investigation, the CBSA was satisfied that copper pipe fittings had been dumped and subsidized, that the margins of dumping and the amount of subsidy were not insignificant and that the volumes of dumped and subsidized copper pipe fittings were not negligible.

5. On October 23, 2006, the Tribunal issued a notice of commencement of inquiry.[2] The period of inquiry covered three full years, from January 1, 2003, to December 31, 2005, and two interim periods, from January 1 to September 30, 2005, and the corresponding period in 2006 (POI). As part of its inquiry, the Tribunal sent questionnaires to domestic producers, importers, purchasers and foreign producers of copper pipe fittings. From the replies to the questionnaires and other information on the record, the Tribunal's research staff prepared public and protected pre-hearing staff reports.

1. R.S.C. 1985, c. S-15 [*SIMA*].
2. C. Gaz. 2006.I.3506.

6. In its notice of commencement of inquiry, the Tribunal indicated that it intended to proceed by way of written submissions with respect to requests for product exclusions and did not anticipate hearing oral testimony on this issue unless, in its opinion, it was required. The Tribunal received four requests for product exclusions—two from BMI Canada Inc. and BMI West (BMI), one from NDL Industries Inc. (NDL) and one from Mueller Industries, Inc. (Mueller US), Streamline Copper & Brass Ltd. (Streamline) and affiliated companies within the Mueller Group (collectively referred to as Mueller). In addition, the Tribunal received three requests for producer exclusions—one from Elkhart Products Corporation (EPC) and Elkhart Products Limited (EPL) (collectively referred to as Elkhart), one from Mueller and one from NIBCO, Inc. (NIBCO)—and two requests for a country exclusion for the United States—one from Mueller and one from NIBCO.

7. In its notice, the Tribunal also invited parties to file submissions and reply submissions on the issue of classes of goods. On December 1, 2006, it informed parties that it would conduct its injury analysis on the basis of a single class of goods and provide its reasons in its statement of reasons for the findings.

8. On January 18, 2007, the CBSA issued a final determination of dumping and subsidizing, which confirmed that the margins of dumping and the amount of subsidy were not insignificant and that the volumes of dumped and subsidized copper pipe fittings were not negligible.

9. A hearing, with public and *in camera* testimony, was held in Ottawa, Ontario, from January 15 to 19, 2007. Cello and Bow filed submissions in support of a finding of injury. A domestic producer and importer of cold-forming and brazing copper pipe fittings and other products that are not subject to this inquiry, Tri-Went Industries Ltd. (Tri-Went), requested a finding of no injury in respect of goods from the United States. A number of importers and foreign producers filed submissions in opposition to a finding of injury: Mueller; Elkhart; NCI Marketing Inc. (NCI); NIBCO; and BMI. These parties were all present at the hearing. The Tribunal also heard testimony from witnesses from Deschênes Group Inc. (Deschênes), Home Depot of Canada Inc. (Home Depot), Rona Inc. (Rona) and Wolseley Canada (Wolseley).

10. Two other parties to this inquiry were not present at the hearing and did not file submissions: an importer, NDL; and a U.S. wholesaler, D.A. Fehr Inc.

11. The record of this inquiry consists of all Tribunal exhibits, including the public and protected record of the preliminary injury inquiry (PI-2006-001), public and protected replies to questionnaires, requests for information and replies thereto, witness statements and all exhibits filed by parties and the Tribunal throughout the inquiry, as well as the transcript of the hearing. All public exhibits were made available to the parties. Protected exhibits were made available only to counsel who had filed a declaration and confidentiality undertaking with the Tribunal in respect of confidential information.

12. The Tribunal issued its findings on February 19, 2007.

RESULTS OF THE CBSA'S INVESTIGATION

13. The CBSA's dumping and subsidizing investigation covered imports of copper pipe fittings from the United States, South Korea and China from April 1, 2005, to March 31, 2006. The following tables show, on an exporter- and country-specific basis, the percentage of goods dumped or subsidized, the weighted average margins of dumping, the percentage of subsidy and the amount of subsidy, as reported by the CBSA in its final determination of dumping and subsidizing.

Percentage of Goods Dumped by Country and Margins of Dumping by Exporter and Country
(%)
April 1, 2005, to March 31, 2006

Country of Origin/Exporter	Dumped Goods as a Percentage of Subject Country Imports	Weighted Average Margin of Dumping as a Percentage of Export Price
United States		
Barnes Distribution, Inc.		221
EPC		0
Mueller US		47
NIBCO		26
United Refrigeration, Inc.		27.5
Companies not Selected		37
Incomplete Submissions/Non-cooperative Companies		242
Total – United States	**80**	**108**
South Korea		
Jungwoo Metal Industry Co., Ltd.		1.9
Companies not Selected		37
Incomplete Submissions/Non-cooperative Companies		242
Total – South Korea	**100**	**104**
China		
Tianli Pipe Fitting Co., Ltd.		0
Zhuji City Howhi Air Conditioners Made Co., Ltd.		0
Companies not Selected		37
Incomplete Submissions/Non-cooperative Companies		242
Total – China	**93**	**226**

Source: Tribunal Exhibit NQ-2006-002-04A, Administrative Record, Vol. 1C at 321.26, 321.73.

Percentage of Goods Subsidized and of Subsidy by Country and Amount of Subsidy by Exporter and Country
(%)
April 1, 2005, to March 31, 2006

Country of Origin/Exporter	Subsidized Goods as a Percentage of Total Subject Goods Imported	Weighted Average Amount of Subsidy as a Percentage of Export Price	Amount of Subsidy (renminbi/kg)
China			
Tianli Pipe Fitting Co., Ltd.			0
Zhuji City Howhi Air Conditioners Made Co., Ltd.			0
Incomplete Submissions/Non-cooperative Companies			17.73
Total – China	**91**	**51**	**17.73**

Source: Tribunal Exhibit NQ-2006-002-04A, Administrative Record, Vol. 1C at 321.36, 321.74.

PRODUCT

Product Description and Information

14. The goods subject to the Tribunal's inquiry are defined as solder joint pressure pipe fittings and solder joint DWV pipe fittings, made of cast copper alloy, wrought copper alloy or wrought copper, for use in heating, plumbing and ACR applications, restricted to the products enumerated in the appendix to the findings, originating in or exported from the United States, South Korea and China.

15. Copper pipe fittings connect copper pipes, tubes or other copper pipe fittings to one another.

16. Pressure fittings are used to convey liquids (e.g. potable water), gases and air under pressure in residential, industrial, commercial and institutional applications. Pressure fittings are also used for ACR applications. Although the fittings are identified by reference to their inside or "nominal" diameter when used in plumbing and heating applications, when used in ACR applications, they are identified by reference to their outside diameter.

17. DWV fittings are used in systems that convey waste fluids and in systems that provide venting to waste systems. These drainage systems are not pressurized. Copper drainage fittings are used in industrial, institutional, commercial or multi-unit residential buildings.

18. Solder joint copper pipe fittings are made to the American Society of Mechanical Engineers (ASME)/American National Standards Institute standards, ASTM International standards and Manufacturers Standardization Society of the Valve and Fittings Industry standards.

Production Process

19. Solder joint copper pipe fittings, both pressure and DWV, may be either wrought (produced from copper tube) or cast (produced from copper ingots).

Wrought Fittings

20. Wrought elbows are produced from lengths of heat-treated copper tubing using special bending machines that bend the elbows to the proper degree and cut them. Another machine then expands the ends to create uniform cup dimensions. The ends are then "faced" to provide a square soldering cup.

21. Wrought tees are produced from lengths of heat-treated wrought copper tubing or coils that are cut into short slug lengths. The slugs are compressed in a hydraulic press forming the tee branch. Another machine then decaps the branches and sizes the three ends to make a finished product that is ready for cleaning and packaging.

22. Straight couplings are in a finished state after they have been cut from the copper tubing. Reducing couplings and bushings are produced from straight cut slugs. A specialty machine expands one end of the straight-cut slug to produce a finished fitting. Alternatively, one end is either hit down or spun down to a smaller size to form a reducing coupling or bushing.

23. Finally, female and male wrought copper adapters can be made from machining hollow octagons or hexagons on computer numerical control (CNC) lathes or by hitting heavy wall tubing or solid copper rods on hydraulic presses.

24. For wrought fittings, much of the same equipment is used to produce pressure and DWV fittings. Some common equipment is also used in the machining and reaming of both wrought and cast fittings.

Cast Fittings

25. Cast fittings are produced using the green-sand casting process. A sand core for each fitting is made using an aluminum or steel core box. These sand cores are made using a resin-coated sand that is hardened to form the inside shape and surface of the fitting. A mould is made by filling a form flask with conditioned sand, binder and water and by pressing a pattern into it. This leaves a hollow impression that forms the outside of the casting. The sand core is set inside this hollow impression once the pattern is removed and the mould is closed. Molten brass, made from copper alloy ingots and recycled brass scrap, is then poured into the mould through a hollow sprue that leads to runners and gates and finally into the space between the outside surface of the core and the inside surface of the conditioned sand mould. The metal is allowed to cool and solidify, forming the raw casting. The casting is then removed from the mould by vibration and is cleaned and conditioned in preparation for machining. The cutaway sprue, runners and gates are then returned to the furnace for remelting.

26. Cast fittings are machined on special-purpose reaming machines, turret lathes or CNC lathes. All cast fittings have at least one end reamed to allow a copper tube to be joined to them by either soldering, silver brazing and epoxy or other gluing techniques. The other end, or ends in the case of a tee, is either reamed, tapped (internally threaded), or has a male tread cut onto it. Some common equipment is used in the machining and reaming of both wrought and cast fittings.

DOMESTIC PRODUCERS

27. There are currently two domestic producers of copper pipe fittings: Cello and Bow.

Cello

28. Cello commenced operations in 1946 in Cambridge, Ontario, as a producer of cast copper alloy solder joint pipe fittings. Wrought copper and wrought copper alloy solder joint pipe fittings were added to the product line in the 1960s. Cello was incorporated in 1983 and currently produces wrought and cast brass copper pipe fittings, in sizes ranging from 1/8 in. to 8 in.

29. Cello makes cast and wrought, pressure and DWV copper pipe fittings. In addition to producing copper pipe fittings, Cello manufactures brass fittings and flanges.

Bow

30. Bow was founded in 1949 as a producer of various plastic products, including some specialty plumbing items. It began producing wrought copper and wrought copper alloy solder joint pipe fittings in 1991, when the company acquired the assets of EMCO Canada, a former producer of copper pipe fittings. Bow's corporate head office is located in Montréal, Quebec, and its manufacturing facility is in Dorchester, Ontario. Bow produces wrought pressure and DWV copper pipe fittings. Bow does not produce cast copper pipe fittings. Bow also produces high-performance plastic pipe fittings.

IMPORTERS, PURCHASERS AND FOREIGN PRODUCERS

31. The Tribunal sent questionnaires to 21 firms based upon their import volumes reported under the relevant classification numbers of the *Harmonized Commodity Description and Coding System* (HS).[3] The Tribunal received completed questionnaires from 9 importers (BMI, Boshart Industries Inc., C.-B. Supplies Ltd., EPL, NCI, NDL, Noble Trade Inc., Streamline and Thorndale International Inc.). Of the remaining 12 firms, 7 indicated to the Tribunal that they were not importers of record of copper pipe fittings or did not import copper pipe fittings from any of the subject countries or any other country during the POI, 1 indicated that all of its imports were exported to the United States and did not enter the domestic market, and 4 did not provide a reply.

32. The Tribunal sent questionnaires on market characteristics to 54 purchasers. The Tribunal received 35 replies: 24 from wholesalers/distributors; 7 from retailers/mass merchandisers; 2 from end users, which are mostly contractors or original equipment manufacturers (OEMs); and 2 from master distributors.

