



FACT SHEET

Commerce Preliminarily Finds Dumping of Imports of Welded Stainless Pressure Pipe from Malaysia, Thailand, and the Socialist Republic of Vietnam

- On December 31, 2013, the Department of Commerce (Commerce) announced its affirmative preliminary determinations in the antidumping duty (AD) investigations of imports of welded stainless pressure pipe from Malaysia, Thailand, and the Socialist Republic of Vietnam (Vietnam).
- 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 determined that welded stainless pressure pipe from Malaysia, Thailand, and Vietnam has been sold in the United States at dumping margins ranging from 22.70 percent to 167.11 percent, 7.16 percent to 10.92 percent, and 17.72 to 53.91 percent, respectively.
- In the Malaysia investigation, mandatory respondents Kanzen Tetsu Sdn. Bhd. (“Kanzen”) and Pantech Stainless & Alloy Industries Sdn. Bhd. (“Pantech”) failed to answer Commerce’s questionnaire. And, while it responded to Commerce’s questionnaire, mandatory respondent Superinox Pipe Industry Sdn. Bhd./Superinox International Sdn. Bhd. (“Superinox”) subsequently informed Commerce that it would no longer be participating in the investigation. As a result, each has been assigned a dumping margin based on adverse inferences of 167.11 percent. All other producers/exporters in Malaysia received a preliminary dumping margin of 22.70 percent.
- Also in the Malaysia investigation, based on an allegation filed by the domestic industry, Commerce preliminarily determined that “critical circumstances” exist for the three mandatory respondents. As a result, Commerce will instruct U.S. Customs and Border Protection to require a cash deposit based on the preliminary rates, effective 90 days prior to the date of publication of the preliminary determination in the Federal Register.
- In the Thailand investigation, mandatory respondents Ametai Co., Ltd./Thareus Co., Ltd. (“Ametai/Thareus”) and Thai-German Products Co., Ltd. (“Thai-German”) received preliminary dumping margins of 7.16 percent and 10.92 percent, respectively. All other producers/exporters in Thailand received a preliminary dumping margin of 7.22 percent.
- In the Vietnam investigation, mandatory respondent Sonha International Corporation (“Sonha”) received a preliminary dumping margin of 17.72 percent, which has also been assigned to the separate rate respondent. All other producers/exporters in Vietnam received a preliminary dumping margin of 53.91 percent.

- As a result of the preliminary affirmative determinations for Malaysia, Thailand, and Vietnam, Commerce will instruct U.S. Customs and Border Protection to require cash deposits based on the preliminary rates calculated in these investigations.
- The petitioners for these investigations are Bristol Metals LLC (TN), Felker Brothers Corp. (WI), and Outokumpu Stainless Pipe, Inc. (IL).
- The product covered by the scope of these investigations is circular welded austenitic stainless pressure pipe not greater than 14 inches in outside diameter. For purposes of this scope, references to size are in nominal inches and include all products within tolerances allowed by pipe specifications. This merchandise includes, but is not limited to, the American Society for Testing and Materials (ASTM) A-312 or ASTM A-778 specifications, or comparable domestic or foreign specifications. ASTM A-358 products are only included when they are produced to meet ASTM A-312 or ASTM A-778 specifications, or comparable domestic or foreign specifications.
- Excluded from the scope are: (1) welded stainless mechanical tubing, meeting ASTM A-554 or comparable domestic or foreign specifications; (2) boiler, heat exchanger, superheater, refining furnace, feedwater heater, and condenser tubing, meeting ASTM A-249, ASTM A-688 or comparable domestic or foreign specifications; and (3) specialized tubing, meeting ASTM A-269, ASTM A-270 or comparable domestic or foreign specifications.
- The subject imports are normally classified in subheadings 7306.40.5005, 7306.40.5040, 7306.40.5062, 7306.40.5064, and 7306.40.5085 of the Harmonized Tariff Schedule of the United States (HTSUS). They may also enter under HTSUS subheadings 7306.40.1010, 7306.40.1015, 7306.40.5042, 7306.40.5044, 7306.40.5080, and 7306.40.5090. The HTSUS subheadings are provided for convenience and customs purposes only; the written description of the scope of these investigations is dispositive.
- In 2012, imports of welded stainless pressure pipe from Malaysia, Thailand, and Vietnam were valued at an estimated \$18.6 million, \$22.9 million, and \$18 million, respectively.

