



## FACT SHEET

### **Commerce Initiates Antidumping Duty and Countervailing Duty Investigations of Imports of Carbon and Alloy Steel Threaded Rod from China, India, Taiwan, and Thailand**

- On March 14, 2019, the Department of Commerce (Commerce) announced the initiation of antidumping duty (AD) investigations of imports of carbon and alloy steel threaded rod from China, India, Taiwan, and Thailand and countervailing duty (CVD) investigations of imports of carbon and alloy steel threaded rod from China 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 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.
- The petitioner is Vulcan Threaded Products Inc. (Pelham, AL).
- 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 F1554-55, 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 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).

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.

- In 2018, imports of carbon and alloy steel threaded rod from China, India, Taiwan, and Thailand were valued at an estimated \$104.7 million, \$35.8 million, \$51.1 million, and \$5.8 million, respectively.
- The Initiation Decision Checklists 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 for AD China, C-570-105 for CVD China, A-533-887 for AD India, C-533-888 for CVD India, A-583-865 for AD Taiwan, and A-549-840 for AD Thailand.

## NEXT STEPS

- The U.S. International Trade Commission (ITC) is scheduled to make its preliminary injury determinations on or before April 8, 2019.
- If the ITC determines that there is a reasonable indication that imports of carbon and alloy steel threaded rod from China, India, Taiwan, and/or Thailand materially injure, or threaten material injury to, the domestic industry in the United States, the investigations will continue, and Commerce will be scheduled to announce its preliminary CVD determinations on May 20, 2019, and its preliminary AD determinations on August 1, 2019, although these dates may be extended. If the ITC’s determinations are negative, the investigations will be terminated.

## ALLEGED DUMPING MARGINS:

COUNTRY	DUMPING MARGINS
China	57.36 to 59.45 percent
India	25.43 to 28.34 percent
Taiwan	32.26 percent
Thailand	20.83 percent

**ESTIMATED SUBSIDY RATE:**

COUNTRY	SUBSIDY RATE
China	Above <i>de minimis</i> *
India	Above <i>de minimis</i> *

\* *de minimis* = less than 1% for developed countries, less than 2% for developing countries.

**CASE CALENDAR:**

EVENT	CVD INVESTIGATIONS	AD INVESTIGATIONS
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	May 17, 2019	July 31, 2019
DOC Final Determinations	July 31, 2019	October 15, 2019†
ITC Final Determinations**	September 16, 2019	November 29, 2019
Issuance of Orders***	September 23, 2019	December 6, 2019

NOTE: Commerce's 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 deadlines are set forth in sections 733(b) and 735(a) of the Act. These deadlines may be extended under certain circumstances.

\* If the ITC makes a negative preliminary determination of injury, the investigations are terminated.

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

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

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

**IMPORT STATISTICS:**

CHINA	2016	2017	2018
Volume (metric tons)	28,887	42,724	60,590
Value (USD)	47,339,611	67,461,413	104,667,356
INDIA	2016	2017	2018
Volume (metric tons)	27,726	31,898	33,666
Value (USD)	23,579,603	28,219,125	35,834,795
TAIWAN	2016	2017	2018
Volume (metric tons)	19,121	17,397	20,399
Value (USD)	40,273,019	45,755,719	51,109,770
THAILAND	2016	2017	2018
Volume (metric tons)	5,487	4,681	5,452
Value (USD)	4,400,920	4,427,201	5,759,103

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).