



## FACT SHEET

### Commerce Preliminarily Finds Dumping of Oil Country Tubular Goods from China

- On November 5, the Department of Commerce (Commerce) announced its affirmative preliminary determination in the antidumping duty investigation on imports of oil country tubular goods (OCTG) from China.
- Dumping occurs when a foreign company sells a product in the United States at less than fair value.
- Commerce preliminarily determined that Chinese producers/exporters have sold OCTG in the United States at prices ranging from zero to 99.14 percent less than normal value.
- The mandatory respondents, Jiangsu Changbao Steel Tube Co., Ltd. (“Changbao”), and Tianjin Pipe International Economic and Trading Corp. (“TPCO”), received preliminary dumping rates of zero and 36.53 percent, respectively. In this investigation, 37 companies have qualified for a separate rate of 36.53 percent. All other Chinese producers/exporters will receive a preliminary dumping rate of 99.14 percent.
- In the companion countervailing duty investigation on OCTG from China, TPCO received an export subsidy rate of 0.08 percent.
- As a result of this preliminary determination, Commerce will instruct U.S. Customs and Border Protection (CBP) to collect a cash deposit or bond equal to the weighted-average dumping margins, adjusted for export subsidies found in the preliminary determination of the companion countervailing duty investigation. Accordingly, Commerce will instruct CBP to collect an antidumping duty cash deposit or bonding rate of 36.45 for TPCO and 36.50 for the separate rate companies. Commerce will not instruct CBP to collect a cash deposit or bonding rate for Changbao, which has a zero rate.
- Critical circumstances were found with regard to the PRC-wide entity. Accordingly, Commerce will direct CBP to suspend liquidation of merchandise entered by all companies, other than TPCO, Changbao and the separate-rate companies starting 90 days prior to the publication of the Preliminary Determination.
- The petitioners for this investigation are: Maverick Tube Corporation (TX); United States Steel Corporation (PA); TMK IPSCO (IL); V&M Star LP (TX); Wheatland Tube Corp. (PA); Evraz Rocky Mountain Steel (CO); and United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO-CLC (PA).
- The merchandise covered by this investigation consists of certain oil country tubular goods (“OCTG”), which are hollow steel products of circular cross-section, including oil well casing and tubing, of iron (other than cast iron) or steel (both carbon and alloy), whether seamless or welded, regardless of end finish (*e.g.*, whether or not plain end, threaded, or threaded and coupled) whether or not conforming to American Petroleum Institute (“API”) or non-API

specifications, whether finished (including limited service OCTG products) or unfinished (including green tubes and limited service OCTG products), whether or not thread protectors are attached. The scope of this investigation also covers OCTG coupling stock.

- Excluded from the scope of this investigation is casing or tubing containing 10.5 percent or more by weight of chromium, drill pipe, unattached couplings and unattached thread protectors.
- The merchandise covered by this investigation is currently classified in the Harmonized Tariff Schedule of the United States (“HTSUS”) under item numbers: 7304.29.10.10, 7304.29.10.20, 7304.29.10.30, 7304.29.10.40, 7304.29.10.50, 7304.29.10.60, 7304.29.10.80, 7304.29.20.10, 7304.29.20.20, 7304.29.20.30, 7304.29.20.40, 7304.29.20.50, 7304.29.20.60, 7304.29.20.80, 7304.29.31.10, 7304.29.31.20, 7304.29.31.30, 7304.29.31.40, 7304.29.31.50, 7304.29.31.60, 7304.29.31.80, 7304.29.41.10, 7304.29.41.20, 7304.29.41.30, 7304.29.41.40, 7304.29.41.50, 7304.29.41.60, 7304.29.41.80, 7304.29.50.15, 7304.29.50.30, 7304.29.50.45, 7304.29.50.60, 7304.29.50.75, 7304.29.61.15, 7304.29.61.30, 7304.29.61.45, 7304.29.61.60, 7304.29.61.75, 7305.20.20.00, 7305.20.40.00, 7305.20.60.00, 7305.20.80.00, 7306.29.10.30, 7306.29.10.90, 7306.29.20.00, 7306.29.31.00, 7306.29.41.00, 7306.29.60.10, 7306.29.60.50, 7306.29.81.10, and 7306.29.81.50.
- The OCTG coupling stock covered by this investigation may also enter under the following HTSUS item numbers: 7304.39.00.24, 7304.39.00.28, 7304.39.00.32, 7304.39.00.36, 7304.39.00.40, 7304.39.00.44, 7304.39.00.48, 7304.39.00.52, 7304.39.00.56, 7304.39.00.62, 7304.39.00.68, 7304.39.00.72, 7304.39.00.76, 7304.39.00.80, 7304.59.60.00, , 7304.59.80.15, 7304.59.80.20, 7304.59.80.25, 7304.59.80.30, 7304.59.80.35, 7304.59.80.40, 7304.59.80.45, 7304.59.80.50, 7304.59.80.55, 7304.59.80.60, 7304.59.80.65, 7304.59.80.70, and 7304.59.80.80. While the HTSUS subheadings are provided for convenience and customs purposes, Commerce’s written description of the subject merchandise governs the scope of this investigation.
- From 2006 to 2008, imports of OCTG from China increased 203 percent by volume and were valued at an estimated \$2.6 billion in 2008.

