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DOC Investigation Nos. A-122-879; A-570-240;
C-570-241; A-533-952; C-533-953; A-201-870;
C-201-871; A-580-923
ITC Investigation Nos. 701-TA-__ and 731-TA-__
Total No. of Pages: 224
Original Investigation
AD/CVD Operations
Petitioners' Business Proprietary Information for
Which Proprietary Treatment Has Been Requested
Deleted from Pages 5-7, 26, 41-45, 47-48 and Exhibits
GEN-2, GEN-3, GEN-6, GEN-8, GEN-9, and GEN-10
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**BEFORE THE
INTERNATIONAL TRADE ADMINISTRATION OF THE
U.S. DEPARTMENT OF COMMERCE
AND THE
U.S. INTERNATIONAL TRADE COMMISSION**

**ANTIDUMPING AND COUNTERVAILING DUTY PETITION
VOLUME I
GENERAL and INJURY SECTIONS**

**CERTAIN LINEAR HYDRAULIC CYLINDERS AND PARTS THEREOF FROM CANADA,
CHINA, INDIA, MEXICO, AND SOUTH KOREA**

**PETITIONERS:
HYDRAULIC CYLINDERS FAIR TRADE COALITION AND ITS INDIVIDUAL MEMBERS**

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**PETITION FOR THE IMPOSITION OF ANTIDUMPING AND COUNTERVAILING
DUTIES ON IMPORTS OF CERTAIN LINEAR HYDRAULIC CYLINDERS AND
PARTS THEREOF**

On behalf of Aggressive Hydraulics Inc., Hol-Mac Corporation., Ligon Hydraulics, Prince Manufacturing Corporation, PTC Alliance LLC, Rosenboom Machine and Tool Inc., Scot Industries Inc., Stillwell Inc., and Texas Hydraulics Inc. (“Petitioners”), domestic producers of Certain Linear Hydraulic Cylinders and Parts Thereof (“Hydraulic Cylinders”) as defined by the scope of this Petition, we submit this Petition to the U.S. Department of Commerce (the “Department”) and the U.S. International Trade Commission (“ITC” or “Commission”) pursuant to sections 702(c)(4) and 732(c)(4) of the Tariff Act of 1930, as amended (the “Act” or the “statute”). See 19 U.S.C. §§ 1671a(c)(4), 1673a(c)(4).

This **Volume I** of the Petition contains general and injury-related information and data. **Volumes II-VI** of this Petition present evidence that Hydraulic Cylinders from Canada, China, India, Mexico, and South Korea are being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731(1) of the Act. See 19 U.S.C. § 1673(1). **Volumes VII-IX** of this Petition present evidence that the Governments of China, India, and Mexico are providing countervailable subsidies with respect to the manufacture, production, and export of Hydraulic Cylinders within the meaning of section 701(a)(1) of the Act. See 19 U.S.C. § 1671(a)(1).

This Petition demonstrates further that the U.S. industry manufacturing Hydraulic Cylinders is being materially injured, and is threatened with further material injury, by reason of unfairly traded imports of Hydraulic Cylinders from Canada, China, India, Mexico, and South Korea within the meanings of sections 701(a)(2) and 731(2) of the Act. See 19 U.S.C. §§ 1671(a)(2), 1673(2).

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Petitioners, therefore, request that: (1) antidumping duties be imposed on imports of Hydraulic Cylinders from Canada, China, India, Mexico, and South Korea in an amount equal to the amount by which the normal value exceeds the export price or constructed export price of the merchandise; and (2) countervailing duties be imposed on imports of Hydraulic Cylinders from China, India, and Mexico in an amount equal to the net countervailable subsidy.

This Petition sets forth the information reasonably available to Petitioners and is filed in conformity with the requirements of section 351.202(b) of the Department's regulations and section 207.11 of the Commission's regulations. See 19 C.F.R. §§ 351.202 and 207.11.

I. GENERAL INFORMATION**A. Petitioners**

This Petition is filed on behalf of Aggressive Hydraulics Inc., Hol-Mac Corporation, Ligon Hydraulics, Prince Manufacturing Corporation, PTC Alliance LLC, Rosenboom Machine and Tool Inc., Scot Industries Inc., Stillwell Inc., and Texas Hydraulics Inc. These companies are "interested parties" within the meaning of 19 U.S.C. § 1677(9)(C) and 19 C.F.R. § 351.102(b)(29)(v) because they manufacture Hydraulic Cylinders at their production facilities in the United States. Contact information for Petitioners is provided below.

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B. Other Domestic Producers

To the best of Petitioners' knowledge, there are 71 additional U.S. producers of Hydraulic Cylinders and Parts. Contact information for the other known U.S. producers is provided in **Exhibit GEN-1**. This list was compiled based on Petitioners' market knowledge and internet research.

C. Description of the Domestic Industry and Industry Support

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

There are 80 known domestic producers of hydraulic cylinders and covered parts, including many small and regional producers. There is no known source of aggregated domestic industry production or shipment data for hydraulic cylinders on a volume basis. [

]¹ Petitioners

[***source of market intelligence***

]² See Exhibit GEN-2, and Attachment. [

]

¹ [***source***

² [***market intelligence***

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Petitioners have [

market intelligence

] Id.

The [**source**

]

See Exhibit GEN-3. That [

]³ Petitioners had

[

] See id.

³

[

] See Exhibit GEN-3. [

]

Table 1: Standing Calculations		
	U.S. Production in 2025 (Pounds)	Share of Total U.S. Production
Petitioners / Supporting	[]	[60.4%]
Other Domestic Producers	[]	[]
Total	[]	100.0%
Source: Exhibits GEN-2 and GEN-3.		

As shown above in **Table 1** and **Exhibit GEN-2**, the domestic producers that support this Petition accounted for [] percent of total U.S. production of Hydraulic Cylinders in 2025. Id.⁴ The domestic producers that support this Petition, therefore, surpass both the 25 percent and 50 percent thresholds for industry support established in the statute. See 19 U.S.C. §§ 1671a(c)(4)(A), 1673a(c)(4)(A).

D. Related Proceedings

Petitioners have not previously filed for import relief pursuant to section 201 of the Trade Act of 1974 (19 U.S.C. § 2251), section 232 of the Trade Expansion Act of 1962 (19 U.S.C. § 1862), section 337 of the Act (19 U.S.C. § 1337), or sections 702 and 732 of the Act (19 U.S.C. §§ 1671a, 1673a) with respect to the merchandise that is the subject of this Petition.

E. Description of Subject Merchandise and Requested Scope of Investigation

1. Requested Scope of Investigation

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

The scope of these investigations covers certain linear acting hydraulic cylinders (also known as hydraulic power engines) and certain barrel and piston rod components and assemblies of linear acting hydraulic cylinders. Covered linear acting hydraulic

⁴ Petitioners have not included parts production in this calculation to avoid double counting. There is also no comprehensive data on parts production. All subject parts would be for incorporation into finished linear hydraulic cylinders, and adding them to the numerator and denominator of the calculation would double count the parts.

cylinders have barrels made of steel, a bore size (inner diameter) of 25.4 mm (one inch) or more, and a return (retracted) length of 102.1 mm (four inches) or more. For purposes of this scope, the return (retracted) length is the overall end-to-end measurement of the hydraulic cylinder unit when in the retracted position. The scope covers all such linear acting hydraulic cylinders meeting the physical description above, including but not limited to the following linear hydraulic cylinder designs: tie-rod, welded body, telescopic, plunger, rodless, differential, position sensing, single acting, double acting, displacement, ram type, piggy-back, double rod, rod-fed, and spring return linear acting hydraulic cylinders. All covered cylinders are hydraulically activated. The incorporation of a spring into the design of a hydraulic cylinder otherwise meeting the description above does not exclude a product from the scope.

The scope also covers (1) steel barrel components, (2) steel piston rod components, and (3) any component of a linear hydraulic cylinder that is attached to, assembled with or shipped with a covered steel barrel or a covered piston rod.

Covered barrel components include processed welded or seamless steel tubes four inches or more in length with an inner diameter of one inch (25.4 mm) or more, that have had their inner diameter precision machined (such as through honing or skiving and burnishing), and have otherwise been processed to the point of having as their sole or predominant use a barrel for an in-scope hydraulic cylinder. Such processing may include but is not limited to cutting-to-length, end-finishing (e.g., machine-threading, chamfering, etc.), port drilling, and the addition of weldments, or any combination thereof.

Covered piston rods are solid or hollow bars or tubes that have been hard chrome plated or chrome coated, cut to length, and machined to be a piston rod.

Included in the scope are any attachments, parts, or components that are imported with, attached to, or invoiced with a linear hydraulic cylinder or covered component, including but not limited to cylinder mounting parts (e.g., flanges, trunnions, clevises, lugs, etc.), connectors attached to pistons or piston rods, pistons, or hydraulic tubing or hydraulic lines (regardless of material) such as for connections to a hydraulic pump.

Also included in the scope are any hydraulic cylinders meeting the physical description above attached to or imported with any equipment or parts of equipment classified in Chapter 84 of the

Harmonized Tariff Schedule of the United States. When a hydraulic cylinder is attached to or imported with any equipment or parts of equipment classified in Chapter 84 of the Harmonized Tariff Schedule of the United States, only the hydraulic cylinder is covered by the scope.

Subject merchandise also includes hydraulic cylinders, components, and subcomponents that undergo assembly or further working in a third country in any manner that would not otherwise remove the merchandise from the scope of the investigations if performed in the country of manufacture of the in-scope hydraulic cylinder. Subject merchandise also includes hydraulic cylinders, components, and subassemblies that are attached to any equipment or parts of equipment classified in Chapter 84, as discussed in the immediately preceding paragraph, if such attachment occurs in a third country.

Excluded from the scope are pneumatic power engines and motors.

Also excluded from the scope are hydraulic cylinders and parts that are covered by preexisting antidumping (“AD”) and countervailing duty (“CVD”) orders. However, to the extent such AD or CVD orders are revoked, the hydraulic cylinders would be subject merchandise.

All products that meet the written physical description are within the scope of the investigations unless specifically excluded or covered by the scope of an existing order.

The products subject to these investigations are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under statistic reporting numbers 8412.21.0015, 8412.21.0030, 8412.21.0045, 8412.21.0060, 8412.21.0075, and 8412.90.9005. The HTSUS subheadings above are provided for convenience and Customs purposes only. The written description of the scope of these investigations is dispositive.

