



FACT SHEET

Commerce Finds Subsidization of Ni-Resist Piston Inserts from Argentina; Finds *De Minimis* Subsidization of Ni-Resist Piston Inserts from the Republic of Korea

- On September 15, the Department of Commerce (Commerce) announced its affirmative final determination in the countervailing duty investigation on imports of Ni-resist piston inserts (piston inserts) from Argentina, and its negative final determination in the countervailing duty investigation on imports of piston inserts from the Republic of Korea (Korea). Subsidies are financial assistance from foreign governments that benefit the production, manufacture, or exportation of goods.
- For Argentina, mandatory respondent, Clorindo Appo SRL, received a final subsidy rate of 6.81 percent. Because Clorindo Appo SRL was the only respondent, all other Argentine producers/exporters also received a final subsidy rate of 6.81 percent.
- For Korea, mandatory respondent, Incheon Metal Co., Ltd. (Incheon Metal), received a countervailable subsidy in the form of interest assistance and received tax benefits under the Namdong National Industrial Complex Program; however, the amounts provided were so small that they did not result in an affirmative net subsidy rate. Because Incheon Metal was the only respondent, all other Korean producers/exporters have also received a final *de minimis* subsidy rate.
- Commerce will instruct U.S. Customs and Border Protection to collect a cash deposit or bond on imports of piston inserts from Argentina based on the rates in the final determination. Commerce will not instruct U.S. Customs and Border Protection to collect a cash deposit or bond on imports of piston inserts from Korea.
- The petitioner for these investigations is Korff Holdings, LLC, dba Quaker City Castings (OH).
- The merchandise subject to these investigations includes all piston inserts regardless of size, thickness, weight, or outside diameter. Piston inserts may also be called other names including, but not limited to, “Ring Carriers,” or “Alfin Inserts.” Ni-resist inserts are alloyed cast iron rings, composed of the material known as Ni-resist, of the chemical composition: 13.5% – 17.5% Ni (nickel), 5.5% – 8.0% Cu (copper), 0.8% – 2.0% Cr (chrome), 0.5% – 1.5% Mn (manganese), 1.0% – 3.0% Si (silicon), 2.4% – 3.0% C (carbon). The cast iron composition is produced primarily to the material specifications of the American Society for Testing and Materials (ASTM), ASTM A-436 grade 1.
- Excluded from the scope of these investigations are: (1) piston rings or (2) any other product manufactured using the Ni-resist material.
- Piston inserts are currently classifiable under the subheading 8409.99.91.90 of the Harmonized Tariff Schedule of the United States (HTSUS). While the HTSUS subheading is provided for convenience and customs purposes, Commerce’s written description governs the scope of these investigations.

NEXT STEPS

- Commerce will terminate the countervailing duty investigation on imports of piston inserts from Korea.
- The U.S. International Trade Commission (ITC) is scheduled to make its final determination in the Argentine investigation on or before October 29. If the ITC makes an affirmative determination that imports of piston inserts from Argentina materially injure, or threaten material injury to, the domestic industry, Commerce will issue a countervailing duty order. If the ITC makes a negative injury determination, the investigation will be terminated.

FINAL SUBSIDY RATES:

COUNTRY	PRODUCER/EXPORTER	SUBSIDY RATE
ARGENTINA	Clorindo Appo SRL	6.81%
	All Others	6.81%
KOREA	Incheon Metal Co., Ltd.	<i>de minimis</i> *
	All Others	<i>de minimis</i> *

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

EVENT	DATE
Petition Filed	January 26, 2009
DOC Initiation Date	February 17, 2009
ITC Preliminary Determination	March 12, 2009
DOC Preliminary Determinations	June 29, 2009
DOC Final Determinations	September 14, 2009
ITC Final Determination+	October 29, 2009
Issuance of Order+*	November 5, 2009

+These events will not take place for the Korean investigation. This investigation will be terminated.

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

IMPORT STATISTICS:

ARGENTINA	2006	2007	2008 (Jan.-Sept.)
Volume (kg)	982,003	560,085	196,434
Value (\$US)	5,937,865	4,981,645	1,432,829
KOREA			
KOREA	2006	2007	2008
Volume (kg)	0	262,487	306,088
Value (\$US)	0	19,914,427	11,906,103

Source: Petitioner's estimates of the volume and value of U.S. imports of subject merchandise from Argentina and Korea, as noted in the petition.