



## FACT SHEET

### **Commerce Preliminarily Finds Dumping of Imports of Diffusion-Annealed, Nickel-Plated Flat-Rolled Steel from Japan**

- On November 12, 2013, the Department of Commerce (Commerce) announced its affirmative preliminary determination in the antidumping duty (AD) investigation of imports of diffusion-annealed, nickel-plated flat-rolled steel from Japan.
- The AD law provides U.S. businesses and workers with a transparent and internationally approved mechanism to seek relief from the market distorting effects caused by injurious dumping of imports into the United States, establishing an opportunity to compete on a level playing field.
- For the purpose of AD investigations, dumping occurs when a foreign company sells a product in the United States at less than its fair value.
- Commerce preliminarily determined that producers/exporters in Japan sold diffusion-annealed, nickel-plated flat-rolled steel in the United States at dumping margins ranging from 47.80 to 77.70 percent.
- Mandatory respondents Toyo Kohan Co., Ltd. and Nippon Steel & Sumitomo Metal Corporation preliminarily received dumping margins of 47.80 percent and 77.70 percent, respectively. All other producers/exporters in Japan received a preliminary dumping margin of 47.80 percent.
- As a result of the preliminary affirmative determination, Commerce will instruct U.S. Customs and Border Protection to require cash deposits based on these preliminary rates.
- The petitioner for this investigation is Thomas Steel Strip Corporation (OH).
- The products covered by the scope of this investigation are flat-rolled, cold-reduced steel products, regardless of chemistry; whether or not in coils; either plated or coated with nickel or nickel-based alloys and subsequently annealed (*i.e.*, “diffusion-annealed”); whether or not painted, varnished or coated with plastics or other metallic or nonmetallic substances; and less than or equal to 2.0 mm in nominal thickness. For purposes of this investigation, “nickel-based alloys” include all nickel alloys with other metals in which nickel accounts for at least 80 percent of the alloy by volume.
- Imports of merchandise included in the scope of this investigation are classified primarily under Harmonized Tariff Schedule of the United States (“HTSUS”) subheadings 7212.50.0000 and 7210.90.6000, but may also be classified under HTSUS subheadings 7210.70.6090, 7212.40.1000, 7212.40.5000, 7219.90.0020, 7219.90.0025, 7219.90.0060, 7219.90.0080, 7220.90.0010, 7220.90.0015, 7225.99.0090, or 7226.99.0180. The foregoing HTSUS subheadings are provided only for convenience and customs purposes. The written description of the scope of this investigation is dispositive.

- In 2012, imports of diffusion-annealed, nickel-plated flat-rolled steel products from Japan were valued at an estimated \$24.1 million.

#### **NEXT STEPS**

- Commerce is scheduled to announce its final determination on or about March 25, 2014.
- If Commerce makes an affirmative final determination, and the U.S. International Trade Commission (ITC) makes an affirmative final determination that imports of diffusion-annealed, nickel-plated flat-rolled steel from Japan materially injure, or threaten material injury to, the domestic industry, Commerce will issue an AD order. If either Commerce's or the ITC's final determination is negative, no AD order will be issued. The ITC will make its final injury determination in May 2014.

#### **PRELIMINARY DUMPING MARGINS:**

| <b>COUNTRY</b> | <b>EXPORTER/PRODUCER</b>                             | <b>DUMPING MARGINS</b> |
|----------------|--|------------------------|
| <b>Japan</b>   | <b>Toyo Kohan Co., Ltd.</b>                          | <b>47.80%</b>          |
|                | <b>Nippon Steel &amp; Sumitomo Metal Corporation</b> | <b>77.70%</b>          |
|                | <b>All Others</b>                                    | <b>47.80%</b>          |

## CASE CALENDAR:

| EVENT                                      | DATE             |
|--|------------------|
| Petition Filed                             | March 27, 2013   |
| DOC Initiation Date                        | April 16, 2013   |
| ITC Preliminary Determination              | May 10, 2013     |
| DOC Preliminary Determination <sup>^</sup> | November 8, 2013 |
| DOC Final Determination <sup>†^+</sup>     | March 24, 2014   |
| ITC Final Determination <sup>*†</sup>      | May 8, 2014      |
| Issuance of Order <sup>**^</sup>           | May 15, 2014     |

NOTE: Commerce preliminary and final determination deadlines are governed by statute. For AD investigations, the deadlines are set forth in sections 733(b) and 735(a) of the Tariff Act of 1930, as amended. These deadlines may be extended under certain circumstances.

<sup>^</sup> As explained in the Memorandum for the Record from Paul Piquado, Assistant Secretary for Enforcement and Compliance, "Deadlines Affected by the Shutdown of the Federal Government" (October 18, 2013), Commerce has exercised its discretion to toll deadlines for the duration of the closure of the Federal Government from October 1, through October 16, 2013. Therefore, the initiation date for these investigations has been tolled by 16 days and all other deadlines have been adjusted accordingly.

<sup>†</sup> Where the deadline falls on a weekend/holiday, the appropriate date is the next business day.

<sup>+</sup> The DOC Final Determination has been extended by 60 days. This is an approximate date that was calculated by adding 60 days to the date of the DOC Preliminary Determination date.

<sup>\*</sup> This will take place only in the event of a final affirmative determination by Commerce.

<sup>\*\*</sup> This will take place only in the event of final affirmative determinations by Commerce and the ITC.

## IMPORT STATISTICS:

| Japan                | 2010       | 2011       | 2012       |
|----------------------|------------|------------|------------|
| Volume (metric tons) | 10,400     | 9,100      | 11,400     |
| Value (USD)          | 19,775,000 | 19,543,000 | 24,082,000 |

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS 7212.50.0000). This HTSUS subheading may cover both subject and non-subject merchandise. Subject merchandise may also enter under HTSUS 7210.90.6000, 7210.70.6090, 7212.40.1000, 7212.40.5000, 7219.90.0020, 7219.90.0025, 7219.90.0060, 7219.90.0080, 7220.90.0010, 7220.90.0015, 7225.99.0090, or 7226.99.0180, which cover significant amounts of non-subject merchandise. Therefore, these HTSUS subheadings have not been used for purposes of reporting import statistics.