



## FACT SHEET

### Commerce Finds Dumping of Imports of Refillable Stainless Steel Kegs from Mexico

- On August 13, 2019, the Department of Commerce (Commerce) announced its affirmative final determination in the antidumping duty (AD) investigation of imports of refillable stainless steel kegs from Mexico.
- 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 an AD investigation, dumping occurs when a foreign company sells a product in the United States at less than its fair value.
- Commerce assigned a dumping rate of 18.48 percent to the sole mandatory respondent, THIELMANN Mexico S.A. de C.V. Commerce assigned a dumping rate of 18.48 percent for all other Mexican producers and exporters.
- Upon publication of the final affirmative AD determination, Commerce will instruct U.S. Customs and Border Protection (CBP) to collect AD cash deposits equal to the applicable final weighted-average dumping rates.
- The petitioner is American Keg Company, LLC (Pottstown, PA).
- The merchandise covered by this investigation are kegs, vessels, or containers with bodies that are approximately cylindrical in shape, made from stainless steel (i.e., steel containing at least 10.5 percent chromium by weight and less than 1.2 percent carbon by weight, with or without other elements), and that are compatible with a “D Sankey” extractor (refillable stainless steel kegs) with a nominal liquid volume capacity of 10 liters or more, regardless of the type of finish, gauge, thickness, or grade of stainless steel, and whether or not covered by or encased in other materials. Refillable stainless steel kegs may be imported assembled or unassembled, with or without all components (including spears, couplers or taps, necks, collars, and valves), and be filled or unfilled.

“Unassembled” or “unfinished” refillable stainless steel kegs include drawn stainless steel cylinders that have been welded to form the body of the keg and attached to an upper (top) chime and/or lower (bottom) chime. Unassembled refillable stainless steel kegs may or may not be welded to a neck, may or may not have a valve assembly attached, and may be otherwise complete except for testing, certification, and/or marking.

Subject merchandise also includes refillable stainless steel kegs that have been further processed in a third country, including but not limited to, attachment of necks, collars, spears or valves, heat treatment, pickling, passivation, painting, testing, certification or any other processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the country of manufacture of the in-scope refillable stainless steel keg.

Specifically excluded are the following:

- (1) vessels or containers that are not approximately cylindrical in nature (e.g., box, “hopper” or “cone” shaped vessels);
- (2) stainless steel kegs, vessels, or containers that have either a “ball lock” valve system or a “pin lock” valve system (commonly known as “Cornelius,” “corny” or “ball lock” kegs);
- (3) necks, spears, couplers or taps, collars, and valves that are not imported with the subject merchandise; and
- (4) stainless steel kegs that are filled with beer, wine, or other liquid and that are designated by the Commissioner of Customs as Instruments of International Traffic within the meaning of section 332(a) of the Tariff Act of 1930, as amended.

The merchandise covered by this investigation are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 7310.10.0010, 7310.10.0050, 7310.29.0025, and 7310.29.0050. These HTSUS subheadings are provided for convenience and customs purposes; the written description of the scope of this investigation is dispositive.

- In 2018, imports of refillable stainless steel kegs from Mexico were valued at an estimated \$13.4 million.

#### **NEXT STEPS**

- The U.S. International Trade Commission (ITC) is scheduled to make its final determination on or about September 26, 2019.
- If the ITC makes an affirmative final determination that imports of refillable stainless steel kegs from Mexico 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.

#### **FINAL DUMPING RATES:**

<b>COUNTRY</b>	<b>EXPORTER/PRODUCER</b>	<b>DUMPING RATES</b>
<b>Mexico</b>	<b>THIELMANN Mexico S.A. de C.V.</b>	<b>18.48%</b>
	<b>All Others</b>	<b>18.48%</b>

**CASE CALENDAR:**

<b>EVENT</b>	<b>AD INVESTIGATION</b>
<b>Petition Filed</b>	<b>September 20, 2018</b>
<b>DOC Initiation Date</b>	<b>October 10, 2018</b>
<b>ITC Preliminary Determination</b>	<b>November 5, 2018</b>
<b>DOC Preliminary Determination</b>	<b>May 28, 2019</b>
<b>DOC Final Determination</b>	<b>August 12, 2019</b>
<b>ITC Final Determination</b>	<b>September 26, 2019</b>
<b>Issuance of Order*</b>	<b>October 3, 2019</b>

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 (the Act).

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

**IMPORT STATISTICS:**

<b>Mexico</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Quantity (Number)	108,602	84,663	163,839
Value (USD)	7,189,847	5,672,357	13,439,998

Source: U.S. Census Bureau, accessed through Global Trade Atlas (Harmonized Tariff Schedule of the United States (HTSUS 7310.10.0010). This HTSUS subheading may cover both subject and non-subject merchandise. Imports of refillable stainless steel kegs may also enter under HTSUS subheadings 7310.00.0050, 7310.29.0025, and 7310.29.0050. However, these HTSUS subheadings may cover a significant amount of non-subject merchandise; therefore these HTSUS subheadings have not been used for purposes of reporting the above import statistics.