2. Physical Characteristics and Uses

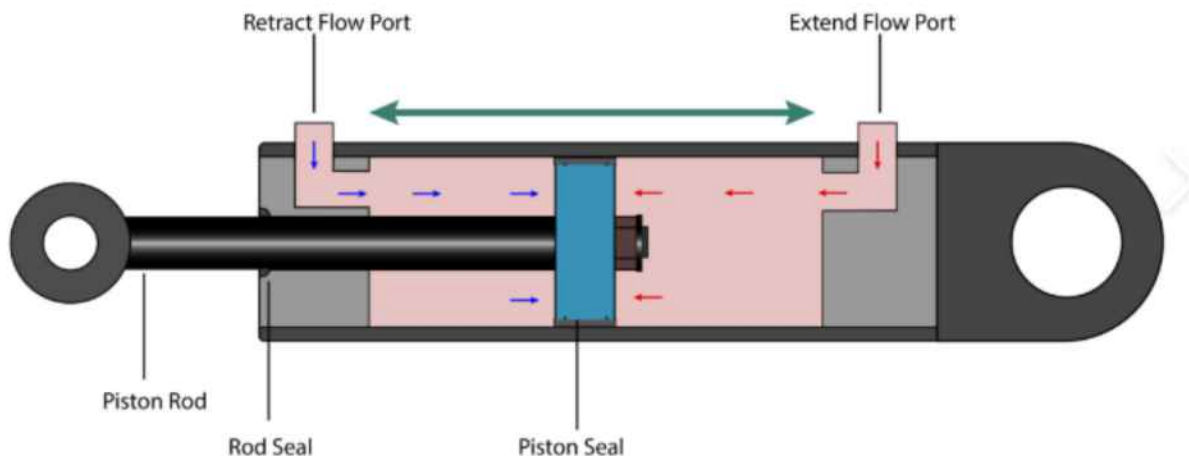
a. Product Description

The product under investigation are certain linear hydraulic cylinders and certain component parts of such hydraulic cylinders. A linear hydraulic cylinder, also known as a linear hydraulic motor, is a mechanical actuator that creates linear force or motion using fluid pressure.

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Hydraulic cylinders are powered by pressurized hydraulic fluid, typically oil, which is itself incompressible. The hydraulic cylinder consists of a steel cylinder barrel in which a piston, connected to a piston rod, moves back and forth powered by pressurized hydraulic fluid, creating linear motion. The pressurized hydraulic fluid is pushed into the cylinder through a port by a hydraulic pump, which is attached to the cylinder with hydraulic tubing. The cylinder maintains pressure because it is closed on both ends by a cylinder bottom (or cap) and the cylinder head (or gland), where the piston rod exits the cylinder. There are various mounting end options depending on the use, including flanges, trunnions, clevises, and lugs, as well as piston end mountings to connect the piston rod to the object or machine component that is being moved by the cylinder.

HYDRAULIC CYLINDER

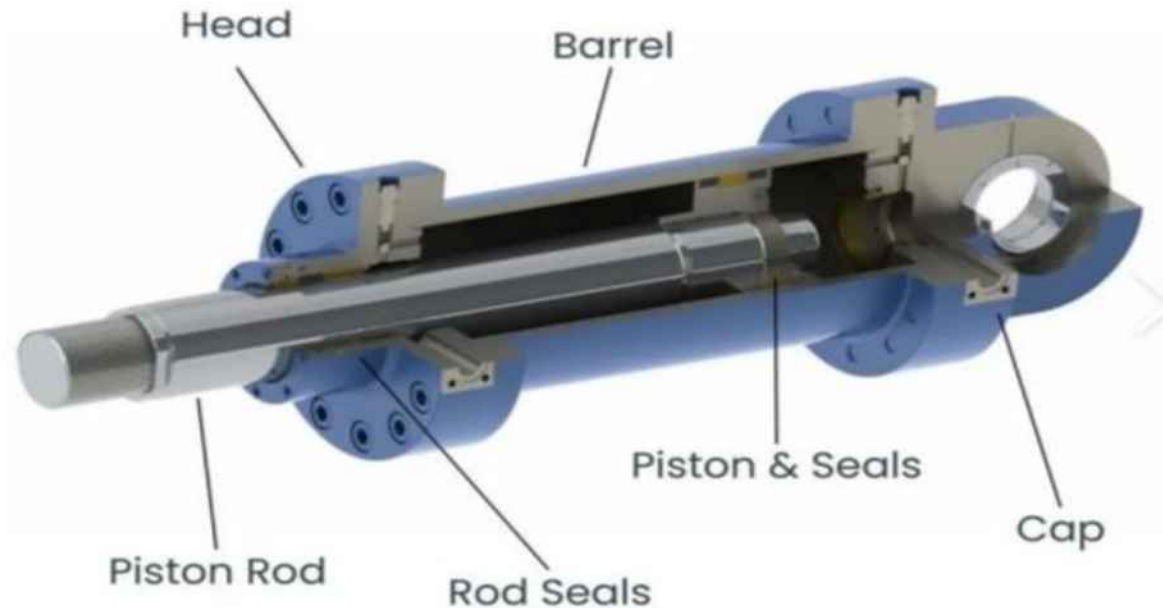


i. Major Components of a Hydraulic Cylinder

Hydraulic cylinders are highly engineered products and are often produced to order to precise specifications of the end-user based on the pressure and power needs of the unit, the physical dimensions and design of the equipment to which the hydraulic cylinder is being attached,

and other customer specifications. It consists of a number of parts. The cylinder barrel and piston rods, which are both made of steel, typically represent the most significant weight elements of the hydraulic cylinder.

Hydraulic Cylinder Primary Components



Cylinder Barrel: A hydraulic cylinder barrel is the high-strength tubular body of a hydraulic actuator that houses the piston, rod, and seals. It is typically made from cold-drawn seamless or welded steel mechanical tubing that has been honed or skived and burnished to create a smooth, precision, wear-resistant interior surface for smooth piston movement and seal efficiency. It acts as a pressure vessel containing the high-pressure hydraulic fluid. Hydraulic cylinders that operate at higher pressures will have thicker walls and bores. Because this is a defining characteristic of a hydraulic cylinder, cylinder barrels and barrel assemblies are included in the scope of the case.

Hydraulic Cylinder Barrel



Piston Rod: The piston rod is typically a hard chrome-plated cold-rolled solid or hollow steel bar, or cold-rolled or cold-drawn steel mechanical tubing. The piston rod is highly ground and polished to provide a reliable seal and prevent leakage. Because the piston rod operates both inside and outside the barrel, it comes into contact with dirt, contaminants, and abrasives. Wear and corrosion-resistant surfaces are, therefore, desirable on the outer diameter of the piston rod. The surfaces are often applied using coating techniques such as Chrome (Nickel) Plating, Lunac 2+ duplex, Laser Cladding, PTA welding, and Thermal Spraying. These coatings can be finished to the desirable surface roughness to allow the seals to provide optimum performance.

The rod attaches to the piston, typically either by threads or bolting, and extends from the cylinder through the rod-end head connecting to the working equipment component. This connection can be in the form of a machine thread or a mounting attachment. A double rod-end cylinder has a rod extending from both sides of the piston and out both ends of the barrel. Hydraulic cylinder pistons rods are typically sized according to the force needed to move a load, while avoiding piston rod failure.

Hydraulic Cylinder Rod



Piston: The piston separates the pressure zones inside the barrel of the hydraulic cylinder. The pistons are typically made from high-strength materials like steel or cast iron, ensuring durability. The piston is machined with grooves to fit elastomeric or metal seals and bearing elements, to create a leak-proof seal and smooth and efficient operation. The difference in pressure between the two sides of the piston causes the cylinder to extend and retract. The piston is attached to the piston rod by means of threads, bolts, or nuts to transfer the linear motion.

Piston



Cylinder Cap: The cylinder cap (or base) encloses the pressure chamber at one end of the hydraulic cylinder. The cap is connected to the body of the cylinder by means of welding, threading, bolts, or tie rods depending on the design type of the finished cylinder. The cylinder mounting components are also incorporated into the cap by means of a flange, trunnion, or clevis. Cap size is determined based on the bending stress. A static seal or o-ring is used in between the cap and barrel (except in a welded construction).

Hydraulic Cylinder Cap with Bearing



Hydraulic Cylinder Clevis Cap



Cylinder Head Cap: The head cap encloses the pressure chamber and is the end from which the rod exits the cylinder to push or pull the equipment. The head contains an integrated rod sealing arrangement or the option to accept a seal gland. It is connected to the body by means of threading, bolts, or tie rods. A static seal or O-ring is used in between the head and barrel.

Cylinder Head Caps



Seal Gland: The cylinder head is fitted with seals to prevent the pressurized oil from leaking past the interface between the rod and the head. This area is called the seal gland. The seal gland contains a primary seal, a secondary seal/buffer seal, bearing elements, a wiper/scrapper, and a static seal.

Seals: The seals prevent hydraulic oil or pressure leakage. They are designed to withstand the maximum rated cylinder working pressure, cylinder speed, operating temperature, working medium, and application. Elastomer seals are typically made from nitrile rubber, polyurethane, or fluorocarbon materials. Metallic seals (often cast iron) are also commonly used. Wipers/scrapers are used to eliminate contaminants such as moisture, dirt, and dust from entering the hydraulic cylinder where the rod enters and exits the cylinder. Contaminants can damage cylinder walls,

rods, seals, and other components. In addition, bearing elements/wear bands are used to eliminate metal-to-metal contact. The wear bands are designed to withstand maximum side loads. The primary compounds used for wear bands are filled PTFE woven fabric, reinforced polyester resin, and bronze.

Other parts: There are many component parts that make up a hydraulic cylinder, including: ports and fittings, cylinder base connection, cushions, internal threaded ductile heads, head glands, butt plates, eye brackets/clevis brackets, and other mounting devices (e.g., MP detachable mounts, rod eyes/rod clevis, pivot pins bushings, rod eyes, alignment couplers). In addition, linear hydraulic cylinders may come with valves, sensors, and accumulators for hydraulic fluid.

