



FACT SHEET

Commerce Finds Dumping and Countervailable Subsidization of Imports of Carbon and Alloy Steel Threaded Rod from China and India

- On February 10, 2020, the Department of Commerce (Commerce) announced its affirmative final determinations in the antidumping duty (AD) and countervailing duty (CVD) investigations of imports of carbon and alloy steel threaded rod from China¹ and India.
- 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 subsidization 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. For the purpose of a CVD investigation, 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 China AD investigation, Commerce calculated dumping rates of 4.26 percent and 14.16 percent to the mandatory respondents Zhejiang Junyue Standard Part Co., Ltd. and Ningbo Zhongjiang High Strength Bolts Co., Ltd., respectively. Companies in China that are eligible for a separate rate received a rate of 11.47 percent. The dumping rate for all other Chinese companies is 59.45 percent, based on adverse facts available.
- In the India AD investigation, Commerce assigned a dumping margin of 28.34 percent to mandatory respondent Daksh Fasteners, and calculated a dumping margin of 2.47 percent for mandatory respondent Mangal Steel Enterprises, Limited. The dumping margin for all other Indian producers and exporters is 2.47 percent.
- In the China CVD investigation, Commerce calculated subsidy rates of 66.81 percent and 31.02 percent to the mandatory respondents Zhejiang Junyue Standard Part Co., Ltd. and Ningbo Zhongjiang High Strength Bolts Co., Ltd., respectively. The subsidy rate for all other Chinese producers and exporters is 41.17 percent.
- In the India CVD investigation, Commerce assigned a subsidy rate of 211.72 percent to mandatory respondent Daksh Fasteners, and calculated a subsidy rate of 6.07 percent to mandatory respondent Mangal Steel Enterprises Limited. The subsidy rate for all other Indian producers and exporters is 6.07 percent.
- Upon publication of the final affirmative AD determinations, Commerce will instruct U.S. Customs and Border Protection (CBP) to collect AD cash deposits equal to the applicable final weighted-average

¹ The name of the China AD investigation is Alloy and Certain Carbon Steel Threaded Rod from the People's Republic of China. The scope of the China AD investigation was modified to exclude "any merchandise covered by the existing antidumping order on Certain Steel Threaded Rod from the People's Republic of China" in *Certain Steel Threaded Rod from the People's Republic of China: Notice of Antidumping Duty Order*, 74 FR 17154 (April 14, 2009).

dumping rates. Further, as a result of the affirmative final CVD determinations, if the U.S. International Trade Commission (ITC) makes affirmative injury determinations, Commerce will instruct CBP to resume collection of CVD cash deposits equal to the applicable subsidy rates.

- The petitioner is Vulcan Threaded Products, Inc. (Pelham, AL).
- The scope of these investigations is listed in Appendix I.
- In 2018, imports of carbon and alloy steel threaded rod from China and India were valued at an estimated \$104.7 million, and \$35.8 million, respectively.
- The Final Decision Memoranda are 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 numbers: A-570-104 (China AD), C-570-105 (China CVD), A-533-887 (India AD), and C-533-888 (India CVD).

NEXT STEPS

- The ITC is scheduled to make its final determinations on or about March 23, 2020.
- If the ITC makes affirmative final determinations that imports of carbon and alloy steel threaded rod from China and India materially injure, or threaten material injury to, the domestic industry, Commerce will issue AD and CVD orders. If the ITC makes negative determinations of injury, the investigations will be terminated.

FINAL DUMPING RATES:

COUNTRY	EXPORTER/PRODUCER	DUMPING RATES	Cash Deposit Rate **
China	Zhejiang Junyue Standard Part Co., Ltd.	4.26%	0.00%
	Ningbo Zhongjiang High Strength Bolts Co., Ltd.	14.16%	3.62%
	Separate Rate Companies*	11.47%	0.00%
	China-Wide Entity	59.45%	48.91%

*See the *Federal Register* notice for a list of the companies receiving a separate rate.