NEXT STEPS

- Commerce is scheduled to announce its final determinations on or about May 17, 2014; this deadline has already been fully extended, in accordance with the governing statute.
- If Commerce makes affirmative final determinations, and the U.S. International Trade Commission (ITC) makes affirmative final determinations that imports of welded stainless steel pressure pipe from Malaysia, Thailand, and/or Vietnam, materially injure, or threaten material injury to, the domestic industry, Commerce will issue AD orders. If either Commerce's or the ITC's final determinations are negative, no AD orders will be issued. The ITC will make its final injury determination in July 2014.

PRELIMINARY DUMPING MARGINS:

| COUNTRY | EXPORTER/PRODUCER | DUMPING MARGINS |
|----------|---|-----------------|
| Malaysia | Superinox International Sdn. Bhd./Superinox Pipe Industry Sdn. Bhd. | 167.11% |
| | Kanzen Tetsu Sdn. Bhd. | 167.11% |
| | Pantech Stainless & Alloy Industries Sdn. Bhd. | 167.11% |
| | All Others | 22.70% |

| COUNTRY | EXPORTER/PRODUCER | DUMPING MARGINS |
|----------|------------------------------------|-----------------|
| Thailand | Thareus Co., Ltd./Ametai Co., Ltd. | 7.16% |
| | Thai-German Products Co., Ltd. | 10.92% |
| | All Others | 7.22% |

| COUNTRY | EXPORTER/PRODUCER | DUMPING MARGINS |
|---------|--|-----------------|
| Vietnam | Sonha International Corporation/Sonha International Corporation | 17.72% |
| | Mejonson Industrial Vietnam Co., Ltd./ Mejonson Industrial Vietnam Co., Ltd. | 17.72% |
| | Vietnam-Wide Rate | 53.91% |

CASE CALENDAR:

| EVENT | DATE |
|---|---------------------------------|
| Petitions Filed | May 16, 2013 |
| DOC Initiation Date | June 5, 2013 |
| ITC Preliminary Determinations | August 19, 2013 |
| DOC Preliminary Determinations[^] | December 30, 2013 |
| DOC Final Determinations^{^+} | May 17, 2014[†] |
| ITC Final Determinations[*] | July 1, 2014 |
| Issuance of Orders^{**^} | July 8, 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.

+ Commerce's final determinations have been extended by 60 days. The deadline provided is an estimate. The actual deadline will be 135 days after the publication of the preliminary determinations in the *Federal Register*.

[†] Where the deadline falls on a weekend/holiday, the appropriate date is the next business day.

[^] 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, all deadlines in these investigations have been extended by 16 days.

^{*} This will take place only in the event of final affirmative determinations by Commerce.

^{**} This will take place only in the event of final affirmative determinations by Commerce and the ITC.

IMPORT STATISTICS:

| MALAYSIA | 2010 | 2011 | 2012 |
|-----------------------------|-------------------|-------------------|-------------------|
| Volume (metric tons) | 5,200 | 4,600 | 5,400 |
| Value (USD) | 18,067,000 | 18,674,000 | 18,552,000 |
| | | | |
| THAILAND | 2010 | 2011 | 2012 |
| Volume (metric tons) | 3,500 | 7,200 | 6,100 |
| Value (USD) | 12,520,000 | 30,679,000 | 22,889,000 |
| | | | |
| VIETNAM | 2010 | 2011 | 2012 |
| Volume (metric tons) | 3,800 | 4,300 | 4,700 |
| Value (USD) | 13,001,000 | 17,001,000 | 17,981,000 |

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS 7306.40.1010, 7306.40.1015, 7306.40.5005, 7306.40.5040, 7306.40.5042, 7306.40.5044, 7306.40.5062, 7306.40.5064, 7306.40.5080, 7306.40.5085, and 7306.40.5090.) Some HTSUS subheadings are basket categories and may cover both subject and non-subject merchandise.