Single Acting and Double Acting: *Single-acting cylinders* refers to a cylinder design in which the hydraulic fluid enters through a single port at one end of the cylinder and extends the rod by means of area difference. An external force, such as a retraction spring (internal or external) or gravity, returns the piston rod to its retracted position. *Double-acting cylinders* have a port at each end of the cylinder (either side of the piston) and hydraulic fluid is supplied for both the retraction and extension of the piston rod. Any of the design types discussed below could be single acting or double acting.

b. Common Linear Hydraulic Cylinder Designs

While there are some linear hydraulic cylinder products that may be sold out of catalogues with standardized pressure ratings, bore sizes and return lengths, most linear hydraulic cylinders are highly engineered products that are made to the specific design requirements of the customer who will be including the cylinder in the equipment it is building. With that said, there are several general design types for linear hydraulic cylinder construction.

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Tie Rod Cylinders: Tie rod style hydraulic cylinders use high-strength threaded steel rods to hold the two end caps to the cylinder barrel. The larger the bore of the cylinder the more tie rods are likely to be used to hold the assembly together. Tie rod style cylinders have from four to 20 tie rods depending on the bore and the pressure rating. Tie rod style linear hydraulic cylinders are most typically used in industrial or factory applications because they can be easily disassembled for service and repair. Tie rod style cylinders are not always customizable. The National Fluid Power Association (“NFPA”) has published standardized dimensions of hydraulic tie-rod cylinders, which enables cylinders from different manufacturers to interchange within the same mountings. This has also made it easy for imported tie rod hydraulic cylinders to be substituted for domestic cylinders.

Tie Rod Cylinder

Welded Body Cylinders: Welded body cylinders are the most common design and the most customizable. Welded body linear hydraulic cylinders have no tie rods to hold the caps to

the barrel. That means they do not suffer from failure due to tie rod stretch at high pressures and long strokes. The barrel is welded directly to the end caps, and the ports are welded directly to the barrel. In part for these reasons, welded cylinders tend to have a narrower body and may have a shorter overall length enabling them to fit better into the tight confines of machinery. The welded design also lends itself to customization because special features are more easily added to the cylinder body, including special ports, custom mounts, valve manifolds, sensors, and other features. The front rod gland is usually threaded into or bolted to the cylinder barrel, allowing for the piston rod assembly and the rod seals to be removed for service. The smooth outer body of welded cylinders also enables the design of multi-stage telescopic cylinders.

Welded body hydraulic cylinders dominate the mobile hydraulic equipment market such as construction equipment (e.g., excavators, bulldozers, and road graders) and material handling equipment (e.g., forklift trucks, telehandlers, and lift-gates). They are also used by heavy industry in cranes, oil rigs, and large off-road vehicles for above-ground mining operations.

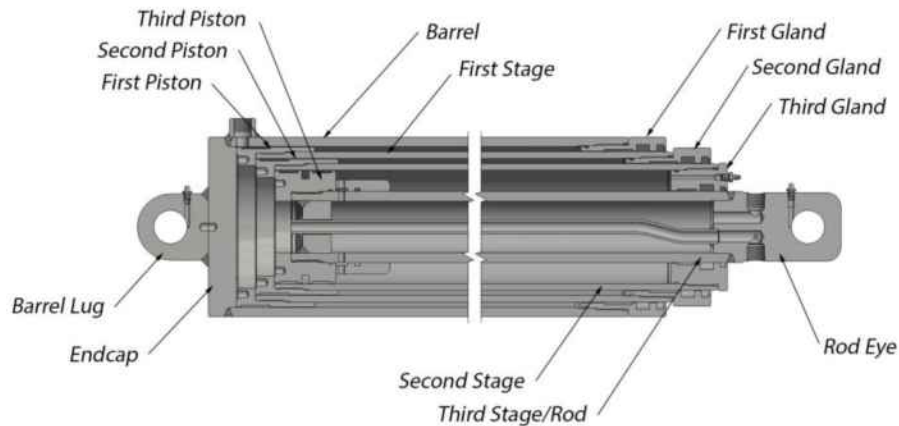
Cut-Away of Welded Cylinder Design



Telescopic Cylinders: Telescopic hydraulic cylinders are multistage units of two to five stages in which the initial stage piston rod is hollow and also used as a barrel for each succeeding stage piston rod. They are used when the sum of length of a hydraulic cylinder body and the necessary piston rod stroke length in the fully extended position is too great to fit in the machine or on the equipment. Telescopic hydraulic cylinders require additional material and

engineering and, as a result, telescopic hydraulic cylinders are typically much more expensive to manufacture than welded or tie-rod cylinders.

Telescopic Cylinder Diagram



Plunger Cylinder: A hydraulic cylinder without a piston or with a piston without seals is called a plunger cylinder. A plunger cylinder can only be used as a pushing cylinder; the maximum force is piston rod area multiplied by pressure. This means that a plunger cylinder in general has a relatively thick piston rod.

Plunger Cylinder



c. End Uses

Linear hydraulic cylinders have many applications and can be used in any machine where significant forces are required to move a part. Common industrial applications for hydraulic cylinders are in (1) elevators, lifts, and jacks; (2) manufacturing machinery that requires pushing, pulling, shearing, compacting, or bending of materials; (3) mobile equipment such as dump trucks, garbage trucks, lift trailers, construction equipment, earth moving equipment (e.g., backhoes, bulldozers, road graders), and agricultural equipment; and (4) material handling equipment (e.g., forklift trucks, telehandlers and liftgates), among many other uses.

3. Production Process

Linear hydraulic cylinders a highly engineered, precisely processed equipment. The main components of a hydraulic cylinder are the barrel and piston rod.

The barrel is typically made from cold-drawn mechanical tubing which must have the internal bore precision processed to give it the required shape and smoothness. That precision processing is typically done either via honing or skiving and burnishing. Honing uses rotating, abrasive grinding stones held under pressure on a controlled path to remove very small amounts of material. It creates a smoother surface finish and improves the geometric form (roundness) of the inner diameter (“ID”) of the tube. Skiving and burnishing is a similar inner surface finishing process for improving the smoothness and geometry of the inner diameter of the tubing. The process uses a cutting tool (skiving cutter) to remove a thin layer of material from the surface of the inner diameter of the tubing. Skiving is typically followed by roller burnishing, which involves the use of a hardened, highly polished roller tool that is pressed against the rotating tubing to provide a smoother finish and enhanced dimensional accuracy. This provides the precise, smooth

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surface finish required to ensure compression of the hydraulic fluid without leakage and a smooth efficient path for the piston.

The barrel must also be cut to the precise appropriate length for the hydraulic cylinder. The ends are finished to accept the kind of end caps that will be attached and for the method of attachment. The end of the barrel may be threaded to accept a threaded cap. Threads must be accurate and tight to ensure seals will fit properly. The barrel end may have bolt holes drilled, or it may be chamfered prior to attaching a welded or tie rod style cap. Holes are also drilled into the barrel at specific angles to integrate ports.

Piston rods are typically made from solid steel bars, hollow steel bars, or heavy walled mechanical tubing. Piston rods are turned and ground on a CNC lathe to machine threads for the piston and the mounting eye. They are passed through a centerless grinder to provide a consistent diameter and straightness with tight tolerances. Piston rods may also be induction hardened, which involves heating the rod with an electric coil and water quenching it. The rods are also hard chrome-plated (20–50 μm) to provide hardness, wear resistance, and corrosion protection. Hard chroming is achieved by submerging the rod in an electrochemical bath of chromic acid to bond the chromium to the steel.

The bar or tubing is cut to length and machined on one end to attach a piston (typically steel or iron). The machining may involve threading the end or drilling and tapping a hole to accept a bolt. The opposite end of the rod also typically requires machining to permit the addition of attachments for securing the rod (which transfers mechanical power) to the equipment. If the hydraulic cylinder is telescopic, it will have a multi-stage piston rod. The initial stage acts as both a rod and a barrel for the next stage of the cylinder. Such hollow rods must be chromed on the inside and the outside. Mounting eyes are welded to the chromed rod.

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Attachments, like valves, sensors and other accessories must also be machined to meet the customers' requirements. Weldments and other additions to the body are added to permit the cylinder to be attached to the equipment for which it was designed.

The pistons are typically made from high-strength materials like steel or cast iron, ensuring durability. The piston is machined with grooves to fit elastomeric or metal seals and bearing elements, to create a leak-proof seal and smooth and efficient operation.

Elastomer seals for the cylinders are typically made from nitrile rubber, polyurethane, or fluorocarbon materials. Metallic seals (often cast iron) may also be used. Wipers/scrapers are used to eliminate contaminants such as moisture, dirt, and dust from entering the hydraulic cylinder where the rod enters and exits the cylinder.

When all of the individual parts have been produced, the components are assembled. Seals are installed, pistons are attached to piston rods and placed in the barrel. End-fittings are added to the rods. Finished hydraulic cylinders are pressure tested to ensure they meet the pressure requirements without failure. Finished cylinders are typically cleaned, primed, and painted with enamel or epoxy paint.

4. U.S. Tariff Classification

U.S. imports of Hydraulic Cylinders and Parts are classified under Harmonized Tariff Schedule of the United States ("HTSUS") statistical subheadings 8412.21.0015, 8412.21.0030, 8412.21.0045, 8412.21.0060, 8412.21.0075, and 8412.90.9005. See Exhibit GEN-4. The volume of imports under the provisions covering *finished hydraulic cylinders* are reported in units, and the "general" rate of duty for merchandise classified under this provision is "Free." Id.

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Hydraulic power engines and motors:

Linear acting (cylinders):

8412.21.00.15: Tie-rod type

8412.21.00.30: Weld fused type

Other:

8412.21.00.45: Telescoping

8412.21.00.60: Rodless

8412.21.00.75: Other

The volume of imports under the provision covering *hydraulic cylinder parts* are reported in kilograms, and the “general” rate of duty for merchandise classified under this provision is “Free.”

Id.

