



FACT SHEET

Commerce Preliminarily Finds Dumping of Imports of Grain-Oriented Electrical Steel from the People's Republic of China, the Czech Republic, Germany, Japan, the Republic of Korea, Poland, and the Russian Federation

- On May 5, 2014, the Department of Commerce (Commerce) announced its affirmative preliminary determinations in the antidumping duty (AD) investigations of grain-oriented electrical steel (GOES) from the People's Republic of China (China), the Czech Republic, Germany, Japan, the Republic of Korea (Korea), Poland, and the Russian Federation (Russia).
- 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.
- In the China investigation, Baoshan Iron & Steel Co., Ltd. (Baoshan) failed to provide complete and adequate responses to Commerce's questionnaires. As a result, Commerce considered Baoshan to be part of the China-wide entity and assigned the China-wide entity a dumping margin based on adverse facts available of 159.21 percent.
- In the Czech Republic investigation, mandatory respondents ArcelorMittal Frydek-Mistek A.S. and Sujani Enterprises Inc. received preliminary dumping margins of 11.45 percent and 10.35 percent, respectively. All other producers/exporters in the Czech Republic received a preliminary dumping margin of 10.38 percent.
- In the Germany investigation, the sole mandatory respondent, ThyssenKrupp Electrical Steel GmbH (TKES), failed to answer Commerce's questionnaire. As a result, Commerce assigned TKES a dumping margin based on adverse facts available of 241.91 percent. All other producers/exporters in Germany received a preliminary dumping margin of 133.70 percent.
- In the Japan investigation, the two mandatory respondents, Nippon Steel & Sumitomo Metal Corporation (Nippon) and JFE Steel Corporation (JFE), failed to answer Commerce's questionnaire. As a result, Commerce assigned Nippon and JFE a dumping margin based on adverse facts available of 172.30 percent. All other producers/exporters in Japan received a preliminary dumping margin of 93.36 percent.
- In the Korea investigation, the sole mandatory respondent, POSCO, received a preliminary dumping margin of 5.34 percent. All other producers/exporters in Korea received a preliminary dumping margin of 5.34 percent.
- In the Poland investigation, the sole mandatory respondent, Stalprodukt S.A., failed to answer Commerce's questionnaire. As a result, Commerce assigned Stalprodukt S.A. a dumping margin

based on adverse facts available of 99.51 percent. All other producers/exporters in Poland received a preliminary dumping margin of 78.10 percent.

- In the Russia investigation, the sole mandatory respondent OJSC Novolipetsk Steel/VIZ-Steel (NLMK), failed to provide complete and adequate responses to Commerce's questionnaires. As a result, Commerce assigned NLMK a dumping margin based on adverse facts available of 119.88 percent. All other producers/exporters in Russia received a preliminary dumping margin of 68.98 percent.
- As a result of the preliminary affirmative determinations, Commerce will instruct U.S. Customs and Border Protection (CBP) to require cash deposits based on these preliminary rates.
- The petitioners for these investigations are AK Steel Corporation (OH), Allegheny Ludlum, LLC (PA), and the United Steelworkers (PA).
- On February 24, 2014, the petitioners timely filed allegations of critical circumstances in the Czech Republic, Poland, and Russia cases. We made affirmative critical circumstances determinations for Poland and Russia and a negative critical circumstances determination for the Czech Republic. In each instance where we found that affirmative critical circumstances exist, we will instruct CBP to impose provisional measures retroactively on entries of subject GOES up to 90 days prior to these determinations.
- The scope of these investigations covers grain-oriented silicon electrical steel (GOES). GOES is a flat-rolled alloy steel product containing by weight at least 0.6 percent but not more than 6 percent of silicon, not more than 0.08 percent of carbon, not more than 1.0 percent of aluminum, and no other element in an amount that would give the steel the characteristics of another alloy steel, in coils or in straight lengths. The GOES that is subject to these investigations is currently classifiable under subheadings 7225.11.0000, 7226.11.1000, 7226.11.9030, and 7226.11.9060 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of these investigations is dispositive.
- Excluded are flat-rolled products not in coils that, prior to importation into the United States, have been cut to a shape and undergone all punching, coating, or other operations necessary for classification in Chapter 85 of the HTSUS as a transformer part (i.e., laminations).
- In 2013, imports of GOES from China, the Czech Republic, Germany, Japan, Korea, Poland, and Russia were valued at an estimated \$5.4 million, \$9.2 million, \$4.1 million, \$41.1 million, \$4.7 million, \$1.9 million, and \$3.4 million, respectively.

