



FACT SHEET

Commerce Preliminarily Finds Dumping of Imports of Certain Biaxial Integral Geogrid Products from the People's Republic of China

- On August 17, 2016, the Department of Commerce (Commerce) announced its affirmative preliminary determination in the antidumping duty (AD) investigation of imports of certain biaxial integral geogrid products from the People's Republic of China (China).
- 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 an AD investigation dumping occurs when a foreign company sells a product in the United States at less than its fair value.
- Commerce preliminarily found that dumping has occurred by mandatory respondents BOSTD Geosynthetics Qingdao Ltd. ("BOSTD") and Taian Modern Plastic Co., Ltd. ("Taian Modern") at preliminary dumping margins of 0.00 percent and 38.92 percent, respectively. Commerce calculated a preliminary dumping margin of 66.74 percent for all other producers/exporters in China.
- As a result of the preliminary affirmative determination, Commerce will instruct U.S. Customs and Border Protection (CBP) to collect cash deposits based on these preliminary rates. BOSTD will not be subject to these cash deposits, as its rate of dumping was preliminarily found to be zero.
- The petitioner for this investigation is Tensar Corporation (GA).
- The merchandise covered by this investigation is certain biaxial integral geogrid products. Biaxial integral geogrid products are a polymer grid or mesh material (whether or not finished, slit, cut-to-length, attached to woven or non-woven fabric or sheet material, or packaged) in which four-sided openings in the form of squares, rectangles, rhomboids, diamonds, or other four-sided figures predominate. The products covered have integral strands that have been stretched to induce molecular orientation into the material (as evidenced by the strands being thinner toward the middle between the junctions than at the junctions themselves) constituting the sides of the openings and integral junctions where the strands intersect. The scope includes products in which four-sided figures predominate whether or not they also contain additional strands intersecting the four-sided figures and whether or not the inside corners of the four-sided figures are rounded off or not sharp angles. As used herein, the term "integral" refers to strands and junctions that are homogenous with each other. The products covered have a tensile strength of greater than 5 kilonewtons per meter ("kN/m") according to American Society for Testing and Materials ("ASTM") Standard Test Method D6637/D6637M in any direction and average overall flexural stiffness of more than 100,000 milligram-centimeter according to the ASTM D7748/D7748M Standard Test Method for Flexural Rigidity of Geogrids, Geotextiles and Related Products, or other equivalent test method standards.

- Subject merchandise includes material matching the above description that has been finished, packaged, or otherwise further processed in a third country, including by trimming, slitting, coating, cutting, punching holes, stretching, attaching to woven or non-woven fabric or sheet material, or any other finishing, packaging, or other further processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the country of manufacture of the biaxial integral geogrid.
- The products subject to the scope are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under the following subheading: 3926.90.9995. Subject merchandise may also enter under subheadings 3920.20.0050 and 3925.90.0000. The HTSUS subheadings set forth above are provided for convenience and U.S. Customs purposes only. The written description of the scope is dispositive.
- Biaxial integral geogrid products are used in the construction of paved and unpaved roads, as well as in other construction projects, such as for reinforcing foundations or working platforms that are built on top of unstable soils.
- In 2014, imports of certain biaxial integral geogrid products from China were valued at an estimated \$9.2 million.

NEXT STEPS

- Commerce is scheduled to announce its final determination on or about December 22, 2016; unless the statutory deadline is extended.
- If Commerce makes an affirmative final determination, and the U.S. International Trade Commission (ITC) makes an affirmative final determination that imports of certain biaxial integral geogrid products from China materially injure, or threaten material injury to, the domestic industry, Commerce will issue an AD order. If either Commerce’s or the ITC’s final determination is negative, no AD order will be issued. The ITC is scheduled to make its final injury determination in February 2017.

PRELIMINARY DUMPING MARGINS:

| COUNTRY | EXPORTER/PRODUCER | DUMPING RATES |
|----------------|---|----------------------|
| China | BOSTD Geosynthetics Qingdao Ltd. | 0.00% |
| | Taian Modern Plastic Co., Ltd. | 38.92% |
| | China-Wide Rate | 66.74% |

CASE CALENDAR:

| EVENT | DATE |
|-------------------------------|-------------------|
| Petitions Filed | January 13, 2016 |
| DOC Initiation Date | February 16, 2016 |
| ITC Preliminary Determination | March 4, 2016 |
| DOC Preliminary Determination | August 16, 2016 |
| DOC Final Determination | December 21, 2016 |
| ITC Final Determination* | February 6, 2017 |
| Issuance of Order** | February 13, 2017 |

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) 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.

*This will take place only in the event of a final affirmative determination by Commerce.

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

IMPORT STATISTICS:

| CHINA | 2012 | 2013 | 2014 |
|-----------------------|-----------|-----------|------------|
| Value (USD) | 4,749,000 | 5,236,000 | 9,249,000 |
| Volume (square yards) | 8,035,000 | 8,846,000 | 15,608,000 |

Source: U.S. International Trade Commission, Certain Biaxial Integral Geogrid Products from China, Investigation Nos. 701-TA-554 and 731-TA-1309 (Preliminary), Publication 4596 (March 2016), at Table IV-2.

Note: The HTSUS subheadings geogrids enter the United States under are basket categories (HTSUS 3926.90.9980, which was replaced by 3926.90.9995 starting in January 2015), and cover a wide variety of non-subject imports. Therefore, the import statistics vary significantly from actual imports of certain biaxial integral geogrid products. Because of this variation, we have used the value and volume of geogrids entering the United States as reported in the public version of the ITC preliminary report.