Parts:

8412.90.90.05: Of hydraulic power engines and motors
Of linear acting engines and motors

5. Other Tariff Treatment

a. Section 232 Tariffs

A 25 percent ad valorem tariff on the full value of the import under Section 232 of the Trade Expansion Act of 1962, as amended, 19 U.S.C. § 1862 (“Section 232”), applies to linear hydraulic cylinders classified under HTSUS statistical subheadings 8412.21.0015, 8412.21.0030, 8412.21.0045, 8412.21.0060, and 8412.21.0075 as derivative steel products. See Further Adjusting the Tariff Regimes for Imports of Aluminum, Steel, and Copper Into the United States, 91 Fed. Reg. 34,085, 34,105 (June 4, 2026) (Annex I-B). In addition, U.S. Note 16(c)(xi) to Chapter 99 temporarily (through the end of 2027) reduces the total of Section 232 tariffs and all MFN tariffs on Korea to a maximum of 15 percent. 91 Fed. Reg. at 34,137 (Annex IV, note 3) (HTSUS statistical subheading 9903.82.22). Note 16(k) to Chapter 99 also reduced this tariff for all countries to 10 percent for parts classifiable chapter 84 “that will be used exclusively in the

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manufacture of agricultural equipment or fixed industrial . . . or mobile industrial equipment” Id., 91 Fed. Reg. at 34,136–37 (HTSUS 9902.82.23). This means that most linear hydraulic cylinders from the target countries will have only a 10 percent Section 232 tariff. Parts of linear hydraulic cylinders (8412.90.90.05) are not listed as derivative steel products in Annex I-B, and no Section 232 tariffs apply.

b. Section 301 Forced Labor Tariffs

On July 23, 2026, the United States Trade Representative announced final action on forced labor tariffs under Section 301 of the Trade Act of 1974 against 60 countries, including all of the countries subject to this Petition. See Section 301 Action: Investigations of Acts, Policies, and Practices of Various Economies Related to the Failure of Each Economy to Impose and Effectively Enforce a Prohibition on the Importation of Goods Produced with Forced Labor, Docket Nos. USTR–2026–0265, USTR–2026–0266, 91 Fed. Reg. 47,318 (July 28, 2026). Products that are derivative steel products subject to Section 232 tariffs, like linear hydraulic cylinders, were exempted. Id. (HTSUS 9903.05.90). Parts of linear hydraulic cylinders are not derivative steel products and were not exempted. Parts are, therefore, subject to the new Section 301 forced labor tariffs, as follows:

Canada	10%
Mexico	10%
India	10%
China	12.5%
Korea	12.5% (inclusive of MFN, which is “free” for HTSUS 8412.90.90.05)

c. Section 338 Tariffs

Section 338 of the Tariff Act of 1930 (19 U.S.C. § 1338) empowers the President to impose additional or retaliatory tariffs on imports from foreign countries that discriminate against U.S. commerce or impose unequal trade restrictions, when such action is deemed in the public interest. On July 20, 2026, President Donald Trump signed three proclamations under Section 338 imposing 50 percent tariffs on different sets of Canadian imports, effective August 19, 2026. None of the tariff numbers covering linear hydraulic cylinders and parts were identified as subject to these tariffs.

d. China Section 301 Tariffs

On June 20, 2018, the United States Trade Representative announced 25 percent Section 301 tariffs on a list of products including industrial goods from China. Notice of Action and Request for Public Comment Concerning Proposed Determination of Action Pursuant to Section 301: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation, 83 Fed. Reg. 28,710 (June 20, 2018). That list included linear hydraulic cylinders under 8412.21.00 but did not include parts of hydraulic cylinders in 8412.90.90. Those tariffs are currently under review by USTR, but no announcement has been made whether they will be terminated or continued. Initiation of Second Four-Year Review Process: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation, 91 Fed. Reg. 24,636 (May 6, 2026).

F. Countries of Exportation

Hydraulic Cylinders that are the subject of this Petition are produced in, and exported from, Canada, China, India, Mexico, and South Korea. Petitioners have no knowledge that the subject merchandise is currently being transshipped through any other third country to the United States.

G. Producers and Exporters of Subject Merchandise

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

H. Volume and Value of Imports

Pursuant to the Department's regulations, the volume and value of U.S. imports of Hydraulic Cylinders and Parts from Canada, China, India, Mexico, and South Korea are presented in **Exhibit GEN-6** for the period of investigation ("POI") – that is, for calendar years 2023, 2024, and 2025, January-March 2025, and January-March 2026. See 19 C.F.R. § 351.202(b)(8).

Because the official import statistics for linear hydraulic cylinders track volume on the basis of units, while the statistics for parts of hydraulic cylinders track volume on the basis of weight (kilograms), the aggregation of the volume of imports for the combined product category required the development of a methodology to present the data on a comparable basis. To that end, Petitioners converted the volume data for imports of linear hydraulic cylinders from units to pounds based on the average pounds per unit reflected [

source] by year for each of the years of the POI. The specific conversion factors employed are as follows: [

] These data were then combined with the volume data for imports of parts of hydraulic cylinders (converted from kilograms to pounds) to present the aggregate volume of imports of linear hydraulic cylinders and parts for the POI. See **Exhibit GEN-6**.

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I. Names and Addresses of U.S. Importers

Based on information reasonably available to Petitioners, a list of known and suspected U.S. importers of Hydraulic Cylinders from Canada, China, India, Mexico, and South Korea is appended in **Exhibit GEN-7**, as required by the Department's and the Commission's regulations. See 19 C.F.R. § 351.202(b)(9); 19 C.F.R. § 207.11(b)(2)(iii).

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

Information related to allegations of less-than-fair-value sales of the subject merchandise from Canada, China, India, Mexico, and South Korea is provided in **Volumes II-VI** of this Petition. Information related to allegations of countervailable subsidies benefitting the subject merchandise from China, India, and Mexico are provided in **Volumes VII-IX** of this Petition.

III. THE DOMESTIC INDUSTRY PRODUCING HYDRAULIC CYLINDERS HAS BEEN MATERIALLY INJURED BY REASON OF UNFAIRLY TRADED IMPORTS FROM CANADA, CHINA, INDIA, MEXICO, AND SOUTH KOREA**A. The Domestic Like Product Mirrors the Scope of the Petition**

The statute defines a "domestic like product" as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation." 19 U.S.C. § 1677(10). In identifying the domestic like product, the starting point for the Commission's analysis is the scope of the case. See, e.g., Hitachi Metals, Ltd. v. United States, 949 F.3d 710, 717-18 (Fed. Cir. 2020) (citing Cleo Inc. v. United States, 501 F.3d 1291, 1298 n.1 (Fed. Cir. 2007)).

In reaching a like product determination, the Commission considers a number of factors, including physical characteristics and uses, interchangeability, channels of distribution, customer and producer perceptions, common manufacturing facilities, production processes and employees, and, where appropriate, price. See, e.g., Timken Co. v. United States, 913 F. Supp. 580, 584 (Ct.

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Int'l Trade 1996); Nippon Steel Corp. v. United States, 19 CIT 450, 455 (1995). The Commission's decision regarding the appropriate like product is a case-by-case factual determination in which no single factor is dispositive. See S. Rep. No. 249, at 90-91 (1979). The Commission looks for clear dividing lines between products but disregards minor variations. See, e.g., Nippon Steel Corp., 19 CIT at 455; Torrington Co. v. United States, 747 F. Supp. 744, 749 n.3 (Ct. Int'l Trade 1990), aff'd, 938 F.2d 1278 (Fed. Cir. 1991).

The domestic like product here should mirror the scope of the subject merchandise. An examination of the Commission's traditional six-factor test demonstrates that the domestic like product should be defined as Hydraulic Cylinders. In addition, the Commission's semi-finished products analysis supports the inclusion of (1) barrels and barrel assemblies, and (2) piston rod and piston rod assemblies under the physical characteristics and uses, interchangeability, channels of distribution, customer and producer perceptions, common manufacturing facilities, production processes, and employees.

1. The Commission's Six-Factor Test Supports Petitioners' Like Product Definition

The scope of the investigation covers all design types of linear hydraulic cylinders, including tie-rod, welded body, telescopic, plunger, rodless, differential, position sensing, single acting, double acting, displacement, ram type, piggy-back, double rod, rod-fed, and spring return linear acting hydraulic cylinders. Application of the Commission's six-factor test leads to the conclusion that there is no clear dividing lines between linear hydraulic cylinders based on design.

a. Physical Characteristics and Uses Overlap

All linear hydraulic cylinders share similar physical characteristics and uses. All such products are a mechanical actuator that creates linear force or motion using fluid pressure, typically from hydraulic fluid (oil). All linear hydraulic cylinders consist of (1) a steel tubular barrel with

a precision machined inner diameter, and a (2) steel piston rod assembly that translates the hydraulic force into mechanical power. All linear hydraulic cylinders are used in industrial and mobile equipment applications. While there are a number of different design types (e.g., welded, tie rod, telescoping), they all share physical characteristics and uses, and constitute a continuum of products. Telescoping hydraulic cylinders are a specialized form of welded hydraulic cylinder in which there more than one stage of piston rod and the earlier stage of piston rod also acts as the barrel for a later stage or rod. Depending on the size of the equipment and the length of stroke of the piston rod necessary, a downstream equipment manufacturer could specify either a single stage welded cylinder or a telescoping cylinder.

b. Interchangeability Along a Continuum

All subject linear hydraulic cylinders are interchangeable along a continuum of sizes, pressure ratings, design configurations, and fit for the particular piece of equipment for which it was designed. Each is designed to deliver the necessary power to mechanically move the loads necessary and to fit the piece of equipment. Two linear hydraulic cylinders of the same design type (e.g., welded body) but of different sizes and pressure ratings would not be substitutable for one another because they might not fit the same space on the equipment or have the same pressure rating. The same is true of two hydraulic cylinders of different design types (e.g., welded vs. tie type interchangeable). As explained above, however, equipment could be designed to accommodate either a standard welded linear hydraulic cylinder or a telescoping cylinder. The end user might elect to design equipment for a tie rod design if the end user valued the ability to change out parts or a welded design for the same application if the end user needed to fit it in a tighter space. The product would do the same job in either instance.

c. **Channels of Distribution Are Similar**

All linear hydraulic cylinders are sold through the same channels of distribution, either directly to downstream equipment manufacturers or through distributors. Downstream equipment manufacturers may purchase multiple design types of cylinders (e.g., welded, tie rod, or telescoping). Similarly, distributors typically carry multiple design types and sizes of subject hydraulic cylinders.

d. **Customers and Producer Perceive All Linear Hydraulic Cylinders to Be a Single Like Product**

Because of the similarities in physical characteristics and use, and their interchangeability across a continuum, producers and customers perceive all linear hydraulic cylinders to be single like product. Producers and end users do not perceive different design types of hydraulic cylinders to be different like products from different industries.

e. **Common Manufacturing Facilities, Production Processes, and Employees**

In terms of production processes, equipment and employees, all Hydraulic Cylinders and Parts are produced using the same basic manufacturing process, as described in section I.E.3. of this Volume, as well as on the same equipment and by the same employees. Domestic producers tend to make multiple types of hydraulic cylinders in the same facilities. For example:

- Petitioner Prince Manufacturing produces welded, tie rod, and other custom cylinders (including sensor cylinders). <https://www.princehyd.com/Products/Hydraulic-Cylinders>.
- Petitioner Rosenboom Machine and Tool produces among other types of hydraulic cylinders, welded, rod fed, bolted head, double rod, tie rod, single-acting rod displacement, integrated accumulator, multi-stage telescopic, and piggyback hydraulic cylinders (longer stroke in a shorter retraction area makes it a substitute for telescopic cylinders). They have typical bore sizes from one to 12 inches, stroke lengths of up to 24 feet, and operating pressures of up to 5,000 pounds per square inch (“psi”). <https://www.rosenboom.com/what-we-do>.