**Rates are adjusted for export subsidies.

COUNTRY	EXPORTER/PRODUCER	DUMPING RATES	Cash Deposit Rate **
India	Daksh Fasteners	28.34%	22.86%
	Mangal Steel Enterprises, Limited	2.47%	0.00%
	All Others	2.47%	0.00%

**Rates are adjusted for export subsidies.

FINAL SUBSIDY RATES:

COUNTRY	EXPORTER/PRODUCER	SUBSIDY RATE
China	Zhejiang Junyue Standard Part Co., Ltd.	66.81%
	Ningbo Zhongjiang High Strength Bolts Co., Ltd.	31.02%
	All Others	41.17%

COUNTRY	EXPORTER/PRODUCER	SUBSIDY RATE
India	Daksh Fasteners	211.72%
	Mangal Steel Enterprises, Limited	6.07%
	All Others	6.07%

CASE CALENDAR:

EVENT	CVD	AD
Petitions Filed	February 21, 2019	February 21, 2019
DOC Initiation Date	March 13, 2019	March 13, 2019
ITC Preliminary Determinations	April 8, 2019	April 8, 2019
DOC Preliminary Determinations	July 22, 2019	September 19, 2019
DOC Final Determinations	February 7, 2020	February 7, 2020
ITC Final Determinations	March 23, 2020	March 23, 2020
Issuance of Orders*	March 30, 2020	March 30, 2020

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). For CVD investigations, the deadlines are set forth in sections 703(b) and 705(a) of the Act. *This will take place only in the event of affirmative final determinations from Commerce and the ITC.

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IMPORT STATISTICS:

CHINA	2016	2017	2018
Volume (Metric Tons)	28,854	42,625	60,464
Value (USD)	47,292,041	67,381,116	104,415,177
India	2016	2017	2018
Volume (Metric Tons)	27,726	31,940	33,702
Value (USD)	23,579,603	28,219,125	35,850,401

Source: U.S. Census Bureau, accessed through Global Trade Atlas (Harmonized Tariff Schedule of the United States (HTSUS) 7318.15.5051, 7318.15.5056, and 7318.15.5090).

Appendix I:

- With respect to the India AD/CVD and China CVD investigations, the scope is as follows:

The merchandise covered by these investigations is carbon and alloy steel threaded rod. Steel threaded rod is certain threaded rod, bar, or studs, of carbon or alloy steel, having a solid, circular cross section of any diameter, in any straight length. Steel threaded rod is normally drawn, cold-rolled, threaded, and straightened, or it may be hot-rolled. In addition, the steel threaded rod, bar, or studs subject to these investigations are non-headed and threaded along greater than 25 percent of their total actual length. A variety of finishes or coatings, such as plain oil finish as a temporary rust protectant, zinc coating (i.e., galvanized, whether by electroplating or hot-dipping), paint, and other similar finishes and coatings, may be applied to the merchandise.

Steel threaded rod is normally produced to American Society for Testing and Materials (ASTM) specifications ASTM A36, ASTM A193 B7/B7m, ASTM A193 B16, ASTM A307, ASTM A329 L7/L7M, ASTM A320 L43, ASTM A354 BC and BD, ASTM A449, ASTM F1554-36, ASTM F155455, ASTM F1554 Grade 105, American Society of Mechanical Engineers (ASME) specification ASME B18.31.3, and American Petroleum Institute (API) specification API 20E. All steel threaded rod meeting the physical description set forth above is covered by the scope of these investigations, whether or not produced according to a particular standard.

Carbon and alloy steel threaded rod are also included in the scope of these investigations whether or not imported attached to, or in conjunction with, other parts and accessories such as nuts and washers. If carbon and alloy steel threaded rod are imported attached to, or in conjunction with, such non-subject merchandise, only the threaded rod is included in the scope.

Excluded from the scope of these investigations is: (1) threaded rod, bar, or studs which are threaded only on one or both ends and the threading covers 25 percent or less of the total actual length; and (2) stainless steel threaded rod, defined as steel threaded rod containing, by weight, 1.2 percent or less of carbon and 10.5 percent or more of chromium, with or without other elements.