33. The Tribunal sent foreign producers' questionnaires to 31 companies: 13 in the United States; 5 in South Korea; and 13 in China. From the United States, the Tribunal received replies from 4 foreign producers (EPC, Lee Brass, Mueller US and NIBCO) and information from 7 companies indicating that they were not producers but rather wholesalers or distributors of copper pipe fittings. From South Korea, the Tribunal received 1 incomplete and unusable reply from Poongsan Industrial Corporation. The Tribunal received no replies from China.

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3. They are: 7412.10.00.11, 7412.10.00.19, 7412.10.00.20, 7412.20.00.11, 7412.20.00.12, 7412.20.00.19 and 7412.20.00.20. Since at least 2002, imports entering the Canadian market under these HS classification numbers have been duty-free. However, the Most-Favoured-Nation rate has been 3 percent.

MARKETING AND DISTRIBUTION

34. In Canada, the market for copper pipe fittings is divided into two segments: wholesalers/distributors and retailers/mass merchandisers, which in turn supply end users, which include contractors, plumbers, the do-it-yourself market and OEMs.

35. At the wholesale level, domestically produced and imported copper pipe fittings are marketed primarily through plumbing, heating and ACR wholesalers/distributors. In this market segment, the major suppliers are: EMCO Corporation, Wolseley, Canaplus Limited Partnership, Octo Purchasing Group Ltd. and Deschênes. Some U.S. producers of copper pipe fittings (Mueller US and EPC) have related companies in Canada (Streamline and EPL) that import the copper pipe fittings to sell to these wholesalers/distributors.

36. At the retail level, there are four major buyers: Home Depot, Rona, Canadian Tire Corporation, Limited and Home Hardware.

Pricing

37. The price of copper pipe fittings is affected by the cost of copper, which is the major raw material used in the production of copper pipe fittings. Copper, which is an international commodity, is traded on the London Metal Exchange and the New York Mercantile Exchange.

38. Prices for copper pipe fittings are based on published price lists that are generally accompanied by discount terms. In addition to these discounts, prices may be subject to further discounts, credit allowances, rebates and other incentives that are paid monthly, quarterly or annually.

39. "Net Price" usually refers to the list price less discounts and is typically reflected as the invoice price. "Net Net Price" usually refers to the list price less all discounts and rebates and represents the "bottom line" price. It includes incentives both reflected and not reflected in the invoice price. Rebates are typically negotiated annually and paid out in accordance with the negotiated terms. Occasionally, sellers offer prices on a "net sheet", which is a discounted price list. Beyond the price list or "net sheet", additional discounts, credit allowances, rebates and other incentives are negotiated with individual customers. Published list prices are usually identical for all purchasers, whereas discounts and rebates beyond the list price are primarily customer driven.

40. As a norm, major wholesalers do not publish price lists. Instead, they use suggested retail prices from the "Allpriser" price guide.[4] Payment terms, discounts, rebates, incentives and allowances are however negotiated with individual customers.

ANALYSIS

41. In the present case, pursuant to subsection 42(1) of *SIMA*, the Tribunal is required to inquire as to whether the dumping and/or subsidizing of the subject goods have caused injury or retardation or are threatening to cause injury. "Injury" is defined in subsection 2(1) as ". . . material injury to a domestic industry". "Domestic industry", in turn, is described as ". . . the domestic producers as a whole of the like goods or those domestic producers whose collective production of the like goods constitutes a major proportion of the total domestic production of the like goods . . . ."

4. The Allpriser guide is used by plumbing contractors and wholesalers as a basis for estimating the cost of plumbing and heating projects.

42. The Tribunal must therefore first determine what constitutes "like goods". It will then determine what constitutes the "domestic industry" for the purposes of its injury analysis. The Tribunal must also determine whether it will make an assessment of the cumulative effect of the dumping and subsidizing of the subject goods, in accordance with subsection 42(3) of *SIMA*.

43. Finally, the Tribunal will determine whether the dumping and/or subsidizing of the subject goods have caused injury to the domestic industry. In conducting its injury analysis, the Tribunal will also examine other factors alleged to be impacting the domestic industry to ensure that it does not attribute to the dumping and/or subsidizing any injury caused by such factors.

44. Injury and threat of injury are distinct findings; therefore, the Tribunal is not required to make a finding relating to threat of injury under subsection 43(1) of *SIMA* unless it first makes a finding of no injury. If it finds injury or threat of injury, the Tribunal must decide whether to grant requests for exclusions from its findings.

45. Because a domestic industry is already established, the Tribunal will not consider the question of retardation.[5]

Like Goods

46. Given that the Tribunal must determine whether the dumping and/or subsidizing of the subject goods are causing or threatening to cause injury to the domestic producers of like goods, the Tribunal must determine which domestically produced goods, if any, constitute like goods in relation to the subject goods.

47. As part of its like goods analysis, the Tribunal will first consider whether the subject goods are all within a single class of goods or whether there are sufficient differences based on an analysis of the factors for determining "likeness" to justify separating the subject goods into different classes. In other words, before concluding whether domestically produced goods are like goods to the subject goods, the Tribunal will examine whether the individual products within the range of subject goods are "like goods" to one another.

48. Subsection 2(1) of *SIMA* defines "like goods" as ". . . (*a*) goods that are identical in all respects to the other goods, or (*b*) in the absence of any goods described in paragraph (*a*), goods the uses and other characteristics of which closely resemble those of the other goods". When goods are not identical in all respects to other goods, the Tribunal typically considers factors such as the physical characteristics of the goods, including their composition and appearance, and the market characteristics of the goods, such as their substitutability, pricing, distribution channels, end uses and whether the goods fulfil the same customer needs.[6]

49. In this regard, at the preliminary injury inquiry, the Tribunal indicated that the arguments presented in support of more than one class of goods merited further consideration. Accordingly, the Tribunal requested the CBSA to collect information on the dumping and subsidizing of copper pipe fittings in terms of the following product categories: (1) wrought copper pipe fittings; (2) cast copper pipe fittings; (3) pressure copper pipe fittings; (4) DWV copper pipe fittings; and (5) total copper pipe fittings. In addition, in its notice of commencement of inquiry, the Tribunal invited parties to file submissions and reply submissions on the issue of classes of goods. Cello, Bow, BMI, Elkhart, Mueller and NDL responded.

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5. Subsection 2(1) of *SIMA* defines "retardation" as ". . . material retardation of the establishment of a domestic industry".
6. See, for example, *Bacteriological Culture Media* (31 May 1996), NQ-95-004 (CITT) at 9-10; *Thermal Insulated Board* (11 April 1997), NQ-96-003 (CITT) at 9-10; *Fasteners* (7 January 2005), NQ-2004-005 (CITT) at 10-12; *Cross-linked Polyethylene Tubing* (29 September 2006), NQ-2006-001 (CITT) at 6-7 [*PEX Tubing*].

50. Cello and Bow submitted that the Tribunal should find a single class of goods. They emphasized similarities in appearance, composition, technical standards, method of manufacture, machinery, marketing, selling practices and end uses.

51. BMI, Elkhart and Mueller submitted arguments in favour of four separate classes of goods based on the product categories for which information was requested in the Tribunal's questionnaires: (1) wrought pressure copper pipe fittings; (2) cast pressure copper pipe fittings; (3) wrought DWV copper pipe fittings; and (4) cast DWV copper pipe fittings. They cited differences in the composition, appearance, method of manufacture, technical standards and tariff classification of wrought and cast copper pipe fittings, and differences in the appearance, technical standards, cost and end uses of pressure and DWV copper pipe fittings. NDL argued in favour of a fifth class of "specialty" goods comprising copper pipe fittings used in ACR applications.

52. Having reviewed the evidence, the Tribunal is satisfied that overall, while not identical in all respects to each other, wrought pressure copper pipe fittings, cast pressure copper pipe fittings, wrought DWV copper pipe fittings and cast DWV copper pipe fittings have similar physical and market characteristics.

53. In terms of physical characteristics, the Tribunal considered the technical standards, composition and appearance of copper pipe fittings. As to the methods of manufacturing the goods under consideration, the Tribunal agrees with the World Trade Organization (WTO) Appellate Body that the focus should be on the products and not the manufacturing processes.[7]

54. With respect to the other physical characteristics, the evidence is clear that cast copper pipe fittings can be and are substituted for wrought copper pipe fittings. Copper pipe fittings must all adhere to the same technical standards that establish requirements for factors such as pressure-temperature ratings, burst strength, material, and dimension and inspection tolerances for each particular use. With respect to composition, the Tribunal notes that copper is the major raw material input for all types of copper pipe fittings. As far as appearance, the Tribunal observes that, notwithstanding the availability of numerous configurations of copper pipe fittings, such as elbows, couplings, adapters and tees, the general appearance of all types of copper pipe fittings is very similar, except for the smoothness of the finish and differences in colour.

55. In terms of market characteristics, individual product configurations are not always substitutable, but they are all used in plumbing and in ACR applications to connect copper pipes, tubes or other copper pipe fittings to one another. Wrought and cast pressure copper pipe fittings, which include copper pipe fittings used in ACR applications, can be used interchangeably to distribute water and gas, and wrought and cast DWV copper pipe fittings are often used interchangeably to remove waste. All copper pipe fittings are typically marketed as a single product line. Pricing for each type originates with a published price list to which various rebates and discounts are applied. On the cost side, the cost of copper heavily influences the cost to produce each type of copper pipe fitting. In addition, each type is sold through wholesalers/distributors and retailers/mass merchandisers and are classified in the same HS headings.

56. The Tribunal notes that, in its 1993 finding on copper pipe fittings, it found that all types of copper pipe fittings comprised a single class of goods.[8] This finding was upheld by a Binational Panel.[9]

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7. *United-States—Safeguard Measure on Imports of Fresh, Chilled or Frozen Lamb Meat from New Zealand and Australia* (2001), WTO Docs. WT/DS177/AB/R, WT/DS178/AB/R at para. 94 (Appellate Body Report).
8. *Copper Pipe Fittings* (18 October 1993), NQ-93-001 (CITT) at 16.
9. *Re Copper Pipe Fittings (United States v. Canada)* (1995), CDA-93-1904-11 (Ch. 19 Panel) at 10-19.

57. For the foregoing reasons, the Tribunal finds that the subject wrought pressure copper pipe fittings, subject cast pressure copper pipe fittings, subject wrought DWV copper pipe fittings and subject cast DWV copper pipe fittings closely resemble each other. The Tribunal is of the view that certain characteristics of copper pipe fittings, including the technical standards, composition and general appearance of the goods and their market characteristics, including pricing and the fundamental end use, whether for plumbing or ACR applications, indicate a single class of goods.

58. The Tribunal will now determine whether the domestically produced copper pipe fittings are "like goods" in relation to the subject goods. The record indicates that the domestically produced copper pipe fittings are substitutable for, and compete with, each other and the subject goods. Domestically produced goods and the subject goods have the same end use, which is to connect copper pipes, tubes or other copper pipe fittings to one another, have a similar pricing and cost structure and are sold in the same market segments (i.e. wholesalers/distributors and retailers/mass merchandisers, which supply both the plumbing and heating and ACR market channels) at some of the same major specific accounts.[10] The record also indicates that buyers in Canada do not segregate the goods on the basis of origin.[11]

59. In the Tribunal's view, domestically produced copper pipe fittings are identical to, or closely resemble, the subject goods in terms of the physical and market characteristics described above. Accordingly, the Tribunal finds that the domestically produced goods are like goods to the subject goods.

Domestic Industry

60. Subsection 2(1) of *SIMA* defines "domestic industry" as follows:

> . . . the domestic producers as a whole of the like goods or those domestic producers whose collective production of the like goods constitutes a major proportion of the total domestic production of the like goods except that, where a domestic producer is related to an exporter or importer of dumped or subsidized goods, or is an importer of such goods, "domestic industry" may be interpreted as meaning the rest of those domestic producers.

61. The Tribunal must determine whether there has been injury against the domestic producers as a whole or those domestic producers whose production represents a major proportion of the total production of like goods.

62. As previously noted, there are only two domestic producers of copper pipe fittings: Cello and Bow. As such, they collectively produce all the like goods.