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- Ligon Hydraulics produces welded and threaded hydraulic cylinders, multistage telescopic cylinders, and bolted head hydraulic cylinders. <https://ligonhyd.com/products>.
- Texas Hydraulics produces construction grade bolted head cylinders, piggyback cylinders (longer stroke in a shorter retraction area makes it a substitute for telescopic cylinders), telescopic, welded, position sensing, and valve-integrated linear hydraulic cylinders. <https://www.texas hydraulics.com/hydraulic-cylinders>.

All of these products are made in the same facilities using the same equipment and similar materials.

f. Price within a Reasonable Range Along a Continuum

With respect to price, all linear hydraulic cylinders are sold within a reasonable range of similar prices based on a continuum of design, sizes (length, retraction size), pressure rating and accessories included.

The absence of clear dividing lines between types of linear hydraulic cylinders reinforces the conclusion that all linear hydraulic cylinders constitute a continuum that supports finding a single like product. For example, in its investigation of Carbon and Certain Alloy Steel Wire Rod, the Commission found a single like product where:

All types of wire rod share certain basic physical properties, are generally manufactured in the same domestic facilities by the same employees using the same processes, are sold primarily to end users, and are produced by generally all domestic producers. Limited interchangeability in some end uses and price differences are consistent with a wide range of wire rod products. We find that all wire rod products of the type described in the scope of investigation comprise a single domestic like product.

Carbon and Certain Alloy Steel Wire Rod from China, Invs. Nos. 701-TA-512 and 731-TA-1248, USITC Pub. 4458 (Prelim.) (Mar. 2014), at 8, unchanged in USITC Pub. 4509 (Final) (Jan. 2015).

2. **The Commission's Semi-Finished Products Analysis Supports the Inclusion of Steel Barrels and Barrel Assemblies, and Steel Piston Rods and Rod Assemblies**

The scope and domestic like product also covers (1) steel barrel components, assemblies and subassemblies of linear hydraulic cylinders, and (2) steel piston rod components, assemblies and subassemblies of linear hydraulic cylinders. See supra section I.E.1. (scope). The Commission's practice is to examine components using a semi-finished products analysis, in which the Commission examines the following: (1) the significance and extent of the processes used to transform the upstream into the downstream articles; (2) whether the upstream article is dedicated to the production of the downstream article or has independent uses; (3) differences in the physical characteristics and functions of the upstream and downstream articles; (4) whether there are perceived to be separate markets for the upstream and downstream articles; and (5) differences in the costs or value of the vertically differentiated articles.⁵ The facts, as applied in this case, support inclusion of the barrel and piston rods and assemblies within the like product for linear hydraulic cylinders.

a. **The Upstream Subject Parts (Barrels and Rods) Are Substantially Processed and Ready for Assembly into the Downstream Hydraulic Cylinders**

As described in the scope, covered barrels and barrel assemblies have been processed by having the following types of processing: (1) precision machining of their inner diameter (such as through honing or skiving and burnishing) to ensure efficient passage of the piston and rod; (2)

⁵ See Vertical Shaft Engines from China, USITC Pub. 5034 (Prelim.) (Mar. 2020) (hereinafter, "Vertical Shaft Engines"), at 9, n.22 (citations omitted); Large Residential Washers from China, USITC Pub. 4666 (Final) (Jan. 2017), at 7, n.28 (citing Glycine from India, Japan, and Korea, USITC Pub. No. 3921 (Prelim.) (May 2007), at 7; Artists' Canvas from China, USITC Pub. No. 3853 (Final) (May 2006) at 6; Live Swine from Canada, USITC Pub. 3766 (Final) (Apr. 2005), at 8 n.40; Certain Frozen Fish Fillets from Vietnam, USITC Pub. No. 3533 (Prelim.) (Aug. 2002), at 7).

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cutting to precise length for a barrel; (3) end finished to accept the end-caps (e.g., machine-threading, chamfering, etc.); and (4) other machining such as port drilling and the addition of weldments. Similarly, covered piston rods have been (1) hard chrome-plated or chrome coated; (2) cut to length; and (3) machined to accept a piston and/or attachment to the work end.

These processes to create the two primary functioning parts of a hydraulic cylinder are either done internally by the hydraulic cylinder manufacturer as part of an integrated process or are done by a limited number of parts producers who sell the parts only to hydraulic cylinder manufacturers, or in limited cases, to end users as replacement parts. The remaining work to be done to incorporate these products into a finished cylinder is related primarily to assembly.

b. Barrels and Rods Are Dedicated to the Production of Hydraulic Cylinders and Have No Independent Uses

The covered barrel and piston rod components assemblies and subassemblies of linear hydraulic cylinders have all undergone substantial processing to make them have as their sole or predominant use a barrel or piston rod for an in-scope hydraulic cylinder. There is no other independent use for these products, which have been engineered to meet the specifications of a hydraulic cylinder. Petitioners who produce these parts do not sell them for any other use. The presence of the dedication to use has been a strong factor supporting prior Commission determinations to find the upstream and downstream articles comprise a single like product. See, e.g., Metal Lockers from China, USITC Pub. 5113 (Prelim.) (Aug. 2020) (hereinafter, “Metal Lockers”), at 12 (noting parts are dedicated for use as part of like product for finished lockers). In this case, like in Vertical Shaft Engines from China, the assemblies and subassemblies are incorporated into the downstream finished article or sold as replacement parts, and, therefore, are not sold in any other market. Vertical Shaft Engines from China, USITC Pub. 5034 (Prelim.) (Mar. 2020), at 8.

c. **There Are No Differences in the Physical Characteristics and Functions of the Upstream and Downstream Articles**

Because the barrel and piston rod components are manufactured specifically for use in finished linear hydraulic cylinders, there are no differences in the physical characteristics and/or functions of the upstream and downstream articles. The barrels and rods are the two defining characteristics of hydraulic cylinders and are two of the most important physical characteristics specified when purchasing a linear hydraulic cylinder. There is no function for these intermediate input products separate from the finished hydraulic cylinder. Without further processing and assembly, the barrel and rod components have no function separate from the that of a finished hydraulic cylinder. Vertical Shaft Engines from China, USITC Pub. 5034 at 8 (“The subassembly has no function separate from that of a finished engine; it either becomes a finished engine or a replacement assembly for an existing damaged VSE.”). The absence of significant differences supports a single domestic like product.

d. **Markets for the Upstream Barrels and Piston Rods and the Downstream Hydraulic Cylinders Are Not Perceived to Be Separate Markets**

All, or nearly all, barrel and piston rod assemblies and subassemblies are produced for incorporation into a finished hydraulic cylinder. The only significant market for these components is for use in the production of hydraulic cylinders. Hydraulic cylinder manufacturers who produce their own barrels and rods typically do not sell them. Processors that produce barrels and piston rods from steel tubing and steel bar, sell them to hydraulic cylinder manufacturers. See Stainless Steel Flanges from China and India, USITC Pub. 4734 (Prelim.) (Oct. 2017), at 9-10 (“{W}hile there is a market for the unfinished flanges, it is limited to finishers that purchase this intermediate product for the express purpose of conducting the finishing process.”). A small number of processed tubes similar to hydraulic cylinder barrels may be sold to pneumatic tube producers, but

pneumatic tubes are more likely to be made from aluminum or nickel plated brass and have different technical requirements.⁶ See Metal Lockers, USITC Pub. 5113, at 11-13 (finding the upstream and downstream products to constitute the same like product even when there “may” be a market for components and they “could” be used in other applications because they are “predominantly” used to make the downstream article).

e. **Differences in Costs or Value for Upstream and Downstream Articles Do Not Differentiate Them**

The material and processing costs for the barrel and rod components constitute a significant portion of the raw material and processing costs of a finished linear hydraulic cylinder and, therefore, a significant portion of the overall cost of the finished product. This factor supports inclusion in the domestic like product for linear hydraulic cylinders. See Chassis and Subassemblies from China, Inv. Nos. 701-TA-657 and 731-TA-1537, USITC Pub. 5120 (Prelim.) (Sept. 2020), at 9-11 (finding most of the cost of the finished downstream article reflected the cost of the subassembly and steel components, even though the producers’ AUVs of individual subassemblies were much lower than the AUVs of fully assembled chassis), unchanged in USITC Pub. 5187 (Final) (May 2021), at 16-17.

* * *

Application of the Commission’s semifinished products test supports a finding of a single like product encompassing hydraulic cylinders, barrel and barrel assemblies, and piston rod and piston rod assemblies, consistent with the scope.

⁶ Pneumatic cylinders use a gas, typically air, to move a piston rod.

B. The Domestic Industry Constitutes All U.S. Producers of Hydraulic Cylinders and Parts

Section 771(4)(A) of the Act defines the relevant industry as the “producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product.” 19 U.S.C. § 1677(4)(A). Based on this definition, the domestic industry consists of all U.S. producers of Hydraulic Cylinders and Parts. Petitioners and other U.S. producers of Hydraulic Cylinders and Parts are identified above in sections I.A and I.B. and in **Exhibit GEN-1**.

