



FACT SHEET

Commerce Finds Dumping and Countervailable Subsidization of Imports of Refillable Stainless-Steel Kegs from the People's Republic of China and Germany

- On October 18, 2019, the Department of Commerce (Commerce) announced its affirmative final determinations in the antidumping duty (AD) and countervailing duty (CVD) investigations of imports of refillable stainless-steel kegs from the People's Republic of China (China), and Germany (AD only).
- 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 subsidization of imports into the United States, establishing an opportunity to compete on a level playing field.
- For the purpose of an AD investigation, dumping occurs when a foreign company sells a product in the United States at less than its fair value. For the purpose of a CVD investigation, 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.
- In the China AD investigation, Commerce calculated dumping rate of 0.00 percent to mandatory respondent Ningbo Master International Trade Co., Ltd. as well as to Guangzhou Jingye Machinery Co., Ltd. and Guangzhou Ulix Industrial & Trading Co., Ltd., which Commerce found to be eligible for a separate rate. Commerce assigned a dumping rate of 77.13 percent to all other Chinese producers and exporters.
- In the China CVD investigation, Commerce assigned a subsidy rate of 16.21 percent to the mandatory respondent, Ningbo Master International Trade Co., Ltd. Commerce assigned a subsidy rate of 145.23 percent to the non-cooperative mandatory respondent, Penglai Jinfu Stainless Steel Products Co., Ltd., and to the 18 non-cooperative quantity and value questionnaire (Q&V) respondents. The non-cooperative Q&V respondents are listed in Appendix II. Commerce assigned a CVD rate of 16.21 percent to all other Chinese producers and exporters.
- In the Germany AD investigation, Commerce assigned a dumping rate of 7.47 percent to the sole mandatory respondent, Blefa GmbH. Commerce assigned a dumping rate of 7.47 percent to all other German producers and exporters.
- Upon publication of the final affirmative AD determinations, Commerce will instruct U.S. Customs and Border Protection (CBP) to collect AD cash deposits equal to the applicable final weighted-average dumping rates. Further, as a result of the affirmative final CVD determination, if the U.S. International Trade Commission (ITC) makes affirmative injury determinations, Commerce will instruct CBP to resume collection of CVD cash deposits equal to the applicable subsidy rates.
- The petitioner is the American Keg Company, LLC (Pottstown, PA).
- The scope of the investigation is listed in Appendix I.

- In 2018, imports of refillable stainless steel kegs from China and Germany were valued at an estimated \$16.4 million and \$2.9 million, respectively.
- The Final 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 numbers: A-570-093 and C-570-094 for the China AD and CVD cases, respectively, and A-428-846 for Germany.

NEXT STEPS

- The ITC is scheduled to make its final determinations on or about December 2, 2019.
- If the ITC makes affirmative final determinations that imports of refillable stainless-steel kegs from China and or Germany materially injure, or threaten material injury to, the domestic industry, Commerce will issue AD and CVD orders. If the ITC makes negative determinations of injury, the investigations will be terminated.

FINAL DUMPING RATES:

COUNTRY	EXPORTER/PRODUCER	DUMPING RATES	CASH DEPOSIT RATES*
China	Ningbo Master International Trade Co., Ltd	0%	0%
	Guangzhou Jingye Machinery Co., Ltd.	0%	0%
	Guangzhou Ulix Industrial & Trading Co., Ltd.	0%	0%
	China Wide Entity	77.13%	64.31%

*Rates are adjusted for export subsidies

COUNTRY	EXPORTER/PRODUCER	DUMPING RATES
Germany	Blefa GmbH	7.47%
	All Other German Producers	7.47%

FINAL SUBSIDY RATES:

COUNTRY	EXPORTER/PRODUCER	SUBSIDY RATES
China	Ningbo Master International Trade Co., Ltd	16.21%
	Penglai Jinfu Stainless Steel Products Co., Ltd. and Non-Cooperative Respondents (See Appendix II)	145.23%
	All Others	16.21%

CASE CALENDAR:

EVENT	CVD	AD
Petitions Filed	September 20, 2018	September 20, 2018
DOC Initiation Date	October 10, 2018	October 10, 2018
ITC Preliminary Determinations	November 9, 2018	November 5, 2018
DOC Preliminary Determinations	March 29, 2019	May 28, 2019
DOC Final Determinations	October 17, 2019	October 17, 2019
ITC Final Determinations	December 2, 2019	December 2, 2019
Issuance of Orders*	December 9, 2019	December 9, 2019

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 (the Act). For CVD investigations, the deadlines are set forth in sections 703(b) and 705(a) of the Act.

