

Table of Contents

SIMA Cover Page - Page de Couverture LMSI - Septemeber 20, 2021

2

GB - CTG US Disclosure Letter - NON-CONFIDENTIAL

3



Canada Border
Services Agency

Agence des services
frontaliers du Canada



SIMA Registry and Disclosure Unit
Trade and Anti-dumping Programs Directorate
Canada Border Services Agency
100 Metcalfe Street, 11th Floor
Ottawa, Ontario K1A 0L8
Canada

Centre de dépôt et de communication des documents de la LMSI
Direction des programmes commerciaux et antidumping
Agence des services frontaliers du Canada
100, rue Metcalfe, 11e étage
Ottawa (Ontario) K1A 0L8
Canada

Submission received electronically

Soumission reçu électroniquement

Submission Date /
Date de soumission

September 20, 2021

PROTECTION • SERVICE • INTEGRITY

Canada

NON-CONFIDENTIAL

SENT VIA E-MAIL

September 20, 2021

SIMA Registry and Disclosure Unit
Anti-dumping and Countervailing Program
Canada Border Services Agency
11th Floor, 100 Metcalfe Street
Ottawa ON K1A 0L8

RE: Further Information of Relevance Concerning CertainTeed Canada Inc.'s Request for Re-Investigation of Normal Values and Export Prices in *Certain Gypsum Board* and Ongoing Disclosure Letter Concerning Market Conditions

On October 19, 2020, CertainTeed Canada, Inc. (“CT Canada”) filed a request that the CBSA commence a re-investigation of normal values and export prices of gypsum board covered by the Finding in *Certain Gypsum Board* (the “Finding”).¹ In that letter, CT Canada explained that there have been significant changes in selling prices in the United States, and, in particular, that at least three U.S. gypsum board manufacturers issued price increases ranging between 10 and 15 percent that would take effect in October 2020.² CT Canada provided an update to that letter on December 17, 2020, where it provided information concerning impending further 20 percent price increase by CertainTeed Gypsum US (“CTG US”) as well as United States Gypsum Company (“USG”), to take effect on January 4, 2021.³ CT Canada provided a further letter on March 17, 2021, indicating that CTG US announced a []% price increase on all wallboard products sold in the United States to take effect on [].⁴ Finally, on June 9, 2021, CT Canada advised that all major

¹ See Letter from CT Canada to the CBSA, “Request for Re-Investigation of Normal Values and Export Prices in *Certain Gypsum Board*” (October 19, 2020).

² Letter from CT Canada to the CBSA, “Request for Re-Investigation of Normal Values and Export Prices in *Certain Gypsum Board*” (October 19, 2020) at 5.

³ Letter from CT Canada to the CBSA, “Further Information of Relevance Concerning CertainTeed Canada Inc.’s Request for Re-Investigation of Normal Values and Export Prices in *Certain Gypsum Board*” (December 17, 2020) at 1-2.

⁴ Letter from CT Canada to the CBSA, “Further Information of Relevance Concerning CertainTeed Canada Inc.’s Request for Re-Investigation of Normal Values and Export Prices in *Certain Gypsum Board*” (June 9, 2021) at 1-2.
(continued next page)

September 20, 2021

Page 2

gypsum board manufacturers announced price increases in the U.S. market ranging from [] percent.⁵ CT Canada also disclosed its [] price increase for sales in Western Canada.

Further to those letters, and in conformity with CTG US's ongoing disclosure obligations set out in the CBSA's letter of July 18, 2019, CT Canada and CTG US (collectively "CTG") would like to provide an update to the CBSA concerning price increase notices in the U.S. markets:

- On August 13, 2021, USG announced a price increase of 20 percent on all wallboard products, effective September 13, 2021, for sales in the United States. *See Public Attachment 1 ("USG Price Increase Notice U.S. Sales")*. Notably, USG appears to have only announced a 10 percent price increase for export shipments of wallboard, in contrast to the 20 percent U.S. price increase. *See Public Attachment 2 ("USG Price Increase Notice Export Sales")*.
- On August 27, 2021, CTG US announced a 20 percent price increase on all wallboard products, effective October 1, 2021, for sales in all regions in the United States. *See Public Attachment 3 ("CTG US Price Increase Notice")*.