NEXT STEPS

- Commerce is scheduled to announce its final determinations concerning Germany, Japan, and Poland on or about July 17, 2014, unless the statutory deadline is extended. Commerce is scheduled to announce its final determinations concerning China, the Czech Republic, Korea, and Russia on or about September 16, 2014, as the deadline for these determinations has been fully extended.
- If Commerce makes affirmative final determinations, and the U.S. International Trade Commission (ITC) makes affirmative final determinations that imports of GOES from China, the Czech Republic,

Germany, Japan, Korea, Poland, and/or Russia 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 is scheduled to make its final injury determinations in August 2014 (for Germany, Japan, and Poland) and in October 2014 (for China, the Czech Republic, Korea, and Russia).

PRELIMINARY DUMPING MARGINS:

COUNTRY	EXPORTER/PRODUCER	DUMPING MARGINS
China	Baoshan Iron & Steel Co., Ltd.	159.21%[§]
	China-Wide Rate	159.21%[§]

§ Rate based on adverse facts available, as described in the preceding text.

COUNTRY	EXPORTER/PRODUCER	DUMPING MARGINS
Czech Republic	ArcelorMittal Frydek-Mistek A.S.	11.45%
	Sujani Enterprises Inc.	10.35%
	All Others	10.38%

COUNTRY	EXPORTER/PRODUCER	DUMPING MARGINS
Germany	ThyssenKrupp Electrical Steel GmbH	241.91%[§]
	All Others	133.70%

§ Rate based on adverse facts available, as described in the preceding text.

COUNTRY	EXPORTER/PRODUCER	DUMPING MARGINS
Japan	Nippon Steel & Sumitomo Metal Corporation	172.30 %[§]
	JFE Steel Corporation	172.30 %[§]
	All Others	93.36%

§ Rate based on adverse facts available, as described in the preceding text.

COUNTRY	EXPORTER/PRODUCER	DUMPING MARGINS
Korea	POSCO	5.34%
	All Others	5.34%

COUNTRY	EXPORTER/PRODUCER	DUMPING MARGINS
Poland	Stalprodukt S.A.	99.51%[§]
	All Others	78.10%

§ Rate based on adverse facts available, as described in the preceding text.

COUNTRY	EXPORTER/PRODUCER	DUMPING MARGINS
Russia	OJSC Novoliopetsk Steel/VIZ-Steel	119.88%[§]
	All Others	68.98%

§ Rate based on adverse facts available, as described in the preceding text.

CASE CALENDAR:

EVENT	DATE
Petitions Filed	September 18, 2013
DOC Initiation Date[^]	October 24, 2013
ITC Preliminary Determination	November 26, 2013
DOC Preliminary Determination	May 2, 2014
DOC Final Determination	July 16, 2014 (Germany, Japan, and Poland) September 15, 2014[†] (China, the Czech Republic, Korea, and Russia)***
ITC Final Determination*	August 30, 2014 (Germany, Japan, and Poland) October 29, 2014 (China, the Czech Republic, Korea, and Russia)***
Issuance of Order**	September 6, 2014 (Germany, Japan, and Poland) November 5, 2014 (China, the Czech Republic, Korea, and Russia)***

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.

[^] 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 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 deadlines in this investigation have been extended by 16 days.

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

*This will take place only in the event of a final affirmative determination by Commerce.

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

***These dates are estimated as they are dependent upon the publication date of Commerce's preliminary determinations.

IMPORT STATISTICS:

CHINA	2011	2012	2013
Volume (short tons)	59	322	2,089
Value (USD \$1000)	149	966	5,412
CZECH REPUBLIC			
Volume (short tons)	4,207	3,196	4,756
Value (USD \$1000)	10,551	7,713	9,183
GERMANY			
Volume (short tons)	3,503	2,165	2,487
Value (USD \$1000)	7,970	5,076	4,088
JAPAN			
Volume (short tons)	12,857	12,628	15,256
Value (USD \$1000)	43,227	38,516	41,058
KOREA			
Volume (short tons)	2,402	4,444	2,195
Value (USD \$1000)	6,228	11,107	4,687
POLAND			
Volume (short tons)	2,439	4,517	956
Value (USD \$1000)	5,991	10,305	1,858
RUSSIA			
Volume (short tons)	765	3,919	1,420
Value (USD \$1000)	2,231	9,959	3,387