



FACT SHEET

Commerce Preliminarily Finds Dumping of Imports of Certain Tapered Roller Bearings from Korea

- On January 30, 2018, the Department of Commerce (Commerce) announced its affirmative preliminary determination in the antidumping duty (AD) investigation of certain tapered roller bearings from 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 preliminarily found that mandatory respondents Schaeffler Korea Corporation and Bearing Art Corporation were dumping at preliminary margins of 21.23 percent and 45.53 percent, respectively. Commerce established a preliminary dumping margin of 33.42 percent for all other producers and exporters of certain tapered roller bearings from Korea.
- As a result of the preliminary affirmative determination, Commerce will instruct U.S. Customs and Border Protection (CBP) to require cash deposits based on these preliminary 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 2016, imports of certain tapered roller bearings from Korea were valued at an estimated \$60.1 million.
- The Preliminary 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

- Commerce is scheduled to announce its final determination on or about April 17, 2018, unless the statutory deadline is extended.
- If Commerce makes an affirmative final determination, and the U.S. International Trade Commission (ITC) makes an affirmative final determination that imports of certain tapered roller bearings from Korea materially injure, or threaten material injury to, the domestic industry, Commerce will issue an AD order. If either Commerce's or the ITC's final determination is negative, no AD order will be issued. The ITC is scheduled to make its final injury determination approximately 45 days after Commerce issues its final determination, if affirmative.

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.

PRELIMINARY DUMPING MARGINS:

COUNTRY	EXPORTER/PRODUCER	DUMPING RATE
Korea	Bearing Art Corporation	45.53%
	Schaeffler Korea Corporation	21.23%
	All Others	33.42%

CASE CALENDAR:

EVENT	AD INVESTIGATION
Petition Filed	June 28, 2017
DOC Initiation Date	July 18, 2017
ITC Preliminary Determination	October 1, 2017
DOC Preliminary Determination	January 25, 2018 [^]
DOC Final Determination	April 16, 2018 [^]
ITC Final Determination*	May 31, 2018
Issuance of Order**	June 7, 2018 [^]

NOTE: Commerce preliminary and 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.

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

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

[^] As explained in the Memorandum for the Record from Christian Marsh, Deputy Assistant Secretary for Enforcement and Compliance, "Deadlines Affected by the Shutdown of the Federal Government" (January 23, 2018), Commerce has 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 preliminary date for this investigation has been tolled by 3 days and all other deadlines have been adjusted accordingly.

IMPORT STATISTICS:

KOREA	2014	2015	2016
Volume (metric tons)	4,438	5,887	6,832
Value (USD)	40,107,663	54,251,847	60,064,327

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, 8482.20.0081, 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.