C. Imports of Hydraulic Cylinders and Parts from Canada, China, India, Mexico, and South Korea Are Not Negligible

Imports from each of the five subject countries surpass the negligibility threshold established by the statute. Under the statute, imports from a subject country corresponding to a domestic like product that account for less than three percent of all such merchandise imported into the United States during the most recent 12 months for which data are available preceding the filing of the petition are deemed negligible. 19 U.S.C. § 1677(24)(A)(i). As indicated below in **Table 2**, U.S. import volumes for the most recent 12-month period for which official import statistics are available (i.e., June 2025 through May 2026) indicate that imports of Hydraulic Cylinders and Parts from Canada, China, India, Mexico, and South Korea exceed the statutory negligibility threshold.

Table 2: U.S. Imports of Hydraulic Cylinders and Parts June 2025-May 2026		
Source	Quantity in Pounds	Share of Total Imports (%)
Canada	67,680,668	8.2%
China	333,209,334	40.4%
India	83,569,017	10.1%
Mexico	49,767,544	6.0%
South Korea	40,028,640	4.9%
Total Subject	574,255,202	69.6%
All Others	250,546,355	30.4%
Total	824,801,558	100.0%
Source: Exhibit GEN-8.		

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

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

As a threshold matter, petitions against imports of Hydraulic Cylinders and Parts from Canada, China, India, Mexico, and South Korea are being filed simultaneously. None of the statute's exceptions to cumulation applies in this case.⁸

Further, there is evidence of a reasonable overlap in competition requiring cumulation of subject imports for purposes of these investigations. The Commission typically considers four factors in determining whether there is a reasonable overlap in competition between subject imports and the domestic like product: (1) fungibility of the product from various sources; (2) the presence of sales or offers to sell in the same geographic markets; (3) common channels of

⁷ See 19 U.S.C. § 1677(7)(G)(i).

⁸ See id. § 1677(7)(G)(ii).

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distribution; and (4) simultaneous presence in the market.⁹ See, e.g., Certain Cast-Iron Pipe Fittings from Brazil, the Republic of Korea, and Taiwan, USITC Pub. 1845 (Final) (May 1986), aff'd, Fundicao Tupy S.A. v. United States, 678 F. Supp. 898 (Ct. Int'l Trade), aff'd, 859 F.2d 915 (Fed. Cir. 1988). No single factor is determinative. See Goss Graphic Sys., Inc. v. United States, 33 F. Supp. 2d 1082, 1086 (Ct. Int'l Trade 1998). As discussed below, each factor is met in this case.

1. Imports from the Subject Countries and Domestic Hydraulic Cylinders and Parts Are Fungible

Imports from all subject countries are generally substitutable with each other and with the domestic like product. Hydraulic Cylinders and Parts imported into the United States, regardless of source, have similar physical characteristics, including the presence of a barrel through which a piston and piston rod moves back and forth to convert pressurized hydraulic fluid into linear force and motion; technical and mechanical characteristics, such as bore material and size, unit length, and design; production processes as described in section I.E.3. above; and are ultimately sold to the same end users for the same applications, including machinery, industrial equipment, agricultural equipment, stationary and mobile lifts, and commercial vehicles such as dump trucks. The same is also true of the domestic like product. See section III.A., supra. Thus, there is a high degree of fungibility between subject imports from Canada, China, India, Mexico, and South Korea, and among the subject imports and the domestic like product.

⁹ Only a reasonable overlap of competition is required. See Goss Graphic Sys., Inc. v. United States, 33 F. Supp. 2d 1082, 1087 (Ct. Int'l Trade 1998) (“{C}umulation does not require two products to be highly fungible.”); Mukand Ltd. v. United States, 937 F. Supp. 910, 916 (Ct. Int'l Trade 1996); Wieland Werke, AG v. United States, 718 F. Supp. 50, 52 (Ct. Int'l Trade 1989) (“Completely overlapping markets are not required.”).

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

Subject imports from Canada, China, India, Mexico, and South Korea compete with each other and with the domestic like product throughout the U.S. market. These products are all sold on a nationwide basis to the same customer base. With regard to channels of distribution, both subject imports and the domestic like product are sold directly to end users as an OEM product for direct installation on or into the user's machinery, equipment, and commercial vehicles (in the case of Hydraulic Cylinders) or assembly into the user's Hydraulic Cylinders (in the case of Parts), and also through distributors.

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

Imports of Hydraulic Cylinders and Parts from Canada, China, India, Mexico, and South Korea have been simultaneously present in the U.S. market for the entire POI (2023 through first quarter 2026). See Exhibits GEN-3 and GEN-9. Domestically produced Hydraulic Cylinders and Parts have also been available in the U.S. market throughout the period. Id. This factor provides further evidence that subject imports are competing with each other and the domestic like product.

4. Conclusion

In sum, there is a reasonable overlap of competition among the subject imports and between subject imports and the domestic like product within the meaning of the statute. Accordingly, the Commission should cumulate imports of Hydraulic Cylinders and Parts from Canada, China, India, Mexico, and South Korea in analyzing whether subject imports have caused material injury to the domestic industry in this case.

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E. Subject Imports from Canada, China, India, Mexico, and South Korea Are Causing Material Injury to the Domestic Industry

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

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

See 19 U.S.C. § 1677(7)(B). Information reasonably available to Petitioners demonstrates that increasing volumes of unfair imports of Hydraulic Cylinders and Parts from Canada, China, India, Mexico, and South Korea have been – and continue to be – a cause of material injury to the domestic industry.

1. The Volume of Subject Imports from Canada, China, India, Mexico, and South Korea, on an Absolute and Relative Basis, Is Significant and Has Increased

The statute instructs the Commission to consider “whether the volume of imports of the merchandise, or any increase in that volume, either in absolute terms or relative to production or consumption in the United States, is significant.” 19 U.S.C. § 1677(7)(C)(i). Here, the volume of U.S. imports of Hydraulic Cylinders and Parts from Canada, China, India, Mexico, and South Korea is significant on an absolute basis, as well as relative to U.S. production and consumption.

Import volumes from the five subject countries, as well as from non-subject countries, are based on the official import statistics for HTS classifications 8412.21.0015, 8412.21.0030, 8412.21.0045, 8412.21.0060, 8412.21.0075, and 8412.90.9005 from the U.S. Department of

Commerce via the ITC's Dataweb site. See Exhibit GEN-9 (market share and apparent domestic consumption data).¹⁰

On an absolute basis, cumulated imports from Canada, China, India, Mexico, and South Korea accounted for 70.1 percent of total U.S. imports of Hydraulic Cylinders in 2025. See id. The volume of subject imports is also significant relative to domestic production and apparent consumption. Imports from Canada, China, India, Mexico, and South Korea represented [] percent of domestic production, and [] percent of apparent domestic consumption, in 2025. See Exhibits GEN-6 and GEN-9.

U.S. imports of Hydraulic Cylinders from Canada, China, India, Mexico, and South Korea also increased significantly during the POI. Specifically, cumulated subject imports increased from 443.3 million pounds in 2023 to 525.8 million pounds in 2025, an expansion of 18.6 percent. See Exhibit GEN-9. The volume of subject imports grew by an additional 47.6 percent in the first quarter of 2026. Id.

U.S. imports of Hydraulic Cylinders from the five subject countries also expanded their share of the domestic market during the POI. Cumulated subject imports' market share rose from [] percent in 2023 to [**65**] percent in 2025, an increase of [] percentage points. Id. This occurred as U.S. producers lost [] percentage points of market share. Id. In interim 2026, subject imports gained [] percentage points of U.S. market share, while the domestic industry lost [] points of market share. Id. Subject imports' market share gain over the proposed POI, therefore, was at the direct expense of U.S. producers. The volume and market share held by

¹⁰ As noted in **Exhibit GEN-6**, imports from non-subject countries Germany and Brazil reflected anomalous volumes and average unit values in 2025 in relation to the years 2023 and 2024 and interim 2026. The methodology presented in **Exhibit GEN-6** controls for these anomalies by applying 2024 average unit values to 2025 import values to derive estimated 2025 volumes for both countries. See Exhibit GEN-6.

subject imports from Canada, China, India, Mexico, and South Korea, as well as the increases in volume and market share, are significant within the meaning of the statute.

2. **Unfair Imports Have Had Significant Negative Price Effects on the Domestic Industry**

The low-priced, unfair imports that are the subject of these petitions have had significant negative price effects on the U.S. industry producing Hydraulic Cylinders. Cumulated subject imports from Canada, China, India, Mexico, and South Korea have increased their share of the U.S. market by significantly undercutting U.S. producer prices. Price underselling by unfairly traded imports of Hydraulic Cylinders from the subject countries has also suppressed and depressed the prices realized by domestic producers over the proposed POI.

a. **Subject Imports from Canada, China, India, Mexico, and South Korea Have Undercut and Suppressed and Depressed U.S. Prices**

Information reasonably available to Petitioners indicates that the increase in imports of Hydraulic Cylinders from Canada, China, India, Mexico, and South Korea was accomplished through significant underselling of U.S. producer prices by subject imports, providing important evidence that such imports have had negative price effects in the U.S. market. Petitioners' numerous lost sales examples show that the prices of imports from the subject countries are significantly below domestic producer prices. See Exhibit GEN-10.

Comparison of the average unit values of subject imports to domestic producer average shipment values also provides solid evidence of substantial underselling. Cumulated subject imports of Hydraulic Cylinders from the five subject countries reflected average unit values of \$2.39 per pound in 2023, \$2.04 in 2024, \$2.02 in 2025, and \$1.47 per pound in interim 2026. See Exhibit GEN-6. By comparison, the domestic industry's average U.S. commercial shipment value stood at [] per pound in 2023, [**\$4.73**] in 2024, [] in 2025, and [] per

pound in interim 2026. See Exhibit GEN-3. Based these data, subject imports undersold domestic producer shipment values by between [] per pound throughout the POI. See Exhibits GEN-3 and GEN-6. Margins of underselling by subject imports increased from [] percent over the 2023 to interim 2026 period. Id.

This substantial underselling had a clear negative impact on the domestic industry's prices and financial performance. Average unit values for domestic commercial shipments showed an improvement from 2023 to 2024, increasing from [**\$3.76**] per pound, but then showed a downturn to [] in 2025 and declined to just [] per pound in interim 2026. Id. This amounted to a decline of [] percent over the POI as a whole. Id.

