



## FACT SHEET

### Commerce Finds Dumping and Countervailable Subsidization of Imports of Welded Stainless Pressure Pipe from India

- On September 23, 2016, the Department of Commerce (Commerce) announced its affirmative final determinations in the antidumping duty (AD) and countervailing duty (CVD) investigations of imports of welded stainless pressure pipe from India.
- The AD and CVD laws provides 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.
- In the AD investigation, Commerce found dumping has occurred by the mandatory respondent Steamline Industries Ltd. at a margin of 12.66 percent and determined a dumping margin of 0.00 percent for the second mandatory respondent, Sunrise Stainless Pvt. Ltd. and Sun Mark Stainless Pvt. Ltd. (collectively, “Sunrise”). Commerce assigned a final dumping margin of 12.66 percent for all other producers/exporters in India.
- In the CVD investigation, Commerce found that mandatory respondent Steamline Industries Limited received countervailable subsidies at a rate of 3.13 percent and that mandatory respondent Sunrise Stainless Private Limited, Sun Mark Stainless Pvt. Ltd., and Shah Foils Ltd. (collectively, “Sunrise Group”) received countervailable subsidies at a rate of 6.22 percent. Commerce assigned a final subsidy rate of 4.65 percent for all other producers/exporters in India.
- As a result of the affirmative final determinations, if the U.S. International Trade Commission (ITC) issues an affirmative injury determination, Commerce will instruct U.S. Customs and Border Protection (CBP) to collect cash deposits equal to the applicable weighted-average dumping and subsidy margins, except where the rates are zero or *de minimis*. Commerce will adjust the AD cash deposit rates by the amount of countervailable export subsidies, where appropriate. If the ITC issues a negative injury determination, however, the investigation will be terminated and no producers or exporters will be subject to further cash deposits for antidumping or countervailing duties. In such an event, all previously collected cash deposits will be refunded.
- The petitioners for these investigations are Bristol Metals, LLC (TN); Felker Brothers Corporation (WI); Outokumpu Stainless Pipe, Inc. (FL); and Marcegaglia USA Inc. (PA).
- The merchandise covered by these investigations is circular welded austenitic stainless pressure pipe not greater than 14 inches in outside diameter. References to size are in nominal inches and include

all products within tolerances allowed by pipe specifications. This merchandise includes, but is not limited to, the American Society for Testing and Materials (ASTM) A-312 or ASTM A-778 specifications, or comparable domestic or foreign specifications. ASTM A-358 products are only included when they are produced to meet ASTM A-312 or ASTM A-778 specifications, or comparable domestic or foreign specifications.

Excluded from the scope of the investigations are: (1) welded stainless mechanical tubing, meeting ASTM A-554 or comparable domestic or foreign specifications; (2) boiler, heat exchanger, superheater, refining furnace, feedwater heater, and condenser tubing, meeting ASTM A-249, ASTM A-688 or comparable domestic or foreign specifications; and (3) specialized tubing, meeting ASTM A-269, ASTM A-270 or comparable domestic or foreign specifications.

The subject imports are normally classified in subheadings 7306.40.5005, 7306.40.5040, 7306.40.5062, 7306.40.5064, and 7306.40.5085 of the Harmonized Tariff Schedule of the United States (HTSUS). They may also enter under HTSUS subheadings 7306.40.1010, 7306.40.1015, 7306.40.5042, 7306.40.5044, 7306.40.5080, and 7306.40.5090. The HTSUS subheadings are provided for convenience and customs purposes only; the written description of the scope of these investigations is dispositive.

- In 2015, imports of welded stainless pressure pipe from India were valued at an estimated \$33.1 million.

#### NEXT STEPS

- The ITC is scheduled to make its final injury determination in these investigations on November 6, 2016.
- If the ITC makes an affirmative final determination that imports welded stainless pressure pipe from India materially injure, or threaten material injury to, the domestic industry, Commerce will issue AD and CVD orders. If the ITC makes a negative determination of injury, the investigation will be terminated.

#### FINAL DUMPING MARGINS:

COUNTRY	EXPORTER/PRODUCER	DUMPING MARGINS	CASH DEPOSIT
India	Steamline Industries Ltd.	12.66%	10.17%
	Sunrise Stainless Pvt. Ltd. and Sun Mark Stainless Pvt. Ltd. (collectively, "Sunrise")	0.00%	0.00%
	All Others	12.66%	8.35%

NOTE: The difference between the dumping margins and the cash deposit rates represents the adjustment for the export subsidies identified in the companion countervailing duty investigation.

## FINAL SUBSIDY RATES:

COUNTRY	EXPORTER/PRODUCER	SUBSIDY RATES
India	Steamline Industries Limited	3.13%
	Sunrise Stainless Private Limited, Sun Mark Stainless Pvt. Ltd., and Shah Foils Ltd. (collectively, "Sunrise Group")	6.22%
	All Others	4.65%

## CASE CALENDAR:

EVENT	CVD INVESTIGATIONS	AD INVESTIGATIONS
Petition Filed	September 30, 2015	September 30, 2015
DOC Initiation Date	October 20, 2015	October 20, 2015
ITC Preliminary Determinations	November 16, 2015	November 16, 2015
DOC Preliminary Determinations	March 4, 2016	May 4, 2016
DOC Final Determinations	September 22, 2016	September 22, 2016
ITC Final Determinations	November 6, 2016	November 6, 2016
Issuance of Orders**	November 13, 2016	November 13, 2016

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 deadline is set forth in sections 733(b) and 735(a) of the Act. These deadlines may be extended under certain circumstances.

\*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:

INDIA	2013	2014	2015
Volume (metric tons)	1,100	11,000	10,000
Value (USD)	3,677,000	36,369,000	33,054,000

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS 7306.40.5005, 7306.40.5040, 7306.40.5062, 7306.40.5064, and 7306.40.5085).

Imports of welded stainless pressure pipe may also enter under 7306.40.1010, 7306.40.1015, 7306.40.5042, 7306.40.5044, 7306.40.5080, and 7306.40.5090. These HTSUS subheadings may cover a significant amount of non-subject merchandise and therefore have been excluded for purposes of reporting import statistics.