



FACT SHEET

Commerce Preliminarily Finds Dumping of Imports of Welded Line Pipe from the Republic of Korea and the Republic of Turkey

- On May 15, 2015, the Department of Commerce (Commerce) announced its affirmative preliminary determinations in the antidumping duty (AD) investigations of imports of welded line pipe from the Republic of Korea (Korea) and the Republic of Turkey (Turkey).
- The AD law provides U.S. businesses and workers with a transparent 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 a product in the United States at less than its fair value.
- Commerce preliminarily determined that welded line pipe from Korea has been sold in the United States at dumping margins ranging from 2.52 percent to 2.67 percent.
- Commerce preliminarily determined that welded line pipe from Turkey has been sold in the United States at dumping margins ranging from 3.11 percent to 9.85 percent.
- In the Korea investigation, mandatory respondents SeAH Steel Corporation and Hyundai HYSCO received preliminary dumping margins of 2.67 percent and 2.52 percent, respectively. All other producers/exporters in Korea received a preliminary dumping margin of 2.60 percent.
- In the Turkey investigation, mandatory respondents Borusan Istikbal Ticaret and Borusan Mannesmann Boru Sanayi ve Ticaret A.S. received a preliminary dumping margin of 9.85 percent, and mandatory respondents Cayirova Boru Sanayi ve Ticaret A.S./Yucel Boru Ithalat-Ihracat ve Pazarlama A.S. and Toscelik Profil ve Sac Endustrisi A.S./Tosyali Dis Ticaret A.S. received preliminary dumping margins of 9.71 percent and 3.11 percent, respectively. All other producers/exporters in Turkey received a preliminary dumping margin of 3.29 percent.
- As a result of the preliminary affirmative determinations, Commerce will instruct U.S. Customs and Border Protection to require cash deposits based on these preliminary rates, adjusted for export subsidies, as appropriate, found in the preliminary determination of the companion Turkey countervailing duty investigation.
- The merchandise covered by these investigations is circular welded carbon and alloy steel (other than stainless steel) pipe of a kind used for oil or gas pipelines (welded line pipe), not more than 24 inches in nominal outside diameter, regardless of wall thickness, length, surface finish, end finish, or stenciling. Welded line pipe is normally produced to the American Petroleum Institute (API) specification 5L, but can be produced to comparable foreign specifications, to proprietary grades, or can be non-graded material. All pipe meeting the physical description set forth above, including

multiple-stenciled pipe with an API or comparable foreign specification line pipe stencil is covered by the scope of these investigations.

- The welded line pipe that is subject to these investigations is currently classifiable in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 7305.11.1030, 7305.11.5000, 7305.12.1030, 7305.12.5000, 7305.19.1030, 7305.19.5000, 7306.19.1010, 7306.19.1050, 7306.19.5110, and 7306.19.5150. The subject merchandise may also enter in HTSUS subheadings 7305.11.1060 and 7305.12.1060. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of these investigations is dispositive.
- In 2014, imports of welded line pipe from Korea and Turkey were valued at an estimated \$543.6 million and \$94.7 million, respectively.

NEXT STEPS

- Commerce is scheduled to announce its final determinations on or about September 29, 2015, as the deadline for these determinations has been fully extended.
- If Commerce makes affirmative final determinations, and the U.S. International Trade Commission (ITC) makes affirmative final determinations that imports of welded line pipe from Korea and/or Turkey materially injure, or threaten material injury to, the domestic industry, Commerce will issue AD orders. If either Commerce or the ITC final determinations are negative, no AD orders will be issued. The ITC is scheduled to make its final injury determinations in November 2015.

PRELIMINARY DUMPING MARGINS:

COUNTRY	EXPORTER/PRODUCER	DUMPING MARGINS
Korea	SeAH Steel Corporation	2.67%
	Hyundai HYSCO	2.52%
	All Others	2.60%

COUNTRY	EXPORTER/PRODUCER	DUMPING MARGINS	CASH DEPOSIT
Turkey	Borusan Istikbal Ticaret	9.85%	9.43%
	Borusan Mannesmann Boru Sanayi ve Ticaret A.S.	9.85%	9.43%
	Cayirova Boru Sanayi ve Ticaret A.S./Yucel Boru Ithalat-Ihracat ve Pazarlama A.S.	9.71%	8.94%
	Toscelik Profil ve Sac Endustrisi A.S./Tosyali Dis Ticaret A.S.	3.11%	2.29%
	All Others	3.29%	2.52%

NOTE: The cash deposit rates are adjusted to account for the applicable export subsidy rate of 0.42 percent for Borusan Istikbal Ticaret and Borusan Mannesmann Boru Sanayi ve Ticaret A.S.; 0.77 percent for Cayirova Boru Sanayi ve Ticaret A.S./Yucel Boru Ithalat-Ihracat ve Pazarlama A.; 0.82 percent for Toscelik Profil ve Sac Endustrisi A.S./Tosyali Dis Ticaret A.S; and 0.77 percent for all other exporters/producers in Turkey.

CASE CALENDAR:

EVENT	DATE
Petitions Filed	October 16, 2014
DOC Initiation Date	November 5, 2014
ITC Preliminary Determination	December 1, 2014
DOC Preliminary Determination	May 14, 2015
DOC Final Determination [^]	September 28, 2015 [†]
ITC Final Determination	November 11, 2015
Issuance of Order ^{**}	November 18, 2015

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.

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

[^]The final determinations in the concurrent countervailing duty investigations have been aligned with the final AD determinations.

^{**}This will take place only in the event of final affirmative determinations by Commerce and the ITC.

IMPORT STATISTICS:

KOREA	2012	2013	2014
Volume (metric tons)	679,500	656,600	702,600
Value (USD)	655,041,000	554,057,000	543,600,000
TURKEY	2012	2013	2014
Volume (metric tons)	60,300	59,900	78,100
Value (USD)	52,482,000	46,724,000	94,717,000

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS 7305.11.1030, 7305.11.5000, 7304.12.1030, 7305.12.5000, 7305.19.1030, 7305.19.5000, 7306.19.1010, 7306.19.1050, 7306.19.5110, and 7306.19.5150. Imports of welded line pipe may also enter under HTSUS 7305.11.1060 and 7305.12.1060, which may cover significant amounts of non-subject merchandise. Therefore, these two HTSUS subheadings have not been used for purposes of reporting import statistics.