63. Mueller submitted that, because Cello is an importer of the subject goods, it should not be considered part of the domestic industry. Mueller argued that Bow alone constitutes the domestic industry.

64. As indicated in the definition of "domestic industry" in subsection 2(1) of *SIMA*, where a domestic producer is related to an exporter or importer of dumped or subsidized goods, or is an importer of such goods, that producer may be excluded from the "domestic industry". The Tribunal considers that the fundamental question is whether the domestic producer is essentially a producer of like goods in Canada or, instead, essentially an importer of dumped or subsidized goods, whether the latter role results directly from

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10. Tribunal Exhibit NQ-2006-002-28.09 (protected), Administrative Record, Vol. 2 at 46-52; *Pre-hearing Staff Report*, revised 15 January 2007, Tribunal Exhibit NQ-2006-002-32B, Administrative Record, Vol. 1.1 at 196.33-196.34; *Transcript of Public Hearing*, Vol. 3, 17 January 2007, at 343-44.
11. *Transcript of Public Hearing*, Vol. 4, 18 January 2007, at 446; *Transcript of In Camera Hearing*, Vol. 4, 18 January 2007, at 314.

its own importing activities or indirectly from being related to an importer or exporter of dumped or subsidized goods. Where a domestic producer's role in the market is essentially that of an importer of dumped or subsidized goods, the Tribunal is of the view that it is in keeping with the underlying policy and object of *SIMA* to exclude that producer from the definition of the domestic industry for the purposes of its injury determination.[12]

65. In determining whether Cello should be considered part of the "domestic industry" for the purposes of this inquiry, the Tribunal analyzed Cello's import and domestic production activity throughout the POI in terms of both "structural" and "behavioural" factors.[13] Structural factors are concerned with the characteristics of the domestic market and the producer's place in that market, such as the ratio of the producer's sales of the subject goods to its total sales in the domestic market, the ratio of the producer's volume of imports of the subject goods to its production of like goods, the producer's actual volume of imports of the subject goods, and its share of the total volume of imports of the subject goods. Behavioural factors focus on the behaviour of the producer and assist in the assessment of the circumstances that led to the structural outcomes observed in the market, such as whether the producer imported the subject goods as a defensive measure against other imports of the subject goods or as an aggressive measure to capture market share from other domestic producers of like goods; and whether the producer imported the subject goods to fill a specific market niche or to compete broadly with the like goods produced by other domestic producers. The Tribunal may also consider whether the producer's own like goods compete in the domestic market with the subject goods that it imports.

66. With respect to the structural factors, the evidence indicates that Cello's role as a domestic producer of like goods is relatively more important than its role as an importer of the subject goods. This is especially true when considering Cello's activities in the domestic market. Over the POI, the vast majority of Cello's domestic sales volume was sourced from its own domestic production of like goods, rather than from imports of the subject goods. In addition, except for 2003, Cello's production of like goods was greater than its volume of imports of the subject goods. The Tribunal notes that Cello imported sizeable volumes of the subject goods; however, most of these imports were re-exported. Furthermore, Cello's volume of imports of the subject goods decreased throughout the POI and represented a small share of the total volume of imports from the subject countries during the first nine months of 2006.[14]

67. With respect to the behavioural factors, the evidence indicates that Cello's motive in importing the subject goods was not aggressive in nature. Rather, it was defensive, as Cello could import the subject goods for less than its raw material costs of like goods.[15] In addition, Cello imported a limited range of the subject goods in order to help fill out its product range, an activity commonly carried out by most producers in the industry in North America.[16]

68. Therefore, on the basis of the foregoing, the Tribunal finds that Cello is first and foremost a domestic producer of like goods and that Cello and Bow constitute the domestic industry.

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12. *PEX Tubing* at para. 56.
13. *Ibid.* at paras. 57-59.
14. *Protected Pre-hearing Staff Report*, Tribunal Exhibit NQ-2006-002-33 (protected), Administrative Record, Vol. 2.1 at 57; *Protected Pre-hearing Staff Report*, revised 15 January 2007, Tribunal Exhibit NQ-2006-002-33B (protected), Administrative Record, Vol. 2.1 at 196.69, 196.75, 193.83; Tribunal Exhibit NQ-2006-002-10.01B (protected), Administrative Record, Vol. 4 at 201; Tribunal Exhibit NQ-2006-002-10.01C (protected), Administrative Record, Vol. 4 at 215.3.
15. *Transcript of Public Hearing*, Vol. 1, 15 January 2007, at 33, 59-60.
16. *Ibid.* at 30, 32.

Cumulation

69. Subsection 42(3) of *SIMA* directs the Tribunal, when conducting an inquiry under subsection 42(1), to make an assessment of the cumulative effect of the dumping and subsidizing of the goods that are imported into Canada from more than one country if it is satisfied that the following conditions are met:

> (*a*) the margin of dumping or the amount of the subsidy in relation to the goods from each of those countries is not insignificant and the volume of the goods from each of those countries is not negligible; and
>
> (*b*) an assessment of the cumulative effect would be appropriate taking into account the conditions of competition between goods to which the preliminary determination applies that are imported into Canada from any of those countries and
>
> (i) goods to which the preliminary determination applies that are imported into Canada from any other of those countries, or
>
> (ii) like goods of domestic producers.

70. Taking into consideration the relevant provisions of *SIMA* and the CBSA's final determination of dumping and subsidizing, the Tribunal is satisfied that the margins of dumping in relation to the imports from the United States, South Korea and China are not insignificant.[17] The CBSA's final determination also indicates that the amount of subsidy in relation to the goods from China is not insignificant.[18] Therefore, the first condition under paragraph 42(3)(*a*) of *SIMA* has been met.[19]

71. To assess whether the volume of dumped imports from a country is negligible, the Tribunal looks at the import activity during the CBSA's period of investigation. Given the CBSA's final determination with respect to the volume of imports from the subject countries, the Tribunal is satisfied that the volume of dumped goods from each of the subject countries is not negligible and that the volume of subsidized goods from China is not negligible.[20] Therefore, both conditions under paragraph 42(3)(*a*) of *SIMA* have been met.

72. With respect to the issue of the cross-cumulation of the effects of dumping and subsidizing, subsections 37.1(1) and (2) of the *Special Import Measures Regulations*[21] prescribe certain factors for the Tribunal to consider in making its injury, retardation or threat of injury finding. The Tribunal notes that

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17. Tribunal Exhibit NQ-2006-002-04A, Administrative Record, Vol. 1C at 321.26.
18. *Ibid.* at 321.36.
19. Subsection 2(1) of *SIMA* defines the term "insignificant" as ". . . in relation to a margin of dumping, a margin of dumping that is less than two per cent of the export price of the goods . . ." and ". . . in relation to an amount of subsidy, an amount of subsidy that is less than one per cent of the export price of the goods".
20. Pursuant to subsection 2(1) of *SIMA*, the volume of dumped goods of a country is negligible if it comprises less than 3 percent of the total volume of imports from all sources. No definition of "negligible" is provided in *SIMA* in respect of subsidized goods. However, Article 27.10 of the WTO *Agreement on Subsidies and Countervailing Measures* provides for a 4 percent negligibility threshold for developing countries, which include China. Section 41.2 of *SIMA* provides that the CBSA shall, in an investigation respecting the subsidizing of any goods, take into account the provisions of Article 27.10 of the WTO *Agreement on Subsidies and Countervailing Measures*. Accordingly, since *SIMA* provides that the CBSA must terminate its investigation if the volume of the subsidized imports into Canada from a developing country represents less than 4 percent of the total imports of the goods, the Tribunal is of the opinion that it should interpret subsection 42(4.1) of *SIMA* in light of section 41.2 of *SIMA* and apply the same threshold. For the purposes of its negligibility calculation regarding the subsidized imports, the Tribunal relied on the same type of information as it did in its calculation on dumped imports. Accordingly, the Tribunal determines that the volume of subsidized imports from China is not negligible on this basis.
21. S.O.R./84-927 [*Regulations*].

these factors have, as their primary focus, the effect that dumped or subsidized goods have had or may have on a number of economic indicia. In this case, the dumped and subsidized goods originating in China are in fact one and the same goods. Given that fact, the Tribunal is of the view that, in considering the effect of these goods, it is not possible to isolate the effects caused by the dumping from the effects caused by the subsidizing. In other words, the effects of dumping and subsidizing are so closely intertwined that it is impossible to unravel them so as to allocate specific or discrete portions to the dumping and subsidizing. Therefore, the Tribunal will cumulate the effect of both the dumping and subsidizing of the subject goods, as it is its usual practice when conducting an injury analysis.[22]

73. With respect to paragraph 42(3)(*b*) of *SIMA*, regarding the conditions of competition between the goods, the Tribunal typically considers the following factors: the degree to which the subject goods from each subject country are interchangeable with the subject goods from the other subject countries or with the like goods; the presence or absence of sales of, or offers to sell, in the same geographical markets, imports from different subject countries and the like goods; the existence of common or similar channels of distribution; and differences in the timing of the arrival of imports from a subject country and of those from the other subject countries, and of the availability of like goods supplied by the domestic industry. As the Tribunal has previously stated in other cases, it recognizes that there may be other factors that it can consider in deciding whether the exports of a particular country should be cumulated and that no single factor may be determinative.[23]

74. Cello, Bow and BMI argued in favour of an assessment by the Tribunal of the cumulative effect of the dumping and subsidizing of the goods from the United States, South Korea and China. They submitted that all such goods are interchangeable, simultaneously present in the domestic market, distributed to wholesale and retail channels, and transported—at least in part—by the same mode of transportation, i.e. by truck, in Canada, from warehousing facilities of major importers, wholesalers and distributors.

75. Mueller, NCI, NIBCO and Tri-Went argued against a cumulative assessment. They submitted that the effect of the dumped goods from the United States should be assessed separately from the effect of the dumped or subsidized goods from South Korea and China. They argued that the volume and value of imports of U.S. goods followed distinctly different trends, specifically, declining volumes and market share with increasing prices. It was submitted that U.S. exporters have developed strong relationships with purchasers in Canada, whereas South Korean and Chinese exporters simply sell based on low prices. A distinction was also made with respect to the existence of an integrated North American market and the resulting different modes of transportation for U.S. goods compared to the goods from South Korea and China. In opposition to these arguments, BMI submitted that a separate assessment of the effect of U.S. goods would be exceptional and might create an unjustified competitive advantage for U.S. exporters of dumped goods.

76. In addition to the above arguments, NCI submitted that, in light of subsection 43(1.1) of *SIMA*, the Tribunal must make a separate assessment of the effect of the dumping of the U.S. goods. The Tribunal notes that this provision requires the Tribunal to make a separate order or finding in respect of U.S. goods when there are dumped or subsidized goods from the United States and from other countries. Similarly, subsection 43(1.01) requires a separate order or finding with respect to the goods, *inter alia*, of a NAFTA country if there are goods from a NAFTA country and goods of one or more non-NAFTA countries. The Tribunal notes that it has already been determined that these requirements are technical in nature, merely requiring a separate order or finding in respect of countries with access to the NAFTA Binational Panel process and do not preclude the Tribunal from making an assessment of the cumulative effect of the

22. *Grain Corn* (7 March 2001), NQ-2000-005 (CITT) at 12-14.
23. See, for example, *Laminate Flooring* (16 June 2005), NQ-2004-006 (CITT) at 11-13.

dumping or subsidizing of goods from a NAFTA country (e.g. the United States) and goods from other countries.[24] Therefore, the jurisprudence indicates that the Tribunal is not obliged to conduct a separate analysis for NAFTA and other countries.

