



FACT SHEET

Commerce Preliminarily Finds Dumping of Imports of Forged Steel Fittings from China, Italy, and Taiwan

- On May 14, 2018, the Department of Commerce (Commerce) announced its affirmative preliminary determinations in the antidumping duty (AD) investigations of imports of forged steel fittings from China, Italy, and Taiwan.
- 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.
- In the China investigation, Commerce assigned a preliminary dumping rate of 7.42 percent for Both-Well (Taizhou) Steel Fittings, Co., Ltd. (Both-Well). Commerce preliminarily found that the other mandatory respondent, Jiangsu Haida Pipe Fittings Group Company Ltd., comprises a single entity with its two affiliates, Yancheng L&W International Co., Ltd. and Haida Pipe Co., Ltd. Furthermore, Commerce preliminarily determined this single entity to be part of the China-wide entity, to which Commerce preliminarily assigned a dumping rate of 142.72 percent, based entirely on adverse facts available.
- Fourteen additional companies demonstrated that they are independent from Chinese government control; thus, Commerce preliminarily granted these companies a separate rate, which is equal to the dumping rate calculated for Both-Well.
- In the Italy investigation, Commerce assigned a preliminary dumping rate of 80.20 percent to both mandatory respondents, M.E.G.A. S.p.A. and I.M.L. Industria Meccanica Ligure S.p.A., based entirely on adverse facts available. Commerce assigned a preliminary dumping rate of 49.43 percent to all other producers and exporters of forged steel fittings from Italy.
- In the Taiwan investigation, Commerce assigned a preliminary dumping rate of 116.17 percent to both mandatory respondents, Both Well Steel Fittings Co., Ltd. and Luchu Shin Yee Works Co. Ltd., based entirely on adverse facts available. Commerce assigned a preliminary dumping rate of 116.17 percent to all other producers and exporters of forged steel fittings from Taiwan.
- As a result of the preliminary affirmative determinations, Commerce will instruct U.S. Customs and Border Protection (CBP) to require cash deposits based on these preliminary rates.
- The petitioners are Bonney Forge Corporation (Mount Union, PA), and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (Pittsburgh, PA).

- The merchandise covered by these investigations is carbon and alloy forged steel fittings, whether unfinished (commonly known as blanks or rough forgings) or finished. Such fittings are made in a variety of shapes including, but not limited to, elbows, tees, crosses, laterals, couplings, reducers, caps, plugs, bushings, unions, and outlets. Forged steel fittings are covered regardless of end finish, whether threaded, socket-weld or other end connections.

While these fittings are generally manufactured to specifications ASME B16.11, MSS SP-79, MSS SP-83, MSS SP-97, ASTM A105, ASTM A350, and ASTM A182, the scope is not limited to fittings made to these specifications.

The term forged is an industry term used to describe a class of products included in applicable standards, and does not reference an exclusive manufacturing process. Forged steel fittings are not manufactured from casting. Pursuant to the applicable specifications, subject fittings may also be machined from bar stock or machined from seamless pipe and tube.

All types of fittings are included in the scope regardless of nominal pipe size (which may or may not be expressed in inches of nominal pipe size), pressure rating (usually, but not necessarily expressed in pounds of pressure/PSI, *e.g.*, 2,000 or 2M; 3,000 or 3M; 6,000 or 6M; 9,000 or 9M), wall thickness, and whether or not heat treated.

Excluded from this scope are all fittings entirely made of stainless steel. Also excluded are flanges, butt weld fittings, butt weld outlets, nipples, and all fittings that have a maximum pressure rating of 300 pounds of pressure/PSI or less.

Also excluded are fittings certified or made to the following standards, so long as the fittings are not also manufactured to the specifications of ASME B16.11, MSS SP-79, MSS SP-83, MSS SP-97, ASTM A105, ASTM A350, and ASTM A182:

- American Petroleum Institute (API) API 5CT, API 5L, or API 11B
- Society of Automotive Engineering (SAE) SAE J476, SAE J514, SAE J516, SAE J517, SAE J518, SAE J1026, SAE J1231, SAE J1453, SAE J1926, J2044 or SAE AS 35411
- Underwriter's Laboratories (UL) certified electrical conduit fittings
- ASTM A153, A536, A576, or A865
- Casing Conductor Connectors 16-42 inches in diameter made to proprietary specifications
- Military Specification (MIL) MIL-C-4109F and MIL-F-3541
- International Organization for Standardization (ISO) ISO6150-B

To be excluded from the scope, products must have the appropriate standard or pressure markings and/or accompanied by documentation showing product compliance to the applicable standard or pressure, *e.g.*, "API 5CT" mark and/or a mill certification report.

