



## FACT SHEET

### Commerce Preliminarily Finds Dumping of Imports of Rubber Bands from China and Thailand

- On August 30, 2018, the Department of Commerce (Commerce) announced its affirmative preliminary determinations in the antidumping duty (AD) investigations of imports of rubber bands from the People's Republic of China (China) and Thailand.
- 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 27.27 percent to the China-wide entity, based entirely on adverse facts available. No companies demonstrated that they were eligible for a separate rate.
- In the Thailand investigation, Commerce assigned a preliminary dumping rate of 0.00 percent to mandatory respondent Liang Hah Heng International Rubber Co., Ltd. and a preliminary dumping rate of 5.86 percent to mandatory respondent U. Yong Industry Co., Ltd.. Commerce determined a preliminary dumping rate of 5.86 percent for all other Thai producers and exporters.
- 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 the China-wide entity. Consequently, Commerce will instruct CBP to impose provisional measures retroactively on entries of rubber bands from China, effective 90 days prior to publication of the preliminary determination in the Federal Register, for the China-wide entity.
- The petitioner is Alliance Rubber Company (AR).
- The products covered by these investigations are bands made of vulcanized rubber, with a flat length, as actually measured end-to-end by the band lying flat, no less than ½ inch and no greater than 10 inches; with a width, which measures the dimension perpendicular to the length, actually of at least 3/64 inch and no greater than 2 inches; and a wall thickness actually from 0.020 inch to 0.125 inch. Vulcanized rubber has been chemically processed into a more durable material by the addition of sulfur or other equivalent curatives or accelerators. Subject products are included regardless of color or inclusion of printed material on the rubber band's surface, including but not limited to, rubber bands with printing on them, such as a product name, advertising, or slogan, and printed material (*e.g.*, a tag) fastened to the rubber band by an adhesive or another temporary type of connection. The scope includes vulcanized rubber bands which are contained or otherwise exist in various forms and packages, such as, without limitation,

vulcanized rubber bands included within a desk accessory set or other type of set or package, and vulcanized rubber band balls. The scope excludes products that consist of an elastomer loop and durable tag all-in-one, and bands that are being used at the time of import to fasten an imported product. Merchandise covered by these investigations is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheading 4016.99.3510. Merchandise covered by the scope may also enter under HTSUS subheading 4016.99.6050. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the investigations is dispositive.

- In 2017, imports of rubber bands from China and Thailand were valued at an estimated \$4.9 million and \$12.1 million, respectively.
- The Preliminary Decision Memoranda 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 number A-570-069 for China and A-549-835 for Thailand.

**NEXT STEPS**

- Commerce is scheduled to announce its final determinations on or about November 14, 2018 for the China investigation and on or about January 21, 2019 for the Thailand investigation.
- If Commerce makes affirmative final determinations, and the U.S. International Trade Commission (ITC) makes affirmative final determinations that imports of rubber bands from China and Thailand 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	CASH DEPOSIT RATES (adjusted for export subsidies)
China	China-Wide	27.27%	26.65%

COUNTRY	EXPORTER/PRODUCER	DUMPING RATES
Thailand	Liang Hah Heng International Rubber Co., Ltd.	0.00%
	U. Yong Industry Co., Ltd.	5.86%
	All Others	5.86%

**CASE CALENDAR:**

<b>EVENT</b>	<b>DATE FOR CHINA</b>	<b>DATE FOR THAILAND</b>
<b>Petition Filed</b>	<b>January 30, 2018</b>	<b>January 30, 2018</b>
<b>DOC Initiation Date</b>	<b>February 20, 2018</b>	<b>February 20, 2018</b>
<b>ITC Preliminary Determinations</b>	<b>March 19, 2018</b>	<b>March 19, 2018</b>
<b>DOC Preliminary Determinations</b>	<b>August 29, 2018</b>	<b>August 29, 2018</b>
<b>DOC Final Determination</b>	<b>November 13, 2018</b>	<b>January 18, 2019</b>
<b>ITC Final Determination*</b>	<b>December 28, 2018</b>	<b>March 4, 2019</b>
<b>Issuance of Order</b>	<b>January 4, 2019**</b>	<b>March 11, 2019***</b>

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 for China.

\*\*\*This will take place only in the event of affirmative final determinations from Commerce and the ITC for Thailand. †Where the deadline falls on a weekend/holiday, the appropriate date is the next business day.

**IMPORT STATISTICS:**

<b>CHINA</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Value (USD)	9,273,103	4,643,528	4,874,214
<b>THAILAND</b>			
<b>THAILAND</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Value (USD)	15,682,110	15,547,204	12,117,876

Source: U.S. Census Bureau, accessed through Global Trade Atlas (HTSUS 4016.99.3510). Volume is not reported in official import statistics for imports entered under this HTSUS subheading.