Price pressures from subject imports have also suppressed domestic industry pricing in relation to production costs. From 2023 to 2025, the industry's unit cost of production increased from [] to [] per pound, an increase of [] per pound. See Exhibit GEN-3. Over the same period, the industry was only able to increase its average unit sales value by [] from [] to [] per pound. Id. Between interim 2025 and 2026, unit production costs increased slightly from [**\$4.09**] per pound, but unit sales values dropped by [] per pound. Id. Thus, throughout the period, the domestic industry's pricing lagged trends in production costs, and the result was price suppression and increased operating losses.

b. Price Descriptors for ITC Questionnaires

Pursuant to section 207.11(b)(2)(iv) of the Commission's regulations, 19 C.F.R. § 207.11(b)(2)(iv), Petitioners recommend that the Commission collect pricing data on six Hydraulic Cylinders products that are presented in **Exhibit GEN-11**.

To the best of Petitioners' knowledge, these price descriptors account for a significant portion of U.S. sales of imports from the subject countries and the domestic like product.

Accordingly, these products are appropriate product types for the Commission's analysis and comparison of U.S. producer and importer prices.

In addition, Hydraulic Cylinders are directly imported by certain end users of the product. See, e.g., Exhibit GEN-7. Petitioners, therefore, specifically request that in addition to importer quarterly selling data, the Commission gather purchase cost data from end-user importers on their imports of Hydraulic Cylinders of the products identified above from the subject countries. The Commission should take these direct import purchases into account in analyzing competition and in comparing prices of the domestic like product with subject imports.

3. Unfairly Traded Imports Have Had an Injurious Impact on the Domestic Industry

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

- The increase in low-priced imports from Canada, China, India, Mexico, and South Korea resulted in a gain of [] percentage points of market share by the subject imports over the 2023 to 2025 period, from [] percent in 2023 to [] percent in 2025. See Exhibit GEN-9. In interim 2026, subject imports' market share increased by an additional [] percentage points to [] percent. Id. Over the same period, domestic producers' market share fell from [] percent in 2023 to [**13**] percent in 2025, and then dropped again to [] percent in the first quarter of 2026. Id. This represented a decline of [] percentage points from 2023 to interim 2026. Id.
- Domestic production fell from [**210.5**] million pounds in 2023 to [] million pounds in 2025, a decline of [] percent. See Exhibit GEN-3.
- Over the 2023-2025 period, U.S. domestic shipments fell from [] million pounds to [] million pounds, a decline of [] percent. Id.

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- The domestic industry's production capacity utilization was unacceptably low and declining throughout the period, declining from [] percent in 2023 to [39.15] percent in 2025. Id.
- The increasing volumes of low-priced subject imports that continually undercut U.S. producer prices resulted in substantial financial harm as well. The domestic industry's net sales value fell from [] in 2023 to [] in 2025, a decline of [] or [] percent. Id. While the domestic industry's unit production costs increased by [4.95] percent from 2023 to 2025, net sales AUVs increased by just [] percent over the same period, and operating income declined substantially. Id. Between interim 2025 and 2026, unit production costs increased by [] percent, but net sales AUVs declined by [] percent, and again operating income declined. Id.
- Given the injurious volume and pricing effects of the unfair imports, the domestic industry has suffered large declines in operating income over the proposed period of investigation. Between 2023 and 2025, the domestic industry's operating income fell by more than [] in 2023 to just [] in 2025. See id. Operating income fell again in interim 2026 to [] a drop of [] percent in relation to the first quarter of 2025. Id. While industry operating profitability stood at [] percent of net sales value in 2023, that figure deteriorated to [] percent in 2025, and fell further to [] percent in interim 2026. Id.

The causal link between subject imports and the U.S. industry's financial performance is further corroborated by the instances of lost sales and lost revenue provided in these petitions. See Exhibit GEN-10. This exhibit identifies instances in which the domestic industry lost sales or reduced prices in the face of unfair price competition by imports of Hydraulic Cylinders from Canada, China, India, Mexico, and South Korea. See id. This evidence of lost sales and revenue ties the declining financial performance of the domestic industry to the injurious price and volume impact of the unfairly traded subject imports.

4. Conclusion

Each of the statutory factors demonstrating material injury is met in this case. Cumulated subject import volumes increased over the POI and were significant both in absolute terms and in relation to the size of the U.S. market. Subject imports from Canada, China, India, Mexico, and

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South Korea systematically undersold the domestic like product, capturing significant volumes of sales from the domestic industry and suppressing and depressing U.S. prices. The impact on the domestic industry resulted in significant declines in U.S. producers' trade and financial performance. On this basis, imports of Hydraulic Cylinders from Canada, China, India, Mexico, and South Korea have caused material injury to the domestic industry.

IV. THE DOMESTIC INDUSTRY IS THREATENED WITH FURTHER MATERIAL INJURY BY REASON OF UNFAIRLY TRADED IMPORTS OF HYDRAULIC CYLINDERS FROM CANADA, CHINA, INDIA, MEXICO, AND SOUTH KOREA

A. Introduction

In addition to its determination regarding present material injury by reason of subject imports, the Commission must also make a simultaneous determination as to whether the domestic industry is threatened with material injury by reason of subject imports. See 19 U.S.C. § 1677(7)(F). The statute instructs the Commission to consider several factors in its analysis of threat of material injury. See id. § 1677(7)(F)(i). These factors include, but are not limited to: (1) the rate of increase of the volume or market penetration of subject imports; (2) the depressing or suppressing effects of subject imports on domestic prices; (3) the existence of unused production capacity, or the potential for further increases in production capacity, in subject countries; and (4) the existence and nature of any countervailable subsidies in the subject countries. Id. All of these factors support a finding by the Commission that imports of Hydraulic Cylinders from Canada, China, India, Mexico, and South Korea pose a real and imminent threat to the domestic industry, as discussed in more detail below.

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

The statute authorizes the Commission to cumulate subject imports in assessing threat of material injury if the conditions necessary for cumulation in its assessment of present material

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

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

In its assessment of threat, the Commission first considers whether the domestic industry is vulnerable to material injury by reason of the subject imports.¹¹ As discussed above, the current state of the domestic industry is characterized by unsustainably low levels of profitability, anemic capacity utilization, and shrinking market share. See supra section III.E; **Exhibits GEN-3 and GEN-9**. Notably, as subject import market share increased from [] percent in 2023 to [**74.4**] percent in January-March 2026, the domestic industry's operating profitability declined from [] percent in 2023 to [] percent in 2025, and from [] percent in interim 2025 to [] percent in interim 2026. Id. These facts depict a domestic industry that is vulnerable to material injury by reason of the subject imports.

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

U.S. imports of Hydraulic Cylinders from Canada, China, India, Mexico, and South Korea have demonstrated the ability to penetrate the domestic market rapidly during the POI. See supra

¹¹ See, e.g., Seamless Refined Copper Pipe and Tube from China and Mexico, USITC Pub. 4193 (Final) (Nov. 2010), at 34; Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from China, USITC Pub. 4190 (Final) (Nov. 2010), at 27-28. To assess whether the domestic industry is vulnerable to injury from unfairly traded subject imports, the Commission examines various performance indicators for U.S. producers of the domestic like product. These indicators may include information relating to capacity utilization, employment, operating income, production, profitability, and shipments. The Commission also gives particular weight to the performance of the domestic industry at the end of the POI. See, e.g., Seamless Refined Copper Pipe and Tube from China and Mexico, USITC Pub. 4193 (Final) (Nov. 2010), at 34.

section III.E.1. The statute instructs the Commission to examine whether there has been a “significant rate of increase of the volume or market penetration of imports of the subject merchandise” in analyzing the likelihood of a substantially increased volume of subject imports in the future. See 19 U.S.C. § 1677(7)(F)(i)(III). Here, cumulated subject imports rose from 443.3 million pounds in 2023 to 525.8 million pounds in 2025 (or by 18.6 percent), and from 123.3 million pounds in January-March 2025 to 181.9 million pounds in January-March 2026 (or by 47.6 percent). See Exhibit GEN-9. The market share of subject imports grew from [] percent in 2023 to [**74.4**] percent in interim 2026, with [] percentage points of that growth occurring between the interim periods. Id. As such, the rapidly accelerating rate of growth in subject imports is a sign of likely continued volume and market share increases in the future absent the imposition of trade remedies.

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

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

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F. Subject Foreign Producers Maintain Massive Excess Capacity to Produce Hydraulic Cylinders, Are Highly Export-Oriented, and Are Likely to Further Target the United States

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

Canada

- **Eagle Hydraulic** (headquartered in Mirabel, Quebec) is a Canadian-based manufacturer of hydraulic cylinders. In addition to its Canadian facility, the company produces hydraulic cylinders in two facilities in China. See Exhibit GEN-12. Eagle Hydraulic operates heavily in the U.S. market through a network of official distributors, as well as direct-to-end user supply chains. Id.
- **Mailhot Industries** (headquartered in Saint-Jacques, Quebec) manufactures 50,000 hydraulic cylinders annually in its Canadian facilities. Id. Mailhot operates extensively throughout North America with dedicated export and distribution channels established in the United States. Id. In 2024, Mailhot Industries was acquired by Wipro Hydraulics. Id. This acquisition was designed to expand Mailhot’s export reach across North America and into global segments. Id.
- **Monarch Industries** (headquartered in Winnipeg, Manitoba) produces 300,000 cylinders annually in its 270,000 square foot facility. Id. Monarch Industries focuses on the U.S. market by their corporate headquarters in Winnipeg, Manitoba and a U.S. distribution center in Kansas City, MO. Id.

China

- **Jiangsu Hengli Hydraulic** (headquartered in Changzhou, Jiangsu Province) is a massive global manufacturer, capable of producing over a million hydraulic cylinders annually. See Exhibit GEN-12. Jiangsu Hengli Hydraulic’s flagship facilities house nine excavator cylinder production lines with a capacity of 800,000

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units, and non-standard cylinder lines capable of 210,000 units per year. Id. Jiangsu Hengli Hydraulic is a major exporter to of hydraulic cylinders to the United States. Id.