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

IMPORT STATISTICS:

CHINA	2016	2017	2018
Value (USD)	14,098,140	18,064,443	16,428,412
Quantity (Number)	209,207	294,155	264,051
Germany	2016	2017	2018
Value (USD)	15,400,057	11,834,898	2,891,387
Quantity (Number)	173,122	144,633	24,464

Source: U.S. Census Bureau, accessed through Global Trade Atlas (Harmonized Tariff Schedule of the United States (HTSUS 7310.10.0010). This HTSUS subheading may cover both subject and non-subject merchandise. Imports of refillable stainless steel kegs may also enter under HTSUS subheadings 7310.00.0050, 7310.29.0025, and 7310.29.0050. However, these HTSUS subheadings may cover a significant amount of non-subject merchandise; therefore these HTSUS subheadings have not been used for purposes of reporting the above import statistics.

APPENDIX I

Scope of the Investigations

- The merchandise covered by these investigations are kegs, vessels, or containers with bodies that are approximately cylindrical in shape, made from stainless steel (*i.e.*, steel containing at least 10.5 percent chromium by weight and less than 1.2 percent carbon by weight, with or without other elements), and that are compatible with a “D Sankey” extractor (refillable stainless steel kegs) with a nominal liquid volume capacity of 10 liters or more, regardless of the type of finish, gauge, thickness, or grade of stainless steel, and whether or not covered by or encased in other materials. Refillable stainless steel kegs may be imported assembled or unassembled, with or without all components (including spears, couplers or taps, necks, collars, and valves), and be filled or unfilled.
- “Unassembled” or “unfinished” refillable stainless steel kegs include drawn stainless steel cylinders that have been welded to form the body of the keg and attached to an upper (top) chime and/or lower (bottom) chime. Unassembled refillable stainless steel kegs may or may not be welded to a neck, may or may not have a valve assembly attached, and may be otherwise complete except for testing, certification, and/or marking.
- Subject merchandise also includes refillable stainless steel kegs that have been further processed in a third country, including but not limited to, attachment of necks, collars, spears or valves, heat treatment, pickling, passivation, painting, testing, certification or any other processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the country of manufacture of the in-scope refillable stainless steel keg.
- Specifically excluded are the following:
 - (1) vessels or containers that are not approximately cylindrical in nature (*e.g.*, box, “hopper,” or “cone” shaped vessels);
 - (2) stainless steel kegs, vessels, or containers that have either a “ball lock” valve system or a “pin lock” valve system (commonly known as “Cornelius,” “corny” or “ball lock” kegs);
 - (3) necks, spears, couplers or taps, collars, and valves that are not imported with the subject merchandise; and
 - (4) stainless steel kegs that are filled with beer, wine, or other liquid and that are designated by the Commissioner of Customs as Instruments of International Traffic within the meaning of section 332(a) of the Tariff Act of 1930, as amended.
- The merchandise covered by these investigations are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 7310.10.0010, 7310.10.0050, 7310.29.0025, and 7310.29.0050. These HTSUS subheadings are provided for convenience and customs purposes; the written description of the scope of the investigations is dispositive.

APPENDIX II

Non-Cooperative Respondents

Equipmentines (Dalian) E-Commerce Co., Ltd.
Jinan HaoLu Machinery Equipment Co., Ltd.
NDL Keg Qingdao Inc.
Ningbo Direct Import & Export Co., Ltd.
Ningbo Hefeng Container Manufacture Co., Ltd.
Ningbo Hefeng Kitchen Utensils Manufacture Co., Ltd.
Ningbo HGM Food Machinery Co., Ltd.
Ningbo Jiangbei Bei Fu Industry and Trade Co., Ltd.
Ningbo Sanfino Import & Export Co., Ltd.
Ningbo Shimaotong International Co., Ltd.
Ningbo Sunburst International Trading Co., Ltd.
Orient Equipment (Taizhou) Co., Ltd.
Qingdao Henka Precision Technology Co., Ltd.
Shandong Tiantai Beer Equipment
Sino Dragon Trading International
Wenzhou Deli Machinery Equipment Co.
Wuxi Taihu Lamps and Lanterns Co., Ltd.
Yantai Trano New Material Co., Ltd.