Excluded from the scope of the antidumping investigation on steel threaded rod from the People's Republic of China is any merchandise covered by the existing antidumping order on Certain Steel Threaded Rod from the People's Republic of China. See Certain Steel Threaded Rod from the People's Republic of China: Notice of Antidumping Duty Order, 74 FR 17154 (April 14, 2009).

Specifically excluded from the scope of these investigations is threaded rod that is imported as part of a package of hardware in conjunction with a ready-to-assemble piece of furniture.

Steel threaded rod is currently classifiable under subheadings 7318.15.5051, 7318.15.5056, and 7318.15.5090 of the Harmonized Tariff Schedule of the United States (HTSUS). Subject merchandise may also enter under subheading 7318.15.2095 and 7318.19.0000 of the HTSUS. The HTSUS subheadings are provided for convenience and U.S. Customs purposes only. The written description of the scope is dispositive.

- With respect to the China AD investigation, the scope is as follows:

The merchandise covered by the scope of the investigation is alloy and certain carbon steel threaded rod. Alloy and certain carbon steel threaded rod are certain threaded rod, bar, or studs, of carbon or alloy steel, having a solid, circular cross section of any diameter, in any straight length. Alloy and certain carbon steel threaded rod are normally drawn, cold-rolled, threaded, and straightened, or it may be hot-rolled. In addition, the alloy and certain carbon steel threaded rod, bar, or studs subject to the investigation are non-headed and threaded along

greater than 25 percent of their total actual length. A variety of finishes or coatings, such as plain oil finish as a temporary rust protectant, zinc coating (i.e., galvanized, whether by electroplating or hot-dipping), paint, and other similar finishes and coatings, may be applied to the merchandise.

Alloy Steel threaded rod is normally produced to American Society for Testing and Materials (ASTM) specifications A193 B7/B7m, A193 B16, A320 L7/L7m, A320 L43, A354 BC and BD, and F1554 Grade 105. Other specifications are Society of Automotive Engineers (SAE) specification 1429 grades 5 and 8, International Organization for Standardization (ISO) specification 898 class 8.8 and 10.9, and American Petroleum Institute (API) specification 20E. Certain carbon steel threaded rod is normally produced to ASTM specification A449. All steel threaded rod meeting the physical description set forth above is covered by the scope of the investigation, whether or not produced according to a particular standard. Subject merchandise includes material matching the above description that has been finished, assembled, or packaged in a third country, including by cutting, chamfering, coating, or painting the threaded rod, by attaching the threaded rod to, or packaging it with, another product, or any other finishing, assembly, or packaging operation that would not otherwise remove the merchandise from the scope of the investigation if performed in the country of manufacture of the threaded rod.

Alloy and certain carbon steel threaded rod are also included in the scope of the investigation whether or not imported attached to, or in conjunction with, other parts and accessories such as nuts and washers. If carbon and alloy steel threaded rod are imported attached to, or in conjunction with, such non-subject merchandise, only the threaded rod is included in the scope.

Excluded from the scope of the investigation are: (1) threaded rod, bar, or studs which are threaded only on one or both ends and the threading covers 25 percent or less of the total actual length; and (2) stainless steel threaded rod, defined as steel threaded rod containing, by weight, 1.2 percent or less of carbon and 10.5 percent or more of chromium, with or without other elements.

Excluded from the scope of the antidumping investigation on steel threaded rod from the People's Republic of China is any merchandise covered by the existing antidumping order on Certain Steel Threaded Rod from the People's Republic of China. See Certain Steel Threaded Rod from the People's Republic of China: Notice of Antidumping Duty Order, 74 FR 17154 (April 14, 2009).

Specifically excluded from the scope of the investigation is threaded rod that is imported as part of a package of hardware in conjunction with a ready-to-assemble piece of furniture.

Alloy and certain carbon steel threaded rod are currently classifiable under subheadings 7318.15.5051, 7318.15.5056, and 7318.15.5090 of the Harmonized Tariff Schedule of the United States (HTSUS). Subject merchandise may also enter under subheading 7318.15.2095 and 7318.19.0000 of the HTSUS. The HTSUS subheadings are provided for convenience and U.S. Customs purposes only. The written description of the scope is dispositive.