



FACT SHEET

Commerce Preliminarily Finds Dumping of Imports of Monosodium Glutamate from the People's Republic of China and Indonesia

- On May 2, 2014, the Department of Commerce (Commerce) announced its affirmative preliminary determinations in the antidumping duty (AD) investigations of imports of monosodium glutamate (MSG) from the People's Republic of China (China) and Indonesia.
- 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, mandatory respondents Langfang Meihua Bio-Technology Co., Ltd., Tongliao Meihua Biological Sci-Tech Co., Ltd., Meihua Group International Trading (Hong Kong) Limited, and Meihua Holdings Group Co., Ltd., Bazhou Branch (collectively, the Meihua Group) and Shandong Linghua Monosodium Glutamate Incorporated Company (Shandong Linghua) received preliminary dumping margins of 52.24 percent and 52.27 percent, respectively. Shandong Linghua's margin was based on adverse facts available. All other producers/exporters in China received a preliminary dumping margin of 52.27 percent.
- In the Indonesia investigation, mandatory respondent PT. Cheil Jedang Indonesia, as well as all other producers/exporters in Indonesia, received a preliminary dumping margin of 5.61 percent.
- As a result of the preliminary affirmative determinations, Commerce will instruct U.S. Customs and Border Protection to require cash deposits based on these preliminary rates.
- The petitioner for these investigations is Ajinomoto North America Inc. (IL).
- The merchandise covered by the scope of these investigations is MSG, whether or not blended or in solution with other products. Specifically, MSG that has been blended or is in solution with other product(s) is included in this scope when the resulting mix contains 15% or more of MSG by dry weight. Products with which MSG may be blended include, but are not limited to, salts, sugars, starches, maltodextrins, and various seasonings. Further, MSG is included in these investigations regardless of physical form (including, but not limited to, substrates, solutions, dry powders of any particle size, or unfinished forms such as MSG slurry), end-use application, or packaging. MSG has a molecular formula of $C_5H_8NO_4Na$, a Chemical Abstract Service (CAS) registry number of 6106-04-3, and a Unique Ingredient Identifier (UNII) number of W81N5U6R6U. Merchandise covered by the scope of these investigations is currently classified in the Harmonized Tariff Schedule (HTS) of the United States at subheading 2922.42.10.00. Merchandise subject to these investigations may also enter under HTS subheadings 2922.42.50.00, 2103.90.72.00, 2103.90.74.00, 2103.90.78.00, 2103.90.80.00, and 2103.90.90.91. The tariff classifications, CAS registry number, and UNII

number are provided for convenience and customs purposes; however, the written description of the scope is dispositive.

- In 2013, imports of MSG from China and Indonesia were valued at an estimated \$33.5 million and \$6 million, respectively.

NEXT STEPS

- Commerce is scheduled to announce its final determinations on or about September 22, 2014. This statutory deadline 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 MSG from China and/or Indonesia materially injure, or threaten material injury to, the domestic industry, Commerce will issue AD orders. If either Commerce’s or the ITC’s final determination is negative, no AD orders will be issued. The ITC is scheduled to make its final injury determinations in November 2014.

PRELIMINARY DUMPING MARGINS:

COUNTRY	EXPORTER/PRODUCER	DUMPING MARGINS
China	Langfang Meihua Bio-Technology Co., Ltd., Tongliao Meihua Biological Sci-Tech Co., Ltd., Meihua Group International Trading (Hong Kong) Limited, and Meihua Holdings Group Co., Ltd., Bazhou Branch (collectively, the Meihua Group)	52.24%
	Shandong Linghua Monosodium Glutamate Incorporated Company	52.27%
	China-Wide Rate	52.27%

COUNTRY	EXPORTER/PRODUCER	DUMPING MARGINS
Indonesia	PT. Cheil Jedang Indonesia	5.61%
	All Others	5.61%

CASE CALENDAR:

EVENT	DATE
Petitions Filed	September 16, 2013
DOC Initiation Date [^]	October 23, 2013
ITC Preliminary Determinations	December 23, 2013
DOC Preliminary Determinations	May 2, 2014
DOC Final Determinations	September 19, 2014
ITC Final Determinations*	November 3, 2014
Issuance of Orders**	November 10, 2014

NOTE: Commerce's 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, deadlines in this investigation have been extended by 16 days.

*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.

IMPORT STATISTICS:

CHINA	2011	2012	2013
Volume (metric tons)	25,700	25,900	26,600
Value (USD)	37,156,000	36,890,000	33,475,000
INDONESIA	2011	2012	2013
Volume (metric tons)	100	4,000	4,500
Value (USD)	95,500	5,701,000	6,036,000