77. The Tribunal observes that the evidence on the record clearly indicates that the subject goods are interchangeable with each other and with the like goods. The evidence also indicates that the subject goods and the like goods are available in the same geographical markets.[25] As far as channels of distribution, both domestically produced and imported copper pipe fittings are marketed primarily through plumbing and heating wholesalers/distributors, and ACR wholesalers and retailers/mass merchandisers, and are sold at a number of common accounts.[26] Finally, the Tribunal notes that U.S. goods are trucked across the border into Canada, whereas goods from South Korea and China travel via ocean freighter and, therefore, require longer lead times. However, goods from all sources are all typically transported within Canada by truck from distribution centres within similar time frames.[27]

78. While North American market integration may give U.S. goods a certain degree of competitive advantage, with certain purchasers, over South Korean and Chinese goods, the Tribunal is of the view that the other similarities in the conditions of competition point to a market where, overall, the goods from all sources compete against each other on a similar basis.

79. The Tribunal agrees with parties opposed that the volumes of imports of U.S. goods have not followed the same trend as that of the volumes of imports of South Korean and Chinese goods; they have declined, while those of the other two subject countries have increased.[28] However, the Tribunal observes that U.S. goods compete with Canadian, South Korean and Chinese goods on the basis of price and, therefore, have had a direct impact on the price of copper pipe fittings in the domestic market.

80. Given the above, the Tribunal is satisfied that an assessment of the cumulative effect of the dumped and subsidized imports of copper pipe fittings from all three subject countries is appropriate.

INJURY

81. Subsection 37.1(1) of the *Regulations* prescribes that, in determining whether the dumping or subsidizing has caused injury to the domestic industry, the Tribunal consider the volume of the dumped or subsidized goods, their effect on the price of like goods and their resulting impact on the state of the domestic industry. Subsection 37.1(3) also directs the Tribunal to consider factors other than the dumping and subsidizing to ensure that any injury or threat of injury caused by those other factors is not attributed to the effect of the dumped or subsidized imports.

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24. *Polyphase Induction Motors* (28 April 1989), CIT-5-88 (CITT) at 12-14; *Hot-rolled Carbon Steel Plate* (21 June 1999), NQ-97-001 Remand (CITT); *Re Hot-rolled Carbon Steel Plate (Mexico v. Canada)* (1999), CDA-97-1904-02, Decision and Reasons of the Panel at 10; *Wood Venetian Blinds and Slats* (18 June 2004), NQ-2003-003 (CITT) at 13-14; *Stainless Steel Wire* (30 July 2004), NQ-2004-001 (CITT) at 9-11; *Refined Sugar* (2 November 2005), RR-2004-007 (CITT) at 8-9.
25. *Protected Pre-hearing Staff Report*, Tribunal Exhibit NQ-2006-002-33 (protected), Administrative Record, Vol. 2.1 at 76.
26. Manufacturer's Exhibit A-06 (protected) at 3-4, Administrative Record, Vol. 12.
27. *Pre-hearing Staff Report*, Tribunal Exhibit NQ-2006-002-32, Administrative Record, Vol. 1.1 at 47.
28. See "Volume of Dumped and Subsidized Imports" below.

82. In considering the foregoing matters, the Tribunal will first consider how it should take into account the CBSA's final determination of dumping and subsidizing with respect to the copper pipe fittings, exported to Canada by specific companies, that were found by the CBSA not to have been dumped or subsidized.

Non-dumped and Non-subsidized Copper Pipe Fittings

83. In its final determination of dumping and subsidizing, the CBSA determined that one company from the United States, EPC, and two companies from China, Tianli Pipe Fitting Co., Ltd. (Tianli) and Zhuji City Howhi Air Conditioners Made Co., Ltd. (Zhuji), had overall weighted average margins of dumping of 0 percent and, for Tianli and Zhuji, amounts of subsidy of 0 renminbi/kg and, hence, were not dumping or subsidizing.

84. In that respect, Cello and Bow argued that, since the margins of dumping were weighted averages, any goods that had been sold by these companies below normal values were "dumped goods" and, therefore, should be taken into account by the Tribunal as dumped goods in its injury analysis. Elkhart and Tri-Went took the contrary position, arguing that none of EPC's imports could be considered "dumped goods".

85. The Tribunal notes that the CBSA has exclusive jurisdiction to determine which exporters are dumping or receiving subsidies. In addition, paragraph 3(1)(*a*) of *SIMA* provides that an anti-dumping or countervailing duty can be levied only on "dumped or subsidized goods" in an amount equal to the margin of dumping or amount of subsidy.[29]

86. Therefore, given that the CBSA has determined that EPC, Tianli and Zhuji have margins of dumping of 0 percent and, thus, have not dumped and that Tianli and Zhuji have amounts of subsidy of 0 renminbi/kg and, thus, did not receive subsidies, the Tribunal is of the view that it does not have the jurisdiction to treat the goods of any of these exporters as dumped or subsidized goods for the purposes of its

29. The CBSA's final determination that EPC, Tianli and Zhuji have margins of dumping of 0 percent and have "not dumped" is in accordance with its current policy on the elimination of "zeroing". The elimination of zeroing was recently upheld by the Federal Court of Appeal and appears to be consistent with Canada's WTO obligations. The WTO jurisprudence also suggests that the imports of a producer attributed with a margin of dumping of 0 percent may not be considered as "dumped" for the purposes of an injury analysis: *Uniboard Surfaces Inc. v. Kronotex Fussboden GmbH*, 2006 FCA 398 at paras. 67-75; *European Communities—Anti-Dumping Duties on Imports of Cotton-type Bed Linen from India* (2000), WTO Doc. WT/DS141/R at para. 6.138 (Panel Report) [*Bed Linen*], (2002), WTO Doc. WT/DS141/RW at para. 6.133 (Panel Report) [*Bed Linen (Article 21.5)*]; *Argentina—Definitive Anti-Dumping Duties on Poultry from Brazil* (2003), WTO Doc. WT/DS241/R at para. 7.303 (Panel Report) [*Poultry*]; *United States—Measures Relating to Zeroing and Sunset Reviews* (2007), WTO Doc. WT/DS322/AB/R at paras. 108-116, 122 (Appellate Body Report).

injury analysis.[30] For the foregoing reasons, the Tribunal will conduct its analysis without considering any goods from EPC,[31] Tianli and Zhuji[32] to be dumped or subsidized goods.

Volume of Dumped and Subsidized Imports

87. Paragraph 37.1(1)(*a*) of the *Regulations* requires that the Tribunal consider the volume of the dumped or subsidized goods and, in particular, whether there has been a significant increase in the volume of imports of the dumped or subsidized goods, either in absolute terms or relative to the production or consumption of the like goods.

88. Cello and Bow argued that paragraph 37.1(1)(*a*) of the *Regulations* simply requires the Tribunal to consider the volume of the sales of imports of dumped and subsidized goods and that, in this respect, the volume of the sales of imports of dumped and subsidized goods represents the bulk of the domestic market.

89. Mueller, however, took the view that the key is not whether there were volumes of dumped or subsidized goods, but whether the volumes of such goods had increased significantly. Mueller, Elkhart, NCI, NIBCO and Tri-Went argued that the volume of dumped or subsidized goods had not increased significantly and, in addition, that a portion of the subject goods were re-exported.

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30. Further support for this view stems from subsection 41(1) of *SIMA*, which requires the CBSA to terminate cases where it makes a final determination that no exporter from a subject country has dumped and none has a margin of dumping that is not insignificant. Accordingly, had EPC been the sole U.S. exporter or producer of copper pipe fittings or had Tianli and Zhuji been the only Chinese exporters or producers of copper pipe fittings, then the CBSA would have terminated its investigation with respect to goods from the United States and China, and the Tribunal would have had no jurisdiction to carry out an inquiry under section 42. It seems to the Tribunal that the existence of compatriots that have dumped and have significant margins of dumping should not prevent the Tribunal from treating EPC, Tianli and Zhuji the same way that it would have done had they been the only exporters or producers from their respective countries.
31. Throughout the POI, EPC exported the vast majority of its copper pipe fittings to Canada through its exclusive Canadian distributor, EPL. Only a very small percentage of EPC's total sales of copper pipe fittings were sold to C.-B. Supplies Ltd., Prevost Car, The Master Group L.P. and Process Products Ltd. Importer's/Exporter's Exhibit I-03 at para. 45, Administrative Record, Vol. 13.
    Consequently, the Tribunal excluded from the import, market and benchmark product data EPC's sales of non-dumped goods to EPL. Tribunal Exhibit NQ-2006-002-13.12A (protected), Administrative Record, Vol. 6A at 24.3.
32. Since the Tribunal had no means of determining from which exporters or producers in China importers purchased non-dumped and non-subsidized copper pipe fittings, it compared Tianli's and Zhuji's exports to Canada during the period from April 1, 2005, to March 31, 2006, as reported by the CBSA in its final determination, to the total imports from China reported through replies to the Tribunal's importers' questionnaire for the same period. Then, for each year of the POI, the Tribunal excluded from the import and market data the calculated percentages of the total volume of imports from China that Tianli's and Zhuji's non-dumped and non-subsidized goods represented, in terms of both volume and value.
    The Tribunal did not have the figures to exclude the non-dumped and non-subsidized goods exported to Canada from Tianli and Zhuji from the benchmark product data collected. However, the Tribunal observes that Tianli's and Zhuji's exports to Canada represent a very small percentage of the total imports from China.
    Based on the foregoing, any references in the Tribunal's injury analysis to import, market or benchmark tables will be to "*Adjusted Protected Pre-hearing Staff Report*" or "*Adjusted Pre-hearing Staff Report*" followed by the original table number found in the pre-hearing staff report.

90. The evidence on the record indicates that, in absolute terms, the total volume of dumped and subsidized imports was significant throughout the POI and increased substantially, by 32 percent, during the first nine months of 2006, the most recent period of the Tribunal's inquiry. When excluding the volume of imports of dumped and subsidized copper pipe fittings by the domestic producers, the Tribunal observes that the remaining volume of dumped and subsidized imports was still significant, increasing substantially, i.e. by 60 percent, in the first nine months of 2006.[33]

91. The Tribunal notes that, throughout the POI, the domestic producers imported mostly small-margin, small-diameter subject goods. However, since 2003, these imports have decreased, their share of the total volume of imports of the subject goods declined to a relatively small percentage in the first nine months of 2006 and the vast majority of these imports were re-exported; thus, they did not have a major impact on the domestic market.[34] Accordingly, the Tribunal will conduct its injury analysis only with regard to the dumped and subsidized goods imported by importers other than the domestic producers.[35]

92. Relative to the consumption of the like goods, throughout the period from 2003 to 2005, the volume of dumped and subsidized imports[36] was significant and more than double the domestic sales volume from domestic production. The comparison of the first nine months of 2005 and of 2006 reveals that this difference in volume increased significantly. The volume of dumped and subsidized imports in the first nine months of 2006 was more than five times the domestic sales volume from domestic production.[37] It is during that period that the volume of dumped and subsidized imports registered its largest increase during the POI, while the domestic sales volume from domestic production showed its most severe decline.[38]

93. Based on the foregoing, the Tribunal is of the view that, during the POI, the volume of imports of dumped and subsidized goods was significant and that there has been a significant increase in the volume of such dumped and subsidized imports, both in absolute terms and relative to the consumption of the like goods.

Effects of Dumped and Subsidized Imports on Prices

94. Pursuant to paragraph 37.1(1)(*b*) of the *Regulations*, the Tribunal must consider the effects of the dumped and subsidized goods on the price of like goods and, in particular, whether the dumped and subsidized goods have significantly undercut or depressed the price of like goods, or suppressed the price of like goods by preventing the price increases for those like goods that would otherwise likely have occurred.

95. As previously indicated, the net net price at which copper pipe fittings are sold in the domestic market is the result of a series of discounts, credit allowances, rebates and other incentives that are applied to a published price list. In the discussion that follows, references to price are to this net net price.

