



FACT SHEET

Commerce Finds Dumping of Imports of Tapered Roller Bearings from the Republic of Korea

- On June 19, 2018, the Department of Commerce (Commerce) announced its affirmative final determination in the antidumping duty (AD) investigation of imports of tapered roller bearings from the Republic of Korea (Korea).
- The AD law 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 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 an imported product in the United States at less than fair value.
- Commerce found that mandatory respondents Bearing Art Corporation and Schaeffler Korea Corporation were dumping at margins of 8.21 percent and 52.44 percent, respectively. Commerce established a dumping margin of 30.25 percent for all other producers and exporters of certain tapered roller bearings from Korea.
- Upon publication of the final affirmative AD determination, Commerce will instruct U.S. Customs and Border Protection (CBP) to continue to collect cash deposits equal to the applicable final weighted-average dumping rates.
- The petitioner is The Timken Company (OH).
- The scope of this investigation covers certain tapered roller bearings. The scope covers all tapered roller bearings with a nominal outside cup diameter of eight inches and under, regardless of type of steel used to produce the bearing, whether of inch or metric size, and whether the tapered roller bearing is a thrust bearing or not. Certain tapered roller bearings include: finished cup and cone assemblies entering as a set, finished cone assemblies entering separately, and finished parts (cups, cones, and tapered rollers). Certain tapered roller bearings are sold individually as a set (cup and cone assembly), as a cone assembly, as a finished cup, or packaged as a kit with one or several tapered roller bearings, a seal, and grease. The scope of the investigation includes finished rollers and finished cones that have not been assembled with rollers and a cage. Certain tapered roller bearings can be a single row or multiple rows (*e.g.*, two- or four-row), and a cup can handle a single cone assembly or multiple cone assemblies.

Finished cups, cones, and rollers differ from unfinished cups, cones, and rollers in that they have undergone further processing after heat treatment, including, but not limited to, final machining, grinding, and/or polishing. Mere heat treatment of a cup, cone, or roller (without any further processing after heat treatment) does not render the cup, cone, or roller a finished part for the purpose of this investigation. Finished tapered roller bearing parts are understood to mean parts which, at the time of importation, are ready for assembly (if further assembly is required) and require no further finishing or fabrication, such as grinding, lathing, machining, polishing, heat treatment, *etc.* Finished parts may require grease, bolting, and/or pressing as part of final assembly, and the requirement that these processes

be performed, subsequent to importation, does not remove an otherwise finished tapered roller bearing from the scope.

Tapered roller bearings that have a nominal outer cup diameter of eight inches and under that may be used in wheel hub units, rail bearings, or other housed bearings, but entered separately, are included in the scope to the same extent as described above. All tapered roller bearings meeting the written description above, and not otherwise excluded, are included, regardless of coating.

Excluded from the scope of this investigation are:

- 1) unfinished parts of tapered roller bearings (cups, cones, and tapered rollers);
- 2) cages, whether finished or unfinished;
- 3) the non-tapered roller bearing components of subject kits (*e.g.*, grease, seal); and
- 4) tapered roller bearing wheel hub units, rail bearings, and other housed tapered roller bearings (flange, take up cartridges, and hanger units incorporating tapered rollers).

Tapered roller bearings subject to this investigation are primarily classifiable under subheadings 8482.20.0040, 8482.20.0061, 8482.20.0070, 8482.20.0081, 8482.91.0050, 8482.99.1550, and 8482.99.1580 of the Harmonized Tariff Schedule of the United States (HTSUS).¹ Parts may also enter under 8482.99.4500. While the HTSUS subheadings are provided for convenience and for customs purposes, the written description of the subject merchandise is dispositive.

- In 2017, imports of certain tapered roller bearings from Korea were valued at an estimated \$67.4 million.
- The Final Decision Memorandum is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and to all parties in the Central Records Unit, Room B8024 of the main Department of Commerce building. Please refer to case number A-580-894.

NEXT STEPS

- The U.S. International Trade Commission (ITC) is scheduled to make its final determination on or about August 2, 2018.
- If the ITC makes an affirmative final determination that imports of tapered roller bearings from Korea materially injure, or threaten material injury to, the domestic industry, Commerce will issue an AD order. If the ITC makes a negative determination of injury, the investigation will be terminated.

¹ Prior to July 2016, products entering under 8482.20.0061 entered under 8482.20.0060, products entering under 8482.20.0081 entered under 8482.20.0080, and products entering under 8482.99.1550 entered under 8482.99.1540.

FINAL DUMPING MARGINS:

COUNTRY	EXPORTER/PRODUCER	DUMPING RATE
Korea	Bearing Art Corporation	8.21%
	Schaeffler Korea Corporation	52.44%
	All Others	30.25%

CASE CALENDAR:

EVENT	DATE
Petition Filed	June 28, 2017
DOC Initiation Date	July 18, 2017
ITC Preliminary Determination	August 18, 2017
DOC Preliminary Determination	January 25, 2017
DOC Final Determination	June 18, 2018
ITC Final Determination	August 2, 2018
Issuance of Order*	August 9, 2018

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

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

^ As explained in the Memorandum, "Deadlines Affected by the Shutdown of the Federal Government," dated January 23, 2018, Commerce exercised its discretion to toll deadlines for the duration of the closure of the Federal Government from January 20 through January 22, 2018. Therefore, the final determination date for this investigation has been tolled by three days and all other deadlines have been adjusted accordingly.

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

IMPORT STATISTICS:

KOREA	2015	2016	2017
Volume (metric tons)	5,887	6,832	8,414
Value (USD)	54,251,847	60,064,327	67,374,012

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS 8482.20.0040, 8482.20.0060, 8482.20.0061, 8482.20.0070, 8482.20.0080, 8482.20.0081, 8482.91.0050, 8482.99.1540, and 8482.99.1550). Some of the above HTSUS subheadings are basket categories and may cover both subject and non-subject merchandise. Imports of certain tapered roller bearings may also enter under HTSUS subheadings 8482.99.1580 and parts may also enter under HTSUS 8482.99.4500. However, these HTSUS subheadings are basket categories that may cover a significant amount of non-subject merchandise; therefore, these subheadings have been excluded for purposes of reporting the import statistics above.