



FACT SHEET

Commerce Initiates Antidumping Duty and Countervailing Duty Investigations of Imports of Polyester Textured Yarn from the People's Republic of China and India

- On November 8, 2018, the Department of Commerce (Commerce) announced the initiation of antidumping duty (AD) and countervailing duty (CVD) investigations of imports of polyester textured yarn from the People's Republic of China (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 petitioners are Unifi Manufacturing, Inc. (Greensboro, NC) and Nan Ya Plastics Corp. America (Lake City, SC).
- The merchandise covered by these investigations, polyester textured yarn, is synthetic multifilament yarn that is manufactured from polyester (polyethylene terephthalate). Polyester textured yarn is produced through a texturing process, which imparts special properties to the filaments of the yarn, including stretch, bulk, strength, moisture absorption, insulation, and the appearance of a natural fiber. This scope includes all forms of polyester textured yarn, regardless of surface texture or appearance, yarn density and thickness (as measured in denier), number of filaments, number of plies, finish (luster), cross section, color, dye method, texturing method, or packing method (such as spindles, tubes, or beams).
- The merchandise subject to these investigations is properly classified under subheadings 5402.33.3000 and 5402.33.6000 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise is dispositive.
- In 2017, imports of polyester textured yarn from China and India were valued at an estimated \$35 million and \$19.6 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-570-097 for AD China, A-533-885 for AD India, C-570-098 for CVD China, and C-533-886 for CVD India.

NEXT STEPS

- The U.S. International Trade Commission (ITC) is scheduled to make its preliminary injury determinations on or before December 3, 2018.
- If the ITC determines that there is a reasonable indication that imports of polyester textured yarn from China and/or India 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 January 14, 2019 and its preliminary AD determinations on March 28, 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	74.98 – 77.15 percent
India	35.14 – 202.93 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	October 18, 2018	October 18, 2018
DOC Initiation Date	November 7, 2018	November 7, 2018
ITC Preliminary Determinations*	December 3, 2018†	December 3, 2018†
DOC Preliminary Determinations	January 11, 2019	March 27, 2019
DOC Final Determinations	March 27, 2019	June 10, 2019
ITC Final Determinations**	May 13, 2019†	July 25, 2019
Issuance of Orders***	May 20, 2019†	August 1, 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	2015	2016	2017
Volume (metric tons)	16,267	17,349	19,332
Value (USD)	31,367,610	29,490,959	35,002,044
INDIA			
Volume (metric tons)	11,737	11,052	11,902
Value (USD)	21,469,396	17,778,556	19,598,734

Source: U.S. Census Bureau, accessed through Global Trade Atlas (Harmonized Tariff Schedule of the United States (HTSUS 5402.33.3000 and 5402.33.6000))