



FACT SHEET

Commerce Preliminarily Finds Dumping of Imports of Polyester Textured Yarn from China and India

- On June 26, 2019, the Department of Commerce (Commerce) announced its affirmative preliminary determination in the antidumping duty (AD) investigation of imports of polyester textured yarn from China and India.
- 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 77.15 percent, based on total adverse facts available, to the China-wide entity. The China-wide entity includes, among others, mandatory respondent Fujian Zhengqi Hi-tech Fiber Technology Co., Ltd., and mandatory respondent Suzhou Shenghong Fiber Co., Ltd., both of which failed to cooperate to the best of their ability. Additionally, Commerce determined that mandatory respondent Fujian Billion Polymerization Fiber Technology Industrial Co., Ltd., and its affiliate Fujian Baikai Textile Chemical Fiber Co., Ltd. comprise a single entity, which has not rebutted the presumption of Chinese government control; thus, the single entity is not eligible for a separate rate and is, thus, also part of the China-wide entity.
- For Jiangsu Hengli Chemical Fiber Co., Ltd., the only non-individually examined producer/exporter that established its eligibility for a separate rate, Commerce assigned a preliminary dumping rate of 76.07 percent, which is the simple average of the Petition rates.
- On April 18, 2019, Commerce issued its preliminary critical circumstances determination, finding that critical circumstances exist for imports of polyester textured yarn from all producers and exporters from China. Therefore, as result of the preliminary affirmative determination for China, Commerce will instruct U.S. Customs and Border Protection (CBP) to require cash deposits from importers of polyester textured yarn from China based on these preliminary rates, effective 90 days before the publication date of the preliminary determination.
- In the India investigation, Commerce assigned a preliminary dumping rate of 35.92 percent, based on adverse facts available, to mandatory respondent JBF Industries Limited. Commerce assigned a preliminary dumping rate of 17.88 percent to mandatory respondent Reliance Industries Limited. Commerce assigned a preliminary dumping rate of 17.88 percent for all other Indian producers and exporters.
- As a result of the preliminary affirmative determinations for India, Commerce will instruct CBP to require cash deposits from importers of polyester textured yarn from India based on these preliminary rates.

- 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).

Excluded from the scope of the investigation is bulk continuous filament yarn that: (a) is polyester synthetic multifilament yarn; (b) has denier size ranges of 900 and above; (c) has turns per meter of 40 and above; and (d) has a maximum shrinkage of 2.5 percent.

The merchandise subject to this investigation 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 Preliminary 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 number A-570-097 for China and A-533-885 for India.

NEXT STEPS

- Commerce is scheduled to announce its final determinations on or about November 14, 2019.
- If Commerce makes affirmative final determinations, and the U.S. International Trade Commission (ITC) makes affirmative final determinations that imports of Polyester Textured Yarn from China and India materially injure, or threaten material injury to, the domestic industry, Commerce will issue AD orders. If either Commerce or the ITC issues 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 RATE	CASH DEPOSIT RATE**
China	Jiangsu Hengli Chemical Fiber Co., Ltd.	76.07%	65.39%
	China Wide Entity*	77.15%	66.47%

*The China Wide Entity also includes 1) Fujian Billion Polymerization Fiber Technology Industrial Co., Ltd. and its affiliate Fujian Baikai Textile Chemical Fiber Industry Co., Ltd.; 2) Suzhou Shenghong Fiber Co., Ltd., and 3) Fujian Zhengqi High Tech Fiber)

**Rates are adjusted for export subsidies

COUNTRY	EXPORTER/PRODUCER	DUMPING RATE	CASH DEPOSIT RATE**
India	Reliance Industries Limited	17.88%	10.93%
	JBF Industries Limited	35.92%	28.97%
	All Others	17.88%	10.78%

**Rates are adjusted for export subsidies

CASE CALENDAR:

EVENT	AD INVESTIGATIONS
Petitions Filed	October 18, 2018
DOC Initiation Date	November 7, 2018
ITC Preliminary Determinations	December 10, 2018
DOC Preliminary Determinations	June 25, 2019
DOC Final Determinations	November 13, 2019
ITC Final Determinations**†	December 28, 2019
Issuance of Order***†	January 4, 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. 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.

IMPORT STATISTICS:

CHINA	2015	2016	2017
Quantity (units)	16,267	17,349	19,332
Value (USD)	31,367,610	29,490,959	35,002,044

INDIA	2015	2016	2017
Quantity (units)	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))