



FACT SHEET

Commerce Initiates Antidumping Duty (AD) Investigations of Bottom Mount Combination Refrigerator-Freezers (Bottom Mount Refrigerators) from the Republic of Korea (Korea) and Mexico and a Countervailing Duty (CVD) Investigation of Bottom Mount Refrigerators from Korea

- On April 19, 2011, the Department of Commerce (Commerce) initiated AD and CVD investigations of imports of bottom mount refrigerators from Korea (AD/CVD) and Mexico (AD).
- For the purpose of AD investigations, dumping occurs when a foreign company sells a product in the United States at less than normal value. For the purpose of CVD investigations, subsidies are financial assistance from foreign governments that benefits the production, manufacture, or exportation of goods.
- The petitioner for these investigations is Whirlpool Corporation (MI).
- Bottom mount refrigerators are refrigerators with a freezer located underneath the refrigeration compartment.
- The merchandise covered by these investigations is all bottom mount combination refrigerator-freezers and certain assemblies thereof from Korea or Mexico. For purposes of the investigations, the term “bottom mount combination refrigerator-freezers” denotes freestanding or built-in cabinets that have an integral source of refrigeration using compression technology, with all of the following characteristics:
 - The cabinet contains at least two interior storage compartments accessible through one or more separate external doors or drawers or a combination thereof;
 - The upper-most interior storage compartment(s) that is accessible through an external door or drawer is either a refrigerator compartment or convertible compartment, but is not a freezer compartment (The existence of an interior sub-compartment for ice-making in the upper-most storage compartment does not render the upper-most storage compartment a freezer compartment); and
 - There is at least one freezer or convertible compartment that is mounted below the upper-most interior storage compartment(s).

For purposes of the investigations, a refrigerator compartment is capable of storing food at temperatures above 32 degrees F (0 degrees C), a freezer compartment is capable of storing food at temperatures at or below 32 degrees F (0 degrees C), and a convertible compartment is capable of operating as either a refrigerator compartment or a freezer compartment, as defined above. Also covered are certain assemblies used in bottom mount combination refrigerator-freezers, namely: (1) any assembled cabinets designed for use in bottom mount combination refrigerator-freezers that incorporate, at a minimum: (a) an external metal shell, (b) a back panel, (c) a deck, (d) an interior plastic liner, (e) wiring, and (f) insulation; (2) any assembled external doors designed for use in bottom mount combination refrigerator-freezers that

incorporate, at a minimum: (a) an external metal shell, (b) an interior plastic liner, and (c) insulation; and (3) any assembled external drawers designed for use in bottom mount combination refrigerator-freezers that incorporate, at a minimum: (a) an external metal shell, (b) an interior plastic liner, and (c) insulation.

- Imports of the subject merchandise are provided for under the following categories of the Harmonized Tariff Schedule of the United States (HTSUS): 8418.10.0010, 8418.10.0020, 8418.10.0030, and 8418.10.0040. Products subject to these investigations may also enter under HTSUS subheadings 8418.21.0010, 8418.21.0020, 8418.21.0030, 8418.21.0090, and 8418.99.4000, 8418.99.8050, and 8418.99.8060. These HTS numbers are provided for convenience and Customs purposes only; the written description of the scope is dispositive.
- In 2010, imports of refrigerators, including the refrigerators included by these investigations, from Korea and Mexico were valued at an estimated \$880.7 million and \$2.3 billion, respectively. However, the bottom mount refrigerators subject to these investigations are classified within HTSUS basket categories that contain products beyond the scope of the investigations.

NEXT STEPS

- The U.S. International Trade Commission (ITC) is scheduled to make its preliminary injury determinations on or about May 16, 2011.
- If the ITC determines that there is a reasonable indication that imports from Korea and Mexico are materially injuring, or threatening material injury to, the domestic industry, the investigations will continue, and Commerce will be scheduled to make its CVD and AD preliminary determinations in June and September 2011, respectively.

Alleged Dumping Margins:

COUNTRY	MARGIN
KOREA	34.16 – 61.82 %
MEXICO	23.10 – 183.18 %

Estimated Subsidy Rate:

COUNTRY	SUBSIDY RATE
KOREA	Above <i>de minimis</i> *

* *de minimis* = less than 1% for developed countries, less than 2% for developing countries.

CASE CALENDAR:

EVENT	AD INVESTIGATIONS	CVD INVESTIGATION
Petitions Filed	March 30, 2011	March 30, 2011
DOC Initiation Date	April 19, 2011	April 19, 2011
ITC Preliminary Determination*	May 16, 2011	May 16, 2011
DOC Preliminary Determinations**	September 6, 2011	June 23, 2011
DOC Final Determinations**	November 21, 2011	September 6, 2011
ITC Final Determination***	January 4, 2012	October 21, 2011
Issuance of Orders****	January 11, 2012	October 28, 2011

* If the ITC makes a negative preliminary determination of injury, the investigations are terminated.

**These deadlines may be extended under the governing statute.

***This will take place only in the event of final affirmative determinations from Commerce.

****This will take place only in the event of final affirmative determinations from Commerce and the ITC.

IMPORT STATISTICS:

KOREA	2008	2009	2010
Value (US\$)	657,597,000	600,925,000	880,683,000
MEXICO	2008	2009	2010
Value (US\$)	2,032,589,000	1,951,043,000	2,312,238,000

Source: U.S. Bureau of Census, accessed through Global Trade Atlas. (HTSUS 8418.10.0010, 8418.10.0020, 8418.10.0030, 8418.10.0040, 8418.21.0010, 8418.21.0020, 8418.21.0030, 8418.21.0090, 8418.99.4000, 8418.99.8050, and 8418.99.8060.

NOTE: These HTSUS subheadings do not differentiate between top mount, side-by-side, and bottom mount refrigerator units and their parts. Therefore, import statistics in the above table may include significant amounts of non-subject merchandise. Volume could not be calculated, as imports of subject merchandise are reported in multiple units of measure.