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33. Tribunal Exhibit NQ-2006-002-10.01B (protected), Administrative Record, Vol. 4 at 201; Tribunal Exhibit NQ-2006-002-10.01C (protected), Administrative Record, Vol. 4 at 215.3; Tribunal Exhibit NQ-2006-002-10.02 (protected), Administrative Record, Vol. 4 at 237; Tribunal Exhibit NQ-2006-002-10.02C (protected), Administrative Record, Vol. 4 at 351; *Adjusted Protected Pre-hearing Staff Report*, Tables 38-39.
34. *Adjusted Protected Pre-hearing Staff Report*, Tables 38, 40, 48.
35. Unless otherwise indicated, any further references to dumped and subsidized imports will exclude the subject goods imported by the domestic producers.
36. The Tribunal notes that importers re-export a portion of their volume of dumped and subsidized imports. However, the vast majority of their imports were sold in the domestic market.
37. *Adjusted Protected Pre-hearing Staff Report*, Tables 38, 46.
38. *Ibid.*, Tables 39, 47.

96. Parties generally agreed that price is a major factor that influences buying decisions for copper pipe fittings. In the Tribunal's opinion, the evidence on the record clearly supports this view. "Lowest price" was rated as a "very important" or "somewhat important" factor in the buying decisions of 34 out of the 35 respondents to the Tribunal's purchasers' questionnaire on market characteristics. Furthermore, two thirds of the respondents reported that they purchased the lowest-priced product either "always" or "usually".[39] The Tribunal heard extensive testimony from parties and Tribunal witnesses as to the importance of price in the purchasing decision. The Tribunal heard that, all other things being equal, purchasers at all trade levels favour the lowest price in their buying decision. In this regard, the testimony revealed that, because this is such a tight, price-sensitive market, market intelligence on price is extremely important.[40]

Price Undercutting and Price Depression

97. Cello and Bow argued that, generally, the subject goods have significantly undercut and depressed the price of the like goods. They submitted that the Tribunal should examine with caution the data in the pre-hearing staff reports that show that, on average, imports are priced higher than domestically produced copper pipe fittings. Cello and Bow argued that this is due to product mix and that the total weighted average numbers do not reflect what is really happening in the market. They further argued that a better comparison of prices is a comparison of Cello's selling price and that of imports, because Cello sells a full product range, and that the total weighted average domestic industry's selling price is underestimated by the fact that a major proportion of Bow's sales is composed of wrought pressure copper pipe fittings in smaller diameters, i.e. one inch and less, which have much lower unit prices. In this regard, Bow's prices skew the domestic average downward because it does not produce the higher-priced, large-diameter wrought or any cast copper pipe fittings.

98. In reply, parties opposed submitted that there had been no significant price undercutting or price depression when considering the entire range of goods and argued that average import and domestic selling prices steadily increased during the POI and that average import prices were above average domestic prices throughout the POI.

99. The Tribunal agrees with the domestic industry that a comparison of the total average unit selling prices of the domestic producers and those of importers of dumped and subsidized goods is not, in this case, a proper basis for comparison to determine the effect of dumped and subsidized imports on the prices of like goods in the domestic market. Based on the macro price data that show the domestic producers as having the lowest prices, one would conclude that they would have captured the lion's share of the market. The evidence indicates that the reality is quite the opposite.[41]

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39. *Pre-hearing Staff Report*, revised 15 January 2007, Tribunal Exhibit NQ-2006-002-32B, Administrative Record, Vol. 1.1 at 196.32, 196.38.
40. *Transcript of Public Hearing*, Vol. 1, 15 January 2007, at 45, 48; *Transcript of In Camera Hearing*, Vol. 1, 15 January 2007, at 22; *Transcript of In Camera Hearing*, Vol. 3, 17 January 2007, at 334.
41. *Adjusted Protected Pre-hearing Staff Report*, Tables 48, 52.

100. In this respect, the Tribunal observes that testimony on the record, as well as replies to the Tribunal's purchasers' questionnaire on market characteristics, indicates that imports of the subject goods had the price advantage over the like goods.[42] In addition, Cello submitted into evidence letters from different purchasers that further substantiated the price-depressing effect of the subject goods.[43]

101. Accordingly, in its pricing analysis, the Tribunal looked beyond the overall average prices and considered the pricing of more comparable products and groups of products. The Tribunal accepted Cello and Bow's argument with respect to the unrepresentative nature of the average domestic prices and, therefore, compared prices offered by certain importers with Cello's prices. The data indicate that, throughout the POI, average selling prices of dumped imports from these importers of South Korean and U.S. goods were lower than Cello's average selling prices of like goods. The same thing can be said for the average selling prices of dumped and subsidized imports from the three subject countries combined for the period from 2003 to 2005.[44] Price undercutting activities are also seen when comparing average selling prices of certain specific types of wrought pressure copper pipe fittings of individual importers with those of Cello.[45]

102. The evidence on the record indicates that, while Cello's average selling prices of like goods increased from 2003 to 2004, it was at the expense of sales volumes. It also shows that its average selling prices significantly declined in 2005. Meanwhile, even though average selling prices of dumped and subsidized imports followed a continuous upward trend, they were still significantly below those of Cello. During the first nine months of 2006, Cello was able to increase its average selling prices of like goods, but not its market share. Notwithstanding that the gap between average selling prices of dumped and subsidized imports and those of Cello narrowed, the commanding and growing presence in the domestic market of dumped and subsidized imports, at prices which were below Cello's average selling prices is, in the Tribunal's view, further indication of price depression.[46]

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42. *Pre-hearing Staff Report*, revised 15 January 2007, Tribunal Exhibit NQ-2006-002-32B, Administrative Record, Vol. 1.1 at 196.35-196.37; *Transcript of Public Hearing*, Vol. 1, 15 January 2007, at 48; *Transcript of In Camera Hearing*, Vol. 2, 16 January 2007, at 97.
43. Manufacturer's Exhibit A-06 (protected) Attachment 21, Administrative Record, Vol. 12.
44. Tribunal Exhibit NQ-2006-002-13.06C (protected), Administrative Record, Vol. 6 at 125-26; Tribunal Exhibit NQ-2006-002-13.14 (protected), Administrative Record, Vol. 6A at 73; Tribunal Exhibit NQ-2006-002-13.14C (protected), Administrative Record, Vol. 6A at 98.18; Tribunal Exhibit NQ-2006-002-13.16 (protected), Administrative Record, Vol. 6A at 108-111; Tribunal Exhibit NQ-2006-002-RI-06A (protected) at 8-9 of attachment, Administrative Record, Vol. 10; *Adjusted Protected Pre-hearing Staff Report*, Table 52.
45. The Tribunal is of the view that, since wrought pressure copper pipe fittings represented close to 95 percent of the domestic producers' and importers' total sales volume of copper pipe fittings in the domestic market during the POI, it is a reliable and better proxy for its analysis of price undercutting at the macro level. Tribunal Exhibit NQ-2006-002-13.06 (protected), Administrative Record, Vol. 6 at 59-60; Tribunal Exhibit NQ-2006-002-13.08B (protected), Administrative Record, Vol. 6 at 228; Tribunal Exhibit NQ-2006-002-13.08C (protected), Administrative Record, Vol. 6 at 243.3; Tribunal Exhibit NQ-2006-002-13.14 (protected), Administrative Record, Vol. 6A at 75; Tribunal Exhibit NQ-2006-002-13.14C (protected), Administrative Record, Vol. 6A at 98.19; Tribunal Exhibit NQ-2006-002-13.16 (protected), Administrative Record, Vol. 6A at 112-15; Tribunal Exhibit NQ-2006-002-RI-06A (protected) at 10-11 of attachment, Administrative Record, Vol. 10.
46. *Adjusted Protected Pre-hearing Staff Report*, Tables 46, 48, 52.

103. The Tribunal conducted a third review of prices at an even more detailed level—a price comparison of benchmark products.[47] An examination of all 12 benchmark products indicates that, in two thirds of the sales reported during the last seven quarters of the POI, the average selling prices of dumped and subsidized benchmark products undercut those of domestically produced benchmark products.[48] Given the evidence that different customers receive different discounts, rebates and incentives for any given product, the Tribunal also reviewed sales of benchmark products at specific major accounts where both domestic and imported goods were purchased. This indicated that, during the last seven quarters of the POI, there was price undercutting. The average selling prices of dumped and subsidized benchmark products from the subject countries undercut those of domestically produced benchmark products at 4 major accounts in 65 out of 98 instances.[49]

104. The Tribunal also notes that the evidence on the record shows that, in a number of instances, prices of non-dumped U.S. products from Elkhart were below prices of domestic producers.[50] The Tribunal heard testimony that all imports from the United States, whether dumped or non-dumped, compete in Canada within the same price range.[51] This would indicate that the prices of dumped U.S. products have had a price-undercutting effect on the prices of domestic producers. The Tribunal notes that imports from all the subject countries compete on the basis of price and, in turn, compete with the prices of domestic producers. This competition may not always be at the same accounts, but, given that the purchasers in the marketplace compete with one another, their demands result in strong price-based competition between their suppliers. This is supported by testimony from Tribunal witnesses that reliable market intelligence on pricing is very important for the major purchasers of copper pipe fittings.[52]

105. The Tribunal heard that the domestic industry is a price taker.[53] In order to sell a commodity product in a competitive, price-sensitive market that suffers from oversupply, the domestic industry has to meet or beat import prices,[54] as evidenced by various letters and injury allegations on the record. Consequently, there is very little room for price differentiation.

106. Based on the foregoing, the Tribunal is convinced that there is strong price-based competition among the subject goods themselves and between the subject goods and the like goods. The evidence is clear that the competition exists at all distribution channels and at specific accounts and that, in many instances, domestic producers had to lower their prices to meet the prices of the subject goods.

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47. A major importer of U.S. dumped goods did not provide the detailed benchmark product pricing information requested by the Tribunal in the importer's questionnaire or the RFI process. In this regard, the Tribunal notes that its influence in the market in terms of both volume and prices was significant throughout the POI. Tribunal Exhibit NQ-2006-002-RI-06 at 5, Administrative Record, Vol. 9; Tribunal Exhibit NQ-2006-002-RI-06A (protected) at 8-9, Administrative Record, Vol. 10.
48. *Adjusted Protected Pre-hearing Staff Report*, Tables 65-76.
49. Tribunal Exhibit NQ-2006-002-28.09 (protected), Administrative Record, Vol. 2 at 53-58.
50. *Adjusted Protected Pre-hearing Staff Report*, Tables 65-76; Tribunal Exhibit NQ-2006-002-28.09 (protected), Administrative Record, Vol. 2 at 59-60.
51. *Transcript of Public Hearing*, Vol. 3, 17 January 2007, at 415.
52. *Transcript of Public Hearing*, Vol. 2, 16 January 2007, at 299; *Transcript of In Camera Hearing*, Vol. 4, 18 January 2007, at 353, 372.
53. *Transcript of In Camera Hearing*, Vol. 1, 15 January 2007, at 88; *Transcript of Public Hearing*, Vol. 4, 18 January 2007, at 449.
54. *Transcript of Public Hearing*, Vol. 1, 15 January 2007, at 45, 55, 136-37*; Transcript of Public Hearing*, Vol. 3, 17 January 2007, at 373; *Transcript of In Camera Hearing*, Vol. 1, 15 January 2007, at 11, 22; *Transcript of In Camera Hearing*, Vol. 4, 18 January 2007, at 334.

Consequently, the Tribunal concludes that the subject goods have significantly undercut and depressed the prices of like goods.

Price Suppression

107. Cello and Bow submitted that the dumped and subsidized goods prevented them from raising their prices of like goods to compensate for higher raw material costs, mainly the cost of copper. They also alleged that the presence of the subject goods in the domestic market has impeded their ability to increase prices to compensate for rising production costs, resulting in reduced "material" margins for the domestic industry.

108. In reply, parties opposed argued that any price suppression was not due to imports from the United States, but rather to self-inflicted factors, such as high inventories and overcapacity. Elkhart added that the "material" margin decline that was argued by the domestic producers is somewhat fictitious, because it is unrealistic for the domestic industry to expect that prices should have increased in lock-step with the cost of copper, particularly when the domestic industry's own pricing activities and inventory overhang have contributed to the pricing pressures in the stagnant domestic market.