Subject carbon and alloy forged steel fittings are normally entered under Harmonized Tariff Schedule of the United States (HTSUS) 7307.99.1000, 7307.99.3000, 7307.99.5045, and 7307.99.5060. They also may be entered under HTSUS 7307.92.3010, 7307.92.3030, 7307.92.9000, and 7326.19.0010. The HTSUS subheadings and specifications are provided for convenience and customs purposes; the written description of the scope is dispositive.

- In 2016, imports of forged steel fittings from China, Italy, and Taiwan were valued at an estimated \$78.4 million, \$21.1 million, and \$15.1 million, respectively.
- 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 numbers A-570-067 for China, A-475-839 for Italy, and A-583-863 for Taiwan.

NEXT STEPS

- Commerce is scheduled to announce its final determination with respect to Taiwan on July 24, 2018. Commerce is scheduled to announce its final determinations with respect to China and Italy on or about September 25, 2018.
- If Commerce makes affirmative final determinations, and the U.S. International Trade Commission (ITC) makes affirmative final determinations that imports of forged steel fittings from China, Italy, and Taiwan materially injure, or threaten material injury to, the domestic industry, Commerce will issue AD orders. If either Commerce or the ITC issue negative final determinations, no AD orders will be issued. The ITC is scheduled to make its final injury determinations approximately 45 days after Commerce issues its final determinations, if affirmative.

PRELIMINARY DUMPING RATES:

COUNTRY	EXPORTER/PRODUCER	DUMPING RATES
China	Both-Well (Taizhou) Steel Fittings Co., Ltd.	7.42%
	Separate Rate Companies*	7.42%
	China-Wide	142.72%

*1) Jining Dingguan Precision Parts Manufacturing Co., Ltd.; 2) Ningbo Long Teng Metal Manufacturing Co., Ltd.; 3) Ningbo Save Technology Co., Ltd.; 4) Yuyao Wanlei Pipe Fitting Manufacturing Co., Ltd.; 5) Qingdao Bestflow Industrial Co., Ltd.; 6) Jinan Mech Piping Technology Co., Ltd.; 7) Dalian Guangming Pipe Fittings Co., Ltd.; 8) Jiangsu Forged Pipe Fittings Co., Ltd.; 9) Xin Yi International Trade Co., Limited; 10) Yingkou Guangming Pipeline Industry Co., Ltd.; 11) Eaton Hydraulics (Luzhou) Co., Ltd.; 12) Eaton Hydraulics (Ningbo) Co., Ltd.; 13) Lianfa Stainless Steel Pipes & Valves (Qingyun) Co., Ltd.; 14) Q.C. Witness International Co., Ltd.

COUNTRY	EXPORTER/PRODUCER	DUMPING RATES
Italy	M.E.G.A. S.p.A.	80.20%
	I.M.L. Industria Meccanica Ligure S.p.A.	80.20%
	All Others	49.43%

COUNTRY	EXPORTER/PRODUCER	DUMPING RATES
Taiwan	Both Well Steel Fittings Co., Ltd.	116.17%
	Luchu Shin Yee Works Co. Ltd.	116.17%
	All Others	116.17%

CASE CALENDAR:

EVENT	DATE
Petitions Filed	October 5, 2017
DOC Initiations Date	October 25, 2017
ITC Preliminary Determinations	November 27, 2017
DOC Preliminary Determinations	May 7, 2018 [^]
DOC Final Determination (Taiwan Only)	July 23, 2018
DOC Final Determinations (China and Italy)	September 24, 2018
ITC Final Determination* (Taiwan Only)	September 6, 2018
ITC Final Determination* (China and Italy)	November 8, 2018
Issuance of Order** (Taiwan Only)	September 13, 2018
Issuance of Orders ** (China and Italy)	November 15, 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.

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

[^] 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 these investigations has been tolled by 3 days and all other deadlines have been adjusted accordingly.

IMPORT STATISTICS:

CHINA	2014	2015	2016
Volume (metric tons)	28,337	24,000	17,631
Value (USD)	129,229,072	104,602,968	78,409,503
ITALY	2014	2015	2016
Volume (metric tons)	5,798	7,581	5,229
Value (USD)	26,669,961	36,739,375	21,239,055
TAIWAN	2014	2015	2016
Volume (metric tons)	4,529	4,133	3,057
Value (USD)	19,905,056	19,086,308	15,098,862

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS: 7307.99.1000, 7307.99.3000, 7307.99.5045, and 7307.99.5060).