

EXPLANATION OF COMMISSION DETERMINATION ON ADEQUACY

in

Glycine from China
Inv. No. 731-TA-718 (Third Review)

On January 4, 2011, the Commission determined that it should proceed to a full review in the subject five-year review pursuant to section 751(c)(5) of the Tariff Act of 1930 (19 U.S.C. §1675(c)(5)).

The Commission received a joint response with company specific data from two domestic producers of glycine: Chattem Chemicals, Inc. and GEO Specialty Chemicals, Inc.. The Commission found the individual response of each of these domestic producers to be adequate. Because these producers collectively account for all known domestic production of glycine, the Commission determined that the domestic interested party group response was adequate.

The Commission did not receive a response to the notice of institution from any respondent interested party, and therefore determined that the respondent interested party group response was inadequate.

Notwithstanding the Commission's determination that the respondent interested party group response was inadequate, the Commission determined to conduct a full review in light of information regarding possible changes in conditions of competition.¹ These include trends in U.S. demand; the nature of U.S. supply, particularly concerning the presence in the U.S. market of nonsubject imports; and the structure and market orientation of the Chinese glycine industry.

A record of the Commissioners' votes is available from the Office of the Secretary and the Commission's web site (www.usitc.gov).

¹ Vice Chairman Williamson and Commissioners Lane and Pinkert voted to conduct an expedited review due to the lack of respondent participation. They did not find that the record in this adequacy phase indicated sufficient changes in the conditions of competition since the original investigation and the first and second five-year reviews to warrant conducting a full review.