## **NEXT STEPS**

- The final determination has been extended at the request of the exporters. The fully extended deadline for the final determination is now scheduled for March 19, 2010.
- As a result of this preliminary determination, Commerce will instruct U.S. Customs and Border Protection to collect a cash deposit or bond based on these preliminary rates, with the exception of Changbao, which has a zero rate.
- Critical Circumstances were found with regard to the PRC-wide entity. Accordingly, Commerce will direct U.S. Customs and Border Protection to suspend liquidation of merchandise entered by all companies other than TPCO, Changbao and the separate-rate companies starting 90 days prior to the publication of the Preliminary Determination.

- If Commerce makes an affirmative final determination, and the U.S. International Trade Commission makes an affirmative final determination that imports of OCTG from China materially injure, or threaten material injury to, the domestic industry, Commerce will issue an antidumping duty order.

**PRELIMINARY DUMPING RATES:**

<b>PRODUCER/EXPORTER</b>	<b>MARGIN</b>	<b>CASH DEPOSIT</b>
<b>Jiangsu Changbao Steel Tube Co., Ltd.</b>	<b>0.00</b>	<b>0.00</b>
<b>Tianjin Pipe International Economic and Trading Corp.</b>	<b>36.53</b>	<b>36.45*</b>
<b>Zhejiang Jianli Co., Ltd. (Separate Rate Company)</b>	<b>36.53</b>	<b>36.53**</b>
<b>Wuxi Seamless Pipe Co., Ltd. (Separate Rate Company)</b>	<b>36.53</b>	<b>36.53**</b>
<b>All Other Separate Rate Companies†</b>	<b>36.53</b>	<b>36.50***</b>
<b>China-wide</b>	<b>99.14</b>	<b>99.14</b>

\*Margin rate minus the export subsidy rate of 0.08 percent.

\*\*The export subsidy adjustment will not apply to Zhejiang Jianli Co., Ltd. and Wuxi Seamless Pipe Co., Ltd., two separate rate companies who are mandatory respondents in the OCTG CVD proceeding, because neither of these companies received export subsidies in the OCTG CVD proceeding.

\*\*\*For the separate rate companies, we deducted from the margin the amount of the export subsidies contained in the all-others rate of the companion CVD proceeding.

†For a complete list of companies see the *Federal Register* notice for the preliminary determination.

**CASE CALENDAR:**

<b>EVENT</b>	<b>DATES</b>
<b>Petitions Filed</b>	<b>April 08, 2009</b>
<b>DOC Initiation Date</b>	<b>April 28, 2009</b>
<b>ITC Preliminary Determination</b>	<b>June 10, 2009</b>
<b>DOC Preliminary Determinations</b>	<b>November 4, 2009</b>
<b>DOC Final Determinations*</b>	<b>March 19, 2010</b>
<b>ITC Final Determination**</b>	<b>May 3, 2010</b>
<b>Issuance of Orders***</b>	<b>May 10, 2010</b>

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

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

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

**IMPORT STATISTICS:**

<b>CHINA</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
<b>Quantity (MTs)</b>	<b>657,740</b>	<b>780,831</b>	<b>1,993,609</b>
<b>Value (USD)</b>	<b>\$632,216,941</b>	<b>\$749,631,921</b>	<b>\$2,629,070,303</b>

**Source:** U.S. International Trade Commission, Dataweb (HTSUS 7304.29.10.10, 7304.29.10.20, 7304.29.10.30, 7304.29.10.40, 7304.29.10.50, 7304.29.10.60, 7304.29.10.80, 7304.29.20.10, 7304.29.20.20, 7304.29.20.30, 7304.29.20.40, 7304.29.20.50, 7304.29.20.60, 7304.29.20.80, 7304.29.31.10, 7304.29.31.20, 7304.29.31.30, 7304.29.31.40, 7304.29.31.50, 7304.29.31.60, 7304.29.31.80, 7304.29.41.10, 7304.29.41.20, 7304.29.41.30, 7304.29.41.40, 7304.29.41.50, 7304.29.41.60, 7304.29.41.80, 7304.29.50.15, 7304.29.50.30, 7304.29.50.45, 7304.29.50.60, 7304.29.50.75, 7304.29.61.15, 7304.29.61.30, 7304.29.61.45, 7304.29.61.60, 7304.29.61.75, 7305.20.20.00, 7305.20.40.00, 7305.20.60.00, 7305.20.80.00, 7306.29.10.30, 7306.29.10.90, 7306.29.20.00, 7306.29.31.00, 7306.29.41.00, 7306.29.60.10, 7306.29.60.50, 7306.29.81.10, and 7306.29.81.50).