



FACT SHEET

Commerce Initiates Antidumping Duty and Countervailing Duty Investigations of Imports of Cast Iron Soil Pipe Fittings from the People's Republic of China

- On August 3, 2017, the Department of Commerce (Commerce) announced the initiation of antidumping duty (AD) and countervailing duty (CVD) investigations of imports of cast iron soil pipe fittings from the People's Republic of China (China).
- The AD and CVD laws provide U.S. businesses and workers with a transparent, quasi-judicial, and internationally accepted mechanism to seek relief from the market-distorting effects caused by injurious dumping and unfair subsidization 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. For the purpose of CVD investigations, a countervailable subsidy is financial assistance from a foreign government that benefits the production of goods from foreign companies and is limited to specific enterprises or industries, or is contingent either upon export performance or upon the use of domestic goods over imported goods.
- The petitioner is the Cast Iron Soil Pipe Institute (IL), whose members are AB&I Foundry (CA), Charlotte Pipe & Foundry (NC), and Tyler Pipe (TX).
- The merchandise covered by these investigations is cast iron soil pipe fittings, finished and unfinished, regardless of industry or proprietary specifications, and regardless of size. Cast iron soil pipe fittings are nonmalleable iron castings of various designs and sizes, including, but not limited to, bends, tees, wyes, traps, drains, and other common or special fittings, with or without side inlets.

Cast iron soil pipe fittings are classified into two major types – hubless and hub and spigot. Hubless cast iron soil pipe fittings are manufactured without a hub, generally in compliance with Cast Iron Soil Pipe Institute (CISPI) specification 301 and/or American Society for Testing and Materials (ASTM) specification A888. Hub and spigot pipe fittings have hubs into which the spigot (plain end) of the pipe or fitting is inserted. Cast iron soil pipe fittings are generally distinguished from other types of nonmalleable cast iron fittings by the manner in which they are connected to cast iron soil pipe and other fittings.

The subject imports are normally classified in subheading 7307.11.0045 of the Harmonized Tariff Schedule of the United States (HTSUS): Cast fittings of nonmalleable cast iron for cast iron soil pipe. The HTSUS subheading and specifications are provided for convenience and customs purposes only; the written description of the scope of these investigations is dispositive.

- In 2016, imports of cast iron soil pipe fittings from China were valued at an estimated \$8.6 million.

NEXT STEPS

- The U.S. International Trade Commission (ITC) is scheduled to make its preliminary injury determinations on or before August 28, 2017.

- If the ITC determines that there is a reasonable indication that imports of cast iron soil pipe fittings from China materially injure, or threaten material injury to, the domestic industry in the United States, the investigations will continue, and the Department will be scheduled to announce its preliminary CVD determination in October 2017 and its preliminary AD determination in December 2017, though these dates may be extended. If the ITC's determinations are negative, the investigations will be terminated.

ALLEGED DUMPING MARGINS:

COUNTRY	DUMPING MARGINS
China	92.48 percent

ESTIMATED SUBSIDY RATE:

COUNTRY	SUBSIDY RATE
China	Above <i>de minimis</i> *

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

CASE CALENDAR:

EVENT	AD INVESTIGATION	CVD INVESTIGATION
Petitions Filed	July 13, 2017	July 13, 2017
DOC Initiation Date	August 2, 2017	August 2, 2017
ITC Preliminary Determinations*	August 28, 2017†	August 28, 2017†
DOC Preliminary Determinations	December 20, 2017	October 6, 2017
DOC Final Determinations	March 5, 2018	December 20, 2017
ITC Final Determinations**	April 19, 2018	February 5, 2018†
Issuance of Orders***	April 26, 2018	February 12, 2018

NOTE: Commerce preliminary and final determination deadlines are governed by statute. For CVD investigations, the deadlines are set forth in sections 703(b) and 705(a)(1) of the Tariff Act of 1930, as amended (the Act). For AD investigations, the deadlines are set forth in sections 733(b) and 735(a) of the Act. These deadlines may be extended under certain circumstances.

* If the ITC makes a negative preliminary determination of injury, the investigations are terminated.

**This will take place only in the event of final affirmative determinations from Commerce.

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

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

IMPORT STATISTICS:

CHINA	2014	2015	2016
Volume (metric tons)	6,648	5,018	7,585
Value (USD)	8,939,354	6,280,817	8,556,590

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS 7307.11.0045)