Additionally, CT Canada would also like to advise the CBSA of changes in freight costs. Between January to July 2020 and January to July 2021, the cost of freight to ship subject and non-subject gypsum board increased by [] percent from USD [] per MSF to USD [] per MSF. CTG Canada believes that these increases would be similar across all the exporters subject to the Finding.

As noted in CTG's re-investigation requests, therefore, these very significant price and cost changes mean that the normal values based on s. 15 of the *SIMA* are no longer reflective of U.S. market prices and would justify a normal value review.⁶

Certain Gypsum Board and Ongoing Disclosure Letter Concerning Market Conditions" (March 17, 2021).

⁵ Letter from CT Canada to the CBSA, "Further Information of Relevance Concerning CertainTeed Canada Inc.'s Request for Re-Investigation of Normal Values and Export Prices in *Certain Gypsum Board and Ongoing Disclosure Letter Concerning Market Conditions*" (June 9, 2021).

⁶ Memorandum D14-1-8, "Re-investigation and Normal Value Review Policy – Special Import Measures Act (SIMA) at para. 13.

September 20, 2021
Page 3

CTG would be happy to answer any questions the CBSA may have about this request, either directly or through counsel.

Sincerely yours,



Andrew M. Lanouette
Cassidy Levy Kent (Canada) LLP

ATTACHMENT 1

USG Price Increase Notice U.S. Sales



August 13th, 2021

To Our Customers:

Effective with shipments on and after Monday, September 13th, 2021, USG will increase its prices on all wallboard, glass-mat, tile backer, interior finishing, and bead and trim products.

- All wallboard products will increase 20%, which includes all Sheetrock® brand Wallboard products.
- All glass-mat products will increase 40%, which includes all Securock® brand Glass-Mat products.
- All interior finishing products will increase 15%, which includes all Joint Compound, Tape, Texture, Plaster and Accessories products.
- All bead and trim products will increase 10% which includes all Paper-Faced Bead & Trim and Metal Bead products.

Your sales rep will provide you an updated price list which will be effective Monday, September 13th. As we have done in the past, we reserve the right to increase prices during the year.

Please contact your USG sales representative if you have any questions. As always, we thank you for your business and support for USG products.

Sincerely,

A handwritten signature in black ink that reads "Brian Tauke".

Brian Tauke
General Manager

A handwritten signature in black ink that reads "Steve P Bjorklund".

Steve Bjorklund
SVP National Accounts

ATTACHMENT 2

USG Price Increase Notice Export Sales



August 27, 2021

Dear Valued Customers,

Please be advised of the following price increases will go into effect for all export orders shipping on or after October 1, 2021:

- All wallboard, glass-mat, tile backer, cement board and interior finishing products will increase 10%. This includes Sheetrock, Securock, Durock, Fiberock, joint compounds, etc.
- All ceiling grid components will increase 25%. This includes DXL, DXT, DXF, DGLW etc.

Applicable price is the price valid at time of shipping, not time of ordering.

Downey Cavicchioni

Export Sales Supervisor

Latin America/Caribbean

USG International LTD

e DCavicchioni@usg.com

t 305-688-8744 ext 5513



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ATTACHMENT 3

CTG US Price Increase Notice

August 20th, 2021

CertainTeed Gypsum is announcing a wallboard price increase effective on all shipments starting on October 1st, 2021. This announcement is for all regions in the U.S. The price of our products will increase by the following amount:

All Wallboard Products	20%
Shaftliner Products	\$250/msf

This is not a guidance for all of 2021 and there could be further increases throughout the year. We will keep you informed of any further announcements.

If you have any questions, please contact your local representative.

Thank you for your business and continued support.

Sincerely,

CertainTeed Gypsum – U.S.

