



## FACT SHEET

### Commerce Preliminarily Finds Dumping of Imports of Low Melt Polyester Staple Fiber from the Republic of Korea and Taiwan

- On January 29, 2018, the Department of Commerce (Commerce) announced its affirmative preliminary determinations in the antidumping duty (AD) investigations of imports of low melt polyester staple fiber (low melt PSF) from the Republic of Korea (Korea) 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 Korea investigation, Commerce calculated a preliminary dumping rate of 0.00 percent for Huvis Corporation. Commerce calculated a preliminary dumping rate of 16.48 percent for Toray Chemical Korea Inc. Commerce determined a preliminary dumping rate of 16.48 percent for all other producers and exporters of low melt PSF from Korea.
- In the Taiwan investigation, Commerce calculated a preliminary dumping rate of 52.00 percent for Far Eastern New Century Corporation. Commerce determined a preliminary dumping rate of 52.00 percent for all other producers and exporters of low melt PSF 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.
- Commerce preliminarily found that “critical circumstances” exist with respect to Toray Chemical Korea Inc. and all other producers/exporters in Korea, except for Huvis Corporation. Consequently, Commerce will instruct CBP to impose provisional measures retroactively on entries of low melt PSF from Korea for all producers/exporters in Korea except for Huvis Corporation, effective 90 days prior to publication of the preliminary determination in the *Federal Register*.
- The petitioner is Nan Ya Plastics Corporation, America (SC).
- The scope of these investigations covers synthetic staple fibers, not carded or combed, specifically bi-component polyester fibers having a polyester fiber component that melts at a lower temperature than the other polyester fiber component (low melt PSF). The scope includes bi-component polyester staple fibers of any denier or cut length. The subject merchandise may be coated, usually with a finish or dye, or not coated.

Excluded from the scope of these investigations on low melt PSF from Korea and Taiwan are any products covered by the existing antidumping duty orders on certain polyester staple fiber from Korea and Taiwan. *See Notice of Amended Final Determination of Sales at Less Than Fair Value: Certain*

*Polyester Staple Fiber from the Republic of Korea and Antidumping Duty Orders: Certain Polyester Staple Fiber from the Republic of Korea and Taiwan, 65 FR 33807 (May 25, 2000).*

Low melt PSF is currently classifiable under subheading 5503.20.0015. Although the Harmonized Tariff Schedule of the United States (HTSUS) subheading is provided for convenience and U.S. Customs purposes, it does not define the scope of the investigations; rather, the written description of the subject merchandise is dispositive.

- In 2016, imports of low melt PSF from Korea and Taiwan were valued at an estimated \$76.6 million and \$26.8 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-580-895 for Korea and A-583-861 for Taiwan.

**NEXT STEPS**

- Commerce is scheduled to announce its final determinations on or about June 19, 2018.
- If Commerce makes affirmative final determinations, and the U.S. International Trade Commission (ITC) makes affirmative final determinations that imports of low melt PSF from Korea 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
Korea	Huvis Corporation	0.00%
	Toray Chemical Korea Inc.	16.48%
	All Others	16.48%

COUNTRY	EXPORTER/PRODUCER	DUMPING RATES
Taiwan	Far Eastern New Century Corporation	52.00%
	All Others	52.00%

## CASE CALENDAR:

EVENT	DATE
Petitions Filed	June 27, 2017
DOC Initiations Date	July 17, 2017
ITC Preliminary Determinations	September 30, 2017
DOC Preliminary Determinations	January 26, 2018 <sup>^</sup>
DOC Final Determinations	June 18, 2018 <sup>^†</sup>
ITC Final Determinations*	August 2, 2018
Issuance of Orders**	August 9, 2018 <sup>^</sup>

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.

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

<sup>^</sup> 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:

KOREA	2014	2015	2016
Volume (metric tons)	48,392	54,750	63,086
Value (USD)	84,503,339	76,824,043	76,558,288
TAIWAN	2014	2015	2016
Volume (metric tons)	20,299	22,732	27,243
Value (USD)	30,295,427	27,501,105	26,835,612

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS 5503.20.0015)