109. As discussed above, the evidence is clear that copper pipe fittings are a commodity product and that price is the driving factor when it comes to the purchasing decision of buyers. It is also clear that the cost of copper is the main factor that influences the selling price of copper pipe fittings, since copper is the major raw material used in the production of copper pipe fittings.[55] During the POI, the cost of copper, expressed in Canadian dollars per tonne, skyrocketed, increasing by 46 percent in 2004 over 2003, by another 17 percent in 2005 over 2004 and by 83 percent in the first nine months of 2006 over the corresponding period in 2005.[56] It is clear that, in a situation where the cost for the principal manufacturing input is increasing rapidly, such as that experienced by producers of copper pipe fittings, those producers that are unable to pass on these cost increases will quickly find themselves in a loss position.

110. Over the POI, the domestic industry's unit cost of goods sold increased dramatically. As previously noted, the subject goods maintained price levels for benchmark products at specific accounts that undercut and depressed the prices of domestically produced goods. While the domestic industry was able to increase its average unit selling prices from 2004 to the first nine months of 2006, these increases were not nearly high enough to recover the increases in the unit cost of goods sold, which led to falling unit gross margins in 2005, before recovering slightly in the first nine months of 2006.[57]

111. In an effort to quantify the extent of the price suppression experienced by the domestic industry, the Tribunal analyzed the effect that the dumped and subsidized imports had on Cello and Bow, individually and on a consolidated basis. The Tribunal estimated the average selling price that each domestic producer

55. The Tribunal notes that, on average, the cost of copper represented approximately two thirds of the cost of goods sold over the POI. *Protected Pre-hearing Staff Report*, revised 15 January 2007, Tribunal Exhibit NQ-2006-002-33B (protected), Administrative Record, Vol. 2.1 at 196.99.
56. *Pre-hearing Staff Report*, Tribunal Exhibit NQ-2006-002-32, Administrative Record, Vol. 1.1 at 26.
57. *Protected Pre-hearing Staff Report*, revised 15 January 2007, Tribunal Exhibit NQ-2006-002-33B (protected), Administrative Record, Vol. 2.1 at 196.96, 196.99. The Tribunal points out that the increase in the unit cost of goods sold in the first nine months of 2006 was caused not only by the increase in the cost of copper but also by rising direct labour and factory overhead costs.

would have achieved if the increases in the cost of copper had been fully passed on to customers,[58] while maintaining either a fixed per piece gross margin or a constant percentage gross margin, in each period from 2004 to the first nine months of 2006, based on 2003 results. The first approach approximated a fixed per piece return to the transformation of copper into copper pipe fittings.[59] The second approach maintained a constant rate of return to the purchase and transformation of copper into copper pipe fittings.[60] The individual company analyses were weighted to establish a consolidated estimate for the domestic industry.[61]

112. Using either approach, on a consolidated industry basis, recovery of the increases in the unit cost of goods sold would have required the domestic industry to increase the average unit selling prices that it realized by a range of 30 to 75 percent over the POI. However, had the domestic industry attempted price increases of such a magnitude, it would have been rendered even more uncompetitive than was actually the case. This, in turn, would have resulted in larger losses of market share than actually realized. In order to minimize losses in sales volumes and market share, the domestic industry did not raise its selling prices as quickly as the cost of goods sold increased. In fact, the changes in the average unit selling prices actually realized by the domestic industry during the POI ranged from a decline of 24 percent to an increase of 53 percent.[62] The Tribunal notes that even the price increases at the levels that were realized resulted in lost sales volumes.

113. Based on the foregoing, the Tribunal concludes that the subject goods have had a significant suppressive effect on the price of like goods.

Impact of Dumped and Subsidized Imports on the Domestic Industry

114. Paragraph 37.1(1)(*c*) of the *Regulations* requires the Tribunal to consider the resulting impact of the dumped and subsidized goods in light of all relevant economic factors and indices that have a bearing on the state of the domestic industry.

115. According to Cello and Bow, sales of dumped and subsidized goods resulted in a decline in output, sales, market share, profits, capacity utilization and employment.

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58. Bow did not provide its unit gross margin earned in 2003. In order to estimate the amount of price suppression suffered by the domestic industry, the Tribunal first estimated Bow's 2003 unit gross margin. This was determined by deducting from Bow's 2003 unit selling price, as reported in the unit value market table, its unit cost of goods sold reported for 2004, which was adjusted downward to reflect the actual increase in the cost of copper between 2003 and 2004. The Tribunal assumed that all other cost components included in the unit cost of goods sold for 2003 were equal to those realized by Bow in 2004.
59. The 2003 weighted average gross margin per piece was then estimated and added to the actual weighted average cost of goods sold per piece in each of the subsequent periods covered by the POI. The sum of the actual weighted average cost of goods sold per piece and the 2003 fixed weighted average gross margin per piece provided an estimate of the price that the domestic industry would have received had it been able to maintain its 2003 gross margin in dollar terms. A comparison of this estimated selling price and the actual selling price received in each period of the POI represents an estimate of the magnitude of the price suppression.
60. The percentage gross margin approximates the weighted average gross margin earned by the domestic industry in 2003.
61. The individual company costs of goods sold were weighted by their respective annual share of production volumes. The weighted average selling prices used were as reported in the pre-hearing staff report. *Adjusted Protected Pre-hearing Staff Report*, Table 52; *Protected Pre-hearing Staff Report*, Tribunal Exhibit NQ-2006-002-33 (protected), Administrative Record, Vol. 2.1 at 152, 156; *Protected Pre-hearing Staff Report*, revised 15 January 2007, Tribunal Exhibit NQ-2006-002-33B (protected), Administrative Record, Vol. 2.1 at 196.96, 196.99, 196.131-196.132.
62. *Pre-hearing Staff Report*, revised 15 January 2007, Tribunal Exhibit NQ-2006-002-32B, Administrative Record, Vol. 1.1 at 196.44.

116. For their part, parties opposed submitted that factors other than the sale of dumped and subsidized goods caused injury to the domestic industry, including Cello's own import activities and large inventory of dumped and subsidized goods, rising demand for substitute products, Cello's and Bow's contribution to an oversupply of copper pipe fittings, higher material costs, Bow's lack of a full product range and state-of-the-art equipment and Cello's inability to supply the retail sector. These factors will be addressed later in the section "Factors Other Than Dumping and Subsidizing".

Production, Capacity and Capacity Utilization

117. The evidence indicates that domestic production declined over the POI.[63] While the Tribunal notes that the reduced production can be attributable in part to the decline in Cello's exports sales volume and to Cello's imports, the evidence on the increase in volume and market share of dumped and subsidized imports shows that, especially during the first nine months of 2006, most of the reduced production was a direct result of the domestic sales volume that the domestic industry lost to the subject imports.[64]

118. The domestic industry's production capacity increased in 2004 and 2005, which represents a 19 percent increase in capacity. The Tribunal notes that the increase in capacity in 2004 coincided with a 15 percent increase in the size of the domestic market.[65] The evidence indicates that the industry invested in this new capacity in an attempt to be more self-sufficient, i.e. rely less on imports and better service the Canadian and U.S. markets.[66] However, this extra capacity was never used because the domestic prices could not be increased to cover the cost of materials, which made it cheaper to import the dumped and subsidized goods.[67]

119. With respect to utilization rate, it decreased during the POI from 2004 through to the first nine months of 2006, when the domestic industry's capacity utilization rate had its greatest decline during a time when capacity remained unchanged. The evidence shows that, in the nine-month period in 2006, domestic production decreased by 15 percent, that domestic sales from domestic production decreased by 35 percent and that the capacity utilization rate decreased by 4 percentage points, whereas sales from dumped and subsidized imports increased by 5 percent.[68] Therefore, in the Tribunal's view, with respect to capacity utilization, it was the significant presence of the dumped and subsidized imports, especially during the first nine months of 2006, which had a significant negative impact on the capacity utilization rates experienced by domestic producers.

120. The Tribunal is of the view that the domestic industry has ample capacity to supply the domestic market while, at the same time, continuing to sell like goods into the U.S. market. While the industry figures indicate that the domestic industry may have contributed to its own decline in capacity utilization by importing the subject goods, it is also clear that those imports were defensive moves resulting from the low prices of the subject imports. If domestic producers had continued to produce in Canada when they could not recover their material costs, they would have increased their losses for the sake of protecting capacity utilization.

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63. *Ibid.*
64. *Adjusted Protected Pre-hearing Staff Report*, Tables 46, 48; *Protected Pre-hearing Staff Report*, revised 15 January 2007, Tribunal Exhibit NQ-2006-002-33B (protected), Administrative Record, Vol. 2.1 at 196.83.
65. *Adjusted Protected Pre-hearing Staff Report*, Tables 46-47; *Protected Pre-hearing Staff Report*, Tribunal Exhibit NQ-2006-002-33 (protected), Administrative Record, Vol. 2.1 at 105.
66. *Transcript of Public Hearing*, Vol. 1, 15 January 2007, at 51-52, 59.
67. *Transcript of In Camera Hearing*, Vol. 1, 15 January 2007, at 7-8.
68. *Adjusted Protected Pre-hearing Staff Report*, Tables 46-47; *Protected Pre-hearing Staff Report*, Tribunal Exhibit NQ-2006-002-33 (protected), Vol. 2.1 at 57, 105.

Sales from Domestic Production and Market Share

121. Over the POI, both the sales from domestic production and the domestic producers' share of the market decreased. On an annualized basis, sales from domestic production declined by approximately 22 percent and the domestic producers' market share decreased by 5 percentage points.[69]

122. The Tribunal notes that, in the first nine months of 2006, sales volumes from domestic production and the domestic producers' market share fell to their lowest levels reported throughout the POI, dropping 35 and 9 percentage points respectively when compared to the same period in 2005. During this same time frame, the sales volumes and market share of dumped and subsidized imports each increased by 5 percentage points, with their market share reaching their highest levels reported throughout the POI.

Employment and Productivity

123. The evidence on the record shows that, over the POI, the industry employment involved in the production of copper pipe fittings decreased. Cello filed evidence indicating that it was forced to lay off additional employees in January 2007.[70] A reduction in its utilization rate caused a decline in the domestic industry's productivity. During the first nine months of 2006, the domestic industry's employment, capacity utilization and productivity were at their lowest levels of the entire POI. The Tribunal observes that the level of demand in the domestic market stayed relatively stable, whereas the dumped and subsidized imports increased their market share and captured their largest share of the market during the most recent time period of the POI. Therefore, in the Tribunal's view, it is likely that the dumped and subsidized imports were a significant cause of the decline in employment and productivity.

Financial Results

124. The evidence indicates that the domestic industry's performance in the domestic market displayed negative financial results over the POI.[71] On a company-specific basis, Cello's financial performance deteriorated throughout the POI, and Bow experienced significant losses.

125. The domestic industry's total sales value followed a continuous downward trend during the POI from 2004 to the first nine months of 2006, while, over the same period, the sales value of the dumped and subsidized imports increased significantly.[72] The reduced total sales value experienced by the domestic industry is a direct result of its lost sales volume.

126. In a market where the domestic industry was faced with lower-priced dumped and subsidized competition, it had to decide whether to drop prices or lose sales volumes. In this case, the domestic industry did not drop prices but attempted to increase prices to cover a portion of the continually rising unit cost of goods sold. Notwithstanding increases obtained in the average unit sales value, the domestic industry's unit gross margin was not sufficient to render the domestic industry profitable during any period of the POI, and the domestic industry lost sales volume.

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69. *Adjusted Protected Pre-hearing Staff Report*, Tables 46, 48.
70. *Protected Pre-hearing Staff Report*, Tribunal Exhibit NQ-2006-002-33 (protected), Administrative Record, Vol. 2.1 at 104; Manufacturer's Exhibit A-09, Administrative Record, Vol. 11; *Transcript of In Camera Hearing*, Vol. 1, 15 January 2007, at 16-17.
71. The Tribunal examined the domestic industry's financial results from 2004 and on because Bow was unable to provide data for 2003.
72. *Adjusted Protected Pre-hearing Staff Report*, Table 49.