- **Ningbo LD Machinery Co., Ltd.** (also operating as Ningbo LD Hydraulic Co., Ltd.) has an annual production capacity of 500,000 hydraulic cylinders. Id. The company's 380,000 sq. ft. facility operates with over 150 employees. Id. Ningbo LD Machinery actively exports to the United States to supply OEM orders. Id.
- **Shandong Wantong Hydraulic Co., Ltd.** has an annual production capacity of 200,000 to 300,000 sets of hydraulic cylinders. Id. The manufacturer exports custom hydraulic components and North American-style telescopic cylinders for dump trucks, mechanical equipment, and trailers to the U.S. market. Id.
- **Jinan Huachen Industrial Co., Ltd.** has an annual production capacity of 30,000 hydraulic cylinders. Id. Based in Jinan, China, the ISO-certified company exports custom cylinders, power units, and parts to over 50 countries worldwide, including the United States and Europe. Id.
- **Jiangyin Eagle Hydraulics Co., Ltd.**, founded in 2009, is a key overseas manufacturing subsidiary of the Canadian-based Eagle Hydraulic Components Inc. Id. The company primarily supplies large OEM manufacturers in the mobile and industrial sectors in the United States and Canada. Id.
- **Shandong Junfu Hydraulic Technology** (headquartered in Qingzhou, Shandong) has an annual manufacturing capacity of 360,000 hydraulic cylinders. Id. The company is a significant exporter of OEM-compliant hydraulic cylinders to the United States. Id.

India

- **Wipro Hydraulics** is “one of the largest independent hydraulic cylinder manufacturers worldwide, delivering over 1.5 million cylinders to OEMs annually.” See Exhibit GEN-12. Wipro is aggressively pursuing the global market for hydraulic cylinders via substantial expansion of its Indian production base. Id. In 2024, the company opened a new “state-of-the-art” greenfield facility to produce hydraulic cylinders in the northern Indian city of Jaipur. Id. The facility is Wipro's sixth in India and “will cater to a wide range of industries, including construction, earthmoving, material handling, and agriculture, among others.” Id. Wipro “aims to position itself among the top three hydraulics manufacturers globally, bolstered by recent acquisitions of companies like Mailhot, JARP, Columbus.” Id.

While Wipro's Jaipur production facility just opened in 2024, late in 2025 the company announced that it would be increasing production capacity at Jaipur by 50 percent. “Wipro Hydraulics plans to increase output at its Jaipur plant from about 1,000 cylinders per day to about 1,500 per day through phased investments.” Id.

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The company makes clear that it intends to follow a path of expansion into the future, with the company's CEO stating, "We will continue to invest in advanced technologies and global capabilities to deliver efficient and reliable solutions." Id. Another company executive noted that "Our product range supports customers across diverse segments, and our global footprint has enabled us to diversify, with about 70% of sales coming from outside India." Id.

- **Sea Hydrosystems** has a 7,000 square meter production facility in Chennai in southern India, which is also described as "state-of-the-art." Id. Sea Hydrosystems states that the manufacturing facility "has a large production capacity, enabling us to efficiently meet large needs of patrons." Id. The company's global sales focus is illustrated in its assertions that it is "a 100% Export Unit" and has "exhibition floors across the globe." Id. The company further notes that it is "Scaling up our inventory and production capabilities" and "Strengthening relationships with our international clients and meeting face-to-face at global trade shows." Id.
- **Dantal Hydraulics** manufactures hydraulic cylinders in five "state-of-the-art" plants throughout India. Id. According to its website, Dantal is currently in the process of doubling its capacity to produce hydraulic cylinders: "With an annual production capacity of half a million cylinders for our global OEM customers, we are expanding towards our goal of producing one million cylinders annually." Id. Dantal's specific focus on the U.S. market is demonstrated in its establishment of a U.S. sales office in Alabama in 2023. Id. The company boasts that its "global network of distribution locations and strategic alliances facilitates our expansion, while our manufacturing excellence demonstrates our dedication to meeting the growing demands of our global customers with consistency and precision." Id.
- **Canara Hydraulics** of Bangalore is "one of the leading manufacturers in making hydraulic cylinders for construction equipment like boom pumps, mobile hydraulics like garbage compactors, material handling equipment like reach stackers, mining equipment like universal drilling machines, agriculture and forestry equipment like combine and harvesters and earth moving equipment like Excavators." Id. Canara states that it has consistently grown in size and capacity since its inception. Id. Canara's global focus is made clear on its website: "We cater to various OEMs across the globe." Id.
- **Hydraulics India Services Pvt. Ltd.** ("HISPL") produces hydraulic cylinders at its location in Bengaluru. HISPL's cylinders serve the "Cement, Mining, Steel and other Industries, with focus on quality to global standards." Id. HISPL's focus on export markets is demonstrated in its statement that it has had "the privilege of partnering with leading companies all around the globe for the last two decades." Id. HISPL further boasts "With our state of the art manufacturing facility, we build good quality cylinders faster than our competitors. With over 10,000 Sq. Ft of production area, we can cater to immediate needs of customers." Id.

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- Indian producer **Hyva** has three primary manufacturing plants in India at Pune, Bangalore, and Jamshedpur. In May of 2025, Hyva was acquired by JOST Werke SE, a multinational manufacturer of systems for commercial trucks and trailers. Id. As characterized at the time of the acquisition, “This strategic move enhances JOST’s ability to serve India’s rapidly growing commercial vehicle market while reinforcing its position as a leading supplier for both On-Highway (transport) and Off-Highway (agriculture and construction) applications worldwide... The combined strength of the two brands not only enhances global positioning but also boosts competitiveness and market leadership.” Id. In other words, JOST’s acquisition of Hyva improves its market position and distribution options to export markets, enhancing its threat to domestic producers of hydraulic cylinders.

Mexico

- **Hengli de México, S.A. de C.V.**, is the Mexican subsidiary of China’s Jiangsu Hengli Hydraulic Co., Ltd. See Exhibit GEN-12. In June 2025, the company began production at its newly constructed plant at FINSA 1 Industrial Park in Santa Catarina, Nuevo León, Mexico. Id. The 141,000 square meter plant represented “Phase 1” of a three-phase \$325 million production capacity expansion project by its parent company in China, with the first completed phase amounting to a \$200 million investment. Id.
- **Axon Mexico Hydraulics S.A.P.I. De C.V.** (operating as Axon Mexico) exports its hydraulic cylinders and trailer components directly to the United States. Id. The company is based in Cuauhtémoc, Chihuahua, Mexico, and sells to the American transportation, agriculture, and industrial sectors. Id.
- **Blackhawk de México** (part of the Quimmco Group) operates in Santa Catarina, Nuevo León and casts custom hydraulic cylinder and compressor components for OEMs. Id. Blackhawk, with a total annual capacity of 37,500 metric tons, is a significant exporter of hydraulic cylinders to the United States. Id.
- **DY Mechatronics S.A. De C.V.** (the Mexican subsidiary of South Korea’s DY Corporation) produces specialized hydraulic cylinders for heavy-duty industrial machinery, primarily exporting them to the United States. Id. The Apodaca, Nuevo León facility employs between 201 and 500 workers. Id.

South Korea

- **SH PAC Co. Ltd.** is a major Korean producer of hydraulic cylinders with two production locations in Busan, one of which was built in 2011. See Exhibit GEN-12. SH PAC’s website shows that it has a history of rapid increases in export sales, jumping from \$10 million in 2012 to \$30 million in 2013 and \$50 million in 2014. Id. The U.S. market is a major target of SH PAC’s export sales, as shown by its establishment of a U.S. sales and distribution affiliate in Pennsylvania in 2009, and

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additional warehouses in Georgia, Oklahoma, and Washington. SH PAC's video available at www.shpac.com depicts additional relevant information.

- **DY Power** has its production location for hydraulic cylinders in Changwon, Korea. Its website states that DY Power is pursuing the goal of “becoming the world’s #1 Hydraulic Cylinder supplier in terms of quality and market share.” Id. It further notes that DY Power has “aggressively develop{ed} a diverse customer base” and supplies cylinders to “each of the world’s Top 10 construction equipment manufacturers, and other world-class companies.” Id. DY Power is intently focused on the U.S. market, with its precursor company, Dongyang, having established a U.S. subsidiary, Dongyang America, in Sterling Heights, Michigan in 2002 and a Seattle, Washington sales office in 2007. The company also maintains a “Washington, D.C.” office in Hagerstown, Maryland. Id.
- **Shin-Myong Hydraulic Cylinders Co., Ltd.** produces hydraulic cylinders at its facility in Siheung, Korea. Id. Shin-Myong is focused on export markets for its products, having increased the value of its exports of hydraulic cylinders by nearly 50 percent between 2021 and 2022. Id. The United States stands as one of Shin-Myong’s first export markets, with the company shipping here since 2002. Id. Shin-Myong reports its capacity to produce hydraulic cylinders as 1.2 million units annually. Id.

G. Subject Producers in China, India, and Mexico Benefit from Substantial Countervailable Duties

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

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Subject producers in China, India, and Mexico have received countervailable subsidies, including numerous export subsidies. See **Petition Volumes VII-IX**. Among these subsidies are:

- Export loans, credit, and insurance provided to Hydraulic Cylinders producers at preferential rates by government authorities where receipt of the financing is contingent upon exporting;
- Grants provided to Hydraulic Cylinders producers and exporters to assist in the defense of trade disputes or the development of export markets, or to recognize export performance;
- Excessive remission and/or exemption of custom duties and other indirect taxes on raw material inputs, including fuel, upon exportation of Hydraulic Cylinders;
- Exemption and/or rebates/credits of import duties and other indirect taxes paid on capital equipment used in the production of Hydraulic Cylinders for exportation;
- Fee waivers and substantial discounts on costs associated with the export process; and
- Interest rate subsidies for export financing.

Id. These export and import substitution subsidies violate Article 3 of the SCM Agreement and are likely to provide Hydraulic Cylinders from China, India, and Mexico with additional incentives to target their production toward export markets, and particularly toward the United States.

V. CONCLUSION

The information presented in this Petition provides evidence reasonably available to Petitioners that Hydraulic Cylinders from Canada, China, India, Mexico, and South Korea are being, or are likely to be, sold in the United States at less than fair value, and that the Governments of China, India, and Mexico are providing countervailable subsidies with respect to the manufacture, production, and export of Hydraulic Cylinders. This Petition further provides evidence that the U.S. industry producing Hydraulic Cylinders is being materially injured, and is threatened with further material injury, by reason of these unfairly traded imports. Accordingly, antidumping and countervailing duty investigations should be initiated against imports of

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Hydraulic Cylinders from China, India, and Mexico and antidumping investigations should be initiated against imports of Hydraulic Cylinders from Canada and South Korea, and duties should be imposed to offset these unfair trade practices.

Respectfully submitted,



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July 29, 2026