127. As discussed above, the Tribunal is of the view that the subject imports caused the price undercutting, depression and suppression, reduction in production and capacity utilization, and losses in volume, market share and employment experienced by the domestic industry. This, in turn, led directly to the domestic industry's poor financial performance over the POI.

Conclusion

128. The Tribunal is of the view that the dumped and subsidized imports from the subject countries contributed to the significant deterioration of the domestic industry's performance. The evidence shows that the financial performance of the domestic industry suffered dramatically to a point where some domestic production is in jeopardy.[73] The domestic industry's difficulties occurred in concert with the continued and significant presence of lower-priced dumped and subsidized imports and their increasing market share in the domestic market.

129. Based on the foregoing analysis, the Tribunal concludes that there exists a causal relationship between the dumped and subsidized imports from the subject countries and the domestic industry's decline in production, sales from domestic production, market share, profitability, capacity utilization and employment over the POI. The Tribunal also concludes that the injury to the domestic industry that is directly attributable to the dumping and subsidizing of the subject goods is material.

Factors Other Than Dumping and Subsidizing

130. Parties opposed made submissions outlining several factors, other than the dumping and subsidizing of the subject goods, to which they attributed injury experienced by Cello and Bow. The Tribunal carefully considered these factors, as well as the remaining factors prescribed by subsection 37.1(3) of the *Regulations*. Following is the Tribunal's review of the relevant factors.

Imports of Non-dumped and Non-subsidized Goods[74]

131. As noted earlier, in its final determination of dumping and subsidizing, the CBSA determined that one company from the United States, EPC, and two companies from China, Tianli and Zhuji, had overall weighted average margins of dumping of 0 percent and that Tianli and Zhuji had amounts of subsidy of 0 renminbi/kg.

132. Tri-went noted that pricing evidence on the record shows that there are imports of non-dumped U.S. goods from EPC that are sold below the price of like goods and, at the same time, that there are dumped goods which are sold at prices higher than both the non-dumped U.S. goods and like goods. Tri-went argued that, in these situations, injury cannot be attributed to the dumped goods regardless of the margin of dumping. Tri-Went submitted that it must be dumped goods that are causing injury, not just low-priced imports. The Tribunal notes that no arguments were made and that there is insufficient evidence on the record in respect of non-dumped and non-subsidized goods from China.

133. First, as previously discussed in the Tribunal's analysis of price undercutting and price depression, the Tribunal recognizes that average pricing data in the pre-hearing staff report are inconsistent with other

73. Tribunal Exhibit NQ-2006-002-RI-02A (protected), Attachment 2 at 15, Administrative Record, Vol. 10; Manufacturer's Exhibit B-03 at para. 24, Administrative Record, Vol. 11.

74. The volume of imports of copper pipe fittings from non-subject countries was insignificant during the POI and, therefore, was not a consideration in the Tribunal's analysis.

evidence on the record and, therefore, whether or not average dumped/subsidized and non-dumped/non-subsidized prices are higher or lower than domestic prices, on their own, is not persuasive.

134. Second, as noted above, the Tribunal conducted its analysis of the volumes of dumped and subsidized goods, their effect on prices and the resulting impact on the state of the domestic industry without regard to the goods from the exporters whose goods were found not to have been dumped and subsidized.

135. Third, the Tribunal's examination of the data pertaining to only the dumped and subsidized goods reveals that those goods are causing injury to the domestic industry. The fact that the pricing of non-dumped/non-subsidized goods may have also caused some injury does not detract from this conclusion. In the Tribunal's view, any injury that may be caused by non-dumped/non-subsidized goods is insufficient to sever the causal link between the dumping and subsidizing of the subject goods and injury.

Competition from PEX and Other Plastic Substitute Products

136. Elkhart and Mueller argued that the increased use of plastic substitutes in the domestic market has negatively affected the domestic producers of copper pipe fittings in the form of a downward pressure on prices and reduced demand for like goods, particularly with respect to small-diameter, standard SKUs which have become increasingly commoditized.

137. Cello and Bow argued that the domestic market for copper pipe fittings has not declined and that the only decline has been in the domestic producers' market share. Cello and Bow explained that PEX and other plastic substitutes have been used in the residential market since the 1980s and did not suddenly take over the market during the POI. They submitted that PEX fittings can only be used in pressure applications and are limited to residential applications, which, in their view, account for less than 15 percent of the domestic market, in volume, and probably less in value.

138. Parties devoted much time on the issue of competition from PEX and other plastic substitute fittings in this inquiry. A significant amount of evidence was presented on the topic. However, the Tribunal observes that the record is full of contradictions and inconsistencies in terms of evidence relating to substitutability of plastic fittings for copper pipe fittings, use of plastic fittings in residential versus commercial and high-rise applications, price and related installation costs, and the importance and impact that the plastic substitutes have had on the domestic market and prices of copper pipe fittings.[75]

139. After considering all the evidence and arguments with respect to the effects that plastic substitute products have had on the domestic industry and on the market for copper pipe fittings, the Tribunal is not convinced that they have had any material impact.

140. First and foremost, the Tribunal observes that the size of the apparent domestic market for copper pipe fittings was relatively stable over the POI. This suggests that PEX and other plastic substitutes did not take market share away from copper pipe fittings, as argued by parties opposed. Although the record shows that construction, housing starts and repair activity, over the POI, was strong and that the apparent domestic market for copper pipe fittings could not grow as a result of this activity,[76] this simply leads the Tribunal to

75. *Pre-hearing Staff Report*, revised 15 January 2007, Tribunal Exhibit NQ-2006-002-32B, Administrative Record, Vol. 1.1 at 196.40; *Transcript of Public Hearing*, Vol. 1, 15 January 2007, at 161; *Transcript of Public Hearing*, Vol. 2, 16 January 2007 at 266-69, 272-73, 276-77, 323-24; *Transcript of Public Hearing*, Vol. 4, 18 January 2007, at 442, 459-61, 521.

76. *Pre-hearing Staff Report*, Tribunal Exhibit NQ-2006-002-32, Administrative Record, Vol. 1.1 at 50; *Adjusted Protected Pre-hearing Staff Report*, Table 46.

the conclusion that, while PEX and plastic substitutes may have some impact on the ability of the apparent market for copper pipe fittings to grow, it did not cause a decrease in the demand for copper pipe fittings over the POI. Looking at the apparent domestic market for copper pipe fittings, it is clear that, within this market, over the POI, the domestic producers lost market share to dumped and subsidized imports, not to PEX fittings.

141. Second, the evidence indicates that a purchaser's decision to use PEX fittings, other plastic substitutes or copper pipe fittings is often related to factors other than price. For example, a renovation to a plumbing system that is constructed with plastic dictates the need for plastic fittings, whereas a copper system requires copper pipe fittings. For new construction, a purchaser's preference or a contractor's recommendation often dictates the use of one product over another.[77] Moreover, the Tribunal does not find very convincing the "hypothesis" argued by Elkhart and Mueller that PEX and other plastic substitute products create a ceiling above which the price of copper pipe fittings cannot rise. This argument was not supported by data that would contradict the evidence that shows that domestic sales of copper pipe fittings are being lost to imports of dumped and subsidized goods because of their low prices, not due to a price ceiling caused by the availability of PEX or other plastic substitute fittings.

142. Third, the arguments by parties opposed do not explain why dumped and subsidized imports increased their share of the market for copper pipe fittings irrespective of any effect that PEX or other plastic substitutes may have had on the size and value of the domestic market for copper pipe fittings. Regardless, it is clear that the dumped and subsidized imports did better within the market for copper pipe fittings over the POI, to the detriment of the domestic producers.

143. In summary, the Tribunal is not convinced that any injury caused as a result of using PEX or other plastic substitute products is sufficient to sever the causal link between the dumping and subsidizing of the subject goods and material injury.

Cost of Production

144. Elkhart, Mueller and NCI submitted that a major cause of the domestic industry's financial problems is the "dramatic" increase in raw material costs, specifically copper. In addition, they argued that higher energy costs have contributed to the domestic industry's financial problems.

145. Mueller argued that it is wrong to suggest that Cello's inability to pass on all the cost increases to customers is the result of imports. It argued that, at a given point, there is definite market resistance to accepting price increases and that raw material cost increases of the magnitude experienced recently could not reasonably be passed on to purchasers, as they will switch to other, less expensive, plastic substitutable goods. In *Portable File Cases*,[78] the Tribunal found that cost increases in material inputs could not be passed on to retailers or consumers, in light of the existing market conditions, and were undoubtedly a primary cause of substantial losses. Mueller submitted that the same applies in this case.

146. The Tribunal has determined that the evidence does not support the allegation that PEX and plastic substitutes impose a price ceiling on copper pipe fittings that prevents the domestic producers from increasing the price of their copper pipe fittings to recover increases in raw material costs. The prices of domestic producers have been suppressed and depressed as a result of dumped and subsidized imports and as a result of customers consistently choosing the lowest-priced copper pipe fittings. Further, copper is an

77. *Transcript of Public Hearing*, Vol. 1, 15 January 2007, at 161.
78. (4 June 1996), NQ-95-005 (CITT) at 13-14.

international commodity, and it is clear that increases in the cost of copper have not been passed on in the price of imports. Any hypothetical price ceiling that exists above the price of dumped and subsidized imports is irrelevant, as the evidence shows that domestic producers are suffering price suppression as a result of the price of dumped and subsidized imports, not from substitute products.

Increased Capacity of Domestic Industry

147. Mueller argued that Cello added capacity at a time when the domestic market was declining or flat and oversaturated with supply.

148. As indicated earlier, Cello argued that it added capacity to bring more production in house and to eliminate the need to import product.

149. The Tribunal accepts the argument that Cello intended to use its equipment to increase its in-house production and to decrease its imports, but that changes in the market prevented it from doing so.[79] As discussed above, the Tribunal believes that the reduction in Cello's capacity utilization rate was impacted by the dumped and subsidized subject goods and that the presence of these goods on the domestic market outweighs any negative effect on capacity utilization that was caused by Cello adding capacity. Furthermore, as indicated above, the Tribunal is of the view that the fact that Cello was not able to use the added capacity for its intended use is attributable to the presence of the dumped and subsidized goods.

Cello's Inventory of Subject Goods

150. The record shows that Cello put large volumes of subject goods into inventory during the POI. The major proportion of this inventory is comprised of small-margin, small-diameter copper pipe fittings. Cello argued that it carried inventory during the POI to complete its product offerings and to be able to compete with the subject goods. Cello noted that it could purchase the small-diameter copper pipe fittings at prices lower than the material cost of the like goods.[80]

151. The Tribunal believes that Cello carries large inventories of the subject goods for various reasons. This inventory seems to be dedicated in part to service the export market where Cello sees market opportunities. This inventory allows Cello to provide its domestic customers with a full range of products. This inventory also appears to be used by Cello in domestic sales as a defensive measure against the continued strong competition from dumped and subsidized imports. Parties opposed have not been able to establish a convincing argument that connects Cello's inventory and the injury that is suffered by the domestic industry. In fact, the Tribunal is of the view that Cello's inventory may be helping to reduce its injury. Therefore, contrary to parties opposed, the Tribunal is of the view that the inventories of subject goods held by Cello have not caused injury and are not threatening to cause injury to the domestic industry.[81]

79. Manufacturer's Exhibit A-04 (protected) at paras. 10-11, Administrative Record, Vol. 12.
80. *Transcript of Public Hearing*, Vol. 1, 15 January 2007, at 30-33, 59-60, 99, 204; *Transcript of In Camera Hearing*, Vol. 1, 15 January 2007, at 6.
81. *Transcript of Public Hearing*, Vol. 2, 16 January 2007, at 256-57.

Bow's Product Line and Investments

152. Elkhart suggested that Bow's limited product line and lack of investments in expanding its product line have left it exposed to copper price increases and gradually declining industry margins. Bow's low average unit price indicates that it produces small-diameter, standard copper pipe fittings, which experienced a steady decline in all markets over the past several years due to the commoditization of these fittings.

153. Mueller argued that a factor contributing to the injury experienced by the domestic industry is low productivity resulting from minimal investments over the POI by Bow in plant and equipment at its Dorchester facility.

154. In reply, Bow submitted that, over the last eight years, it has steadily broadened the range of copper pipe fittings that it produces and has invested in tooling, dies and production equipment, but remains unable to exploit its full production capacity due to dumped and subsidized imports.[82]

155. The Tribunal is of the view that it is not necessary for a producer to manufacture an entire range of goods to be a major player in the domestic market. Bow has demonstrated that it has carved out a niche in the retail market, and the evidence shows that its customers are satisfied with its performance. In the Tribunal's view, the difficulties experienced by the domestic industry arise not from Bow's "limited" product range, but rather from the dumped and subsidized imports that forced the domestic industry into a position where the prices that it was able to realize led to its poor financial performance.

Cello's Ability to Supply the Retail Market

156. Mueller argued that Cello does not participate in the retail sector of the market because it cannot provide the appropriate packaging or bar coding. Mueller submitted that this indicates that the domestic industry cannot supply the entire domestic market. Mueller added that Cello testified to the fact that Mueller's sales to retail customers were not injuring its sales to wholesale customers.

157. The Tribunal reiterates that it is not essential for a producer to produce the entire product line or offer its services to all levels of distribution in order to compete effectively in the domestic market. In this regard, Cello testified that it made a calculated business decision not to sell in the retail market due to the additional costs and infrastructure requirements associated with doing business in that part of the domestic market.[83] However, Bow is currently producing copper pipe fittings for the retail market. The Tribunal notes that it is required to look at the impact of the dumped and subsidized goods on the domestic industry as a whole. Therefore, the evidence indicates that Bow suffers injury at the retail level, where it is active, while Cello is injured at the wholesale level, where it is active.

Other Factors

158. As to the remaining factors prescribed in subsection 37.1(3) of the *Regulations*, the Tribunal notes that there were no anti-dumping or countervailing measures in place in other countries during the POI.

82. Manufacturer's Exhibit B-06 (protected) Attachment 1, Administrative Record, Vol. 12.
83. *Transcript of Public Hearing*, Vol. 1, 15 January 2007, at 178.

159. With respect to the domestic industry's export performance, as previously noted, the domestic industry sells a large proportion of its domestic production and imports to export markets. This holds especially true for Cello. When looking at the domestic industry's financial results for its export activities, they were far better than those for the domestic market. From 2004 to the first nine months of 2006, the domestic industry's financial statement for its export sales shows positive results. During the first nine months of 2006, the domestic industry was even able to substantially increase its gross margin and net income, both on a total and per unit basis.[84] However, the fact that the domestic industry's export performance was positive does not sever the causal link between the dumping and subsidizing of the subject goods and the resultant material injury. The performance of Canadian products on the U.S. market is not connected to market conditions in Canada, where it has been established that prices are greatly influenced by the presence of dumped and subsidized imports.

Conclusion

160. Notwithstanding any of the losses or injury that may be attributable to the above factors, individually or collectively, the Tribunal is of the view that the injury caused by imports of the subject goods is, in and of itself, material.[85]

Product, Producer and Country Exclusions

161. It is well established that the Tribunal has the discretion to grant exclusions under subsection 43(1) of *SIMA*.[86] The fundamental principle is that the Tribunal will grant exclusions only when it is of the view that such exclusions will not cause injury to the domestic industry.

Product Exclusions

162. In *Stainless Steel Wire*, the Tribunal summarized its views on the matter of the factors that are relevant to product exclusions as follows:

> . . . The Tribunal has granted product exclusions for particular products in circumstances when, for instance, the domestic industry does not produce those particular products. The Tribunal also considers factors such as whether there is any domestic production of substitutable or competing goods, whether the domestic industry is an "active supplier" of the product or whether it normally produces the product or whether the domestic industry has the capability of producing the product.[87]
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> . . .
>
> [Footnotes omitted]

84. *Adjusted Protected Pre-hearing Staff Report*, Table 38; *Protected Pre-hearing Staff Report*, Tribunal Exhibit NQ-2006-002-33 (protected), Administrative Record, Vol. 2.1 at 57; *Protected Pre-hearing Staff Report*, revised 15 January 2007, Tribunal Exhibit NQ-2006-002-33B (protected), Administrative Record, Vol. 2.1 at 196.83, 196.97.
85. A collective assessment of the impact of individual non-attributable factors is not strictly necessary. See *European Communities—Anti-Dumping Duties on Malleable Cast Iron Tube or Pipe fittings from Brazil* (2003), WTO Doc. WT/DS219/AB/R at paras. 190-92 (Appellate Body Report). However, the Tribunal has considered the collective impact of the factors and is satisfied that it is not such as to sever the causal link between the dumping and subsidizing of the subject goods and the material injury.
86. *Re Cold-rolled Steel Sheet (United States v. Canada)* (1994), CDA-93-1904-09 (Ch. 19 Panel) at 54; *Hetex Garn A.G.* v. *Anti-dumping Tribunal*, [1978] 2 F.C. 507 (F.C.A.).
87. *Stainless Steel Wire* at 22.

163. As indicated previously, the Tribunal received four requests for product exclusions. Only Cello replied to the requests for exclusions, and it did not consent to any request.

164. The Tribunal grants BMI's requests to exclude from the Tribunal's findings "4 cast drainage lead 8 oz. closet flanges" and "4 cast drainage 14 oz. lead closet flanges".[88] Cello indicated that it manufactures the same products and provided evidence in the form of photographs and copies of labels and invoices. However, the Tribunal notes that an examination of the pricing information[89] reveals significantly different selling prices for what Cello claims are identical goods. The products produced by Cello are made of cast bronze and, therefore, commands a significantly higher price than the goods imported by BMI, which are made of cast brass. The Tribunal is of the view that the difference in price indicates that these products do not compete with each other and that, hence, the imported products are not likely to be injurious to the domestic industry.

165. The Tribunal denies NDL's request to exclude "wrought copper pressure fittings identified in part with the 'NDL' trade name and imported into Canada by NDL Industries Inc.". NDL claimed that there are no other Canadian suppliers of "wrought copper pressure fittings" that meet the industry standards of acceptance for commercial refrigeration systems, as demanded by its two Canadian distributors. Cello opposed the request and claimed that it produces identical goods. As evidence, Cello provided a general product specification page from its price list to demonstrate that its products meet the ASME B16.22-2001 standard which, it argued, is the standard for all fittings, including refrigeration fittings. The Tribunal denies this request for a number of reasons. As outlined in the Tribunal's *Guide to Making Requests for Product Exclusions*, requests must be accompanied by supporting information. In this regard, this information must be sufficient to convince the Tribunal that an exclusion request should be granted. Trademarks and company-specific terminology, rather than generic product exclusions, are not generally sufficient for this purpose. The Tribunal notes that NDL did not provide sufficient supporting evidence for its request. The request is very broad, as it refers to "wrought copper pressure fittings". It is clear that this broad category of products is produced by the domestic industry. The request also refers to the trade name "NDL" rather than indicating to the Tribunal the generic product characteristics that might indicate that the product is non-injurious. Finally and most importantly, this exclusion request covers ACR copper pipe fittings. The Tribunal heard evidence that solder copper pipe fittings are generic products with the same standards whether they are used for plumbing or ACR applications. While domestic producers do not sell directly to ACR wholesalers, they sell to plumbing and heating wholesalers/distributors that, in turn, supply the ACR market.[90] Consequently, imported ACR copper pipe fittings are likely to injure domestically produced copper pipe fittings of the same technical specifications.

166. Similarly, the Tribunal denies Mueller's request to exclude copper pipe fittings for use in ACR applications. Mueller had requested an exclusion based on the fact that Bow does not produce for that segment of the market and that Cello does not sell directly to ACR accounts.

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88. In its request, BMI referred to these products as "4 inch XH Closet Flange for Lead Connection – No. 28504" and "4-inch Closet Flange for Lead Connection No. 28501".
89. Tribunal Exhibit NQ-2006-002-31.01 (protected), Administrative Record, Vol. 2.3 at 14, 23; Tribunal Exhibit NQ-2006-002-27.01 (protected), Administrative Record, Vol. 2.3 at 2, 3.
90. *Transcript of Public Hearing*, Vol. 1, 15 January 2007, at 83, 199.

Producer and Country Exclusions

167. In *Polyphase Induction Motors*, the Tribunal concluded that cumulation does not mean that it will always make an injury finding against all subject countries and that there could well be specific reasons why imports from specific sources might be excluded. The Tribunal also stated that it is only after the cumulative effect of the dumping of the goods from all subject countries has been assessed that exclusions, if any, can be envisaged.[91] Producer and country exclusions are only granted under exceptional circumstances, where the sources in question are not injurious.[92]

168. In *Cold-rolled Steel Sheet*, the Tribunal was of the view that the simultaneous existence of certain factors could be the source of exceptional circumstances, which would justify an exclusion for a given producer or country.[93] No single factor, by itself, would normally be sufficient to support the existence of exceptional circumstances. A combination of some or all factors is usually necessary.

169. First, the Tribunal will address the requests for producer exclusions that it received from Mueller, NIBCO and Elkhart. With respect to Mueller and NIBCO, the Tribunal denies the producer exclusion requests, as it is convinced that copper pipe fittings produced by those producers compete on the basis of price with one another, with the subject goods from other sources and with the domestic industry, thus contributing to the injury suffered by the domestic industry. With respect to Elkhart's argument that it should be excluded because the CBSA determined that its margin of dumping is 0 percent, the Tribunal notes that, if Elkhart is not dumping the subject goods from the United States, it will not have to pay anti-dumping duties. The Tribunal notes that its findings are not directed against individual foreign producers but rather against all the subject goods from a given country or countries implicated in a case. Thus, it is not appropriate to grant Elkhart a producer exclusion.

170. Turning to the country exclusion requests for the United States received from Mueller and NIBCO, the Tribunal denies these requests. The Tribunal is of the view that, as outlined above, there is a causal relationship between the dumped imports from the United States and the injury suffered by the domestic industry. The evidence indicates that Mueller and NIBCO have contributed to this injury.

CONCLUSION

171. Therefore, pursuant to subsection 43(1) of *SIMA*, the Tribunal hereby finds that the dumping of copper pipe fittings originating in or exported from South Korea and the dumping and subsidizing of the aforementioned goods originating in or exported from China have caused injury.

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91. *Polyphase Induction Motors* at 12.
92. *Cold-rolled Steel Sheet* (27 August 1999), NQ-99-001 (CITT) at 31.
93. Such factors include: (1) a low volume of exports in comparison to the total volume of dumped and non-dumped imports; (2) the price of the dumped goods in comparison with the price of other dumped goods; (3) the effect on domestic prices for like goods of the weighted average margin of dumping; (4) the market segment in which most or all of the dumped goods are sold; (5) the conditions of sales regarding the dumped goods; (6) whether the exports remain significantly lower than those of the other cumulated countries or producers; (7) evidence of self-imposed restrictions on the volume of exports; (8) the availability of other export markets; and (9) the existence of other incentives, whether business-oriented or economic, that make the resurgence of the dumped imports at injurious levels much less likely. *Cold-rolled Steel Sheet* at 31; *Hot-rolled Carbon Steel Plate* (27 June 2000), NQ-99-004 (CITT) at 33-37.

172. Pursuant to subsections 43(1) and (1.01) of *SIMA*, the Tribunal hereby finds that the dumping of copper pipe fittings originating in or exported from the United States has caused injury.

173. Furthermore, the Tribunal hereby excludes the following copper pipe fittings from its injury findings: (a) "4 cast drainage lead 8 oz. closet flange"; and (b) "4 cast drainage 14 oz. lead closet flange".

Serge Fréchette
Serge Fréchette
Presiding Member

Pierre Gosselin
Pierre Gosselin
Member

Ellen Fry
Ellen Fry
Member