



FACT SHEET

Commerce Finds Dumping and Subsidization of Imports of Cast Iron Soil Pipe Fittings from the People's Republic of China

- On July 6, 2018, the Department of Commerce (Commerce) announced its affirmative final determinations in the antidumping duty (AD) and countervailing duty (CVD) investigations of imports of cast iron soil pipe fittings from the People's Republic of China (China).
- 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 foreign governments 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.
- Commerce calculated a dumping rate of 27.18 percent for mandatory respondent Shanxi Xuanshi Industrial Group Co., Ltd., and a dumping rate of 22.11 percent for mandatory respondent Wor-Biz Trading Co., Ltd.(Anhui). Commerce determined a dumping rate of 24.65 percent for all other exporters of cast iron soil pipe fittings from China that Commerce found to be eligible for a separate rate. Commerce has assigned to the China-wide entity (which includes Sibon International Ltd. and Kingway Pipe Co., Ltd.) a dumping margin of 360.39 percent, based on adverse facts available.
- Commerce has calculated a subsidy rate of 34.87 percent for mandatory respondent Shanxi Xuanshi Industrial Group Co., Ltd. and a subsidy rate of 7.37 percent for mandatory respondent Wor-Biz International Trading Co., Ltd. (Anhui). Commerce applied an adverse facts available rate of 133.94 percent for mandatory respondent Shijiazhuang Chengmei Import & Export Co., Ltd. because of its failure to respond to Commerce's request for information. Commerce determined a rate of 23.28 percent for all other Chinese producers and exporters.
- Upon publication of the final affirmative AD determination, 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 an affirmative injury determination, Commerce will instruct CBP to resume collection of CVD cash deposits equal to the applicable subsidy rates.
- The petitioner is the Cast Iron Soil Pipe Institute (IL), whose members are AB&I Foundry (CA), Charlotte Pipe & Foundry (NC), and Tyler Pipe (TX).
- The merchandise covered by these investigations is cast iron soil pipe fittings, finished and unfinished, regardless of industry or proprietary specifications, and regardless of size. Cast iron soil pipe fittings are nonmalleable iron castings of various designs and sizes, including, but not limited to, bends, tees, wyes, traps, drains, and other common or special fittings, with or without side inlets.

Cast iron soil pipe fittings are classified into two major types – hubless and hub and spigot. Hubless cast iron soil pipe fittings are manufactured without a hub, generally in compliance with Cast Iron Soil Pipe Institute (CISPI) specification 301 and/or American Society for Testing and Materials (ASTM) specification A888. Hub and spigot pipe fittings have hubs into which the spigot (plain end) of the pipe or fitting is inserted. Cast iron soil pipe fittings are generally distinguished from other types of nonmalleable cast iron fittings by the manner in which they are connected to cast iron soil pipe and other fittings.

The subject imports are normally classified in subheading 7307.11.0045 of the Harmonized Tariff Schedule of the United States (HTSUS): Cast fittings of nonmalleable cast iron for cast iron soil pipe. They may also be entered under HTSUS 7324.29.0000 and 7307.92.3010. The HTSUS subheadings and specifications are provided for convenience and customs purposes only; the written description of the scope of these investigations is dispositive.

- In 2017, imports of cast iron soil pipe fittings from China were valued at an estimated \$7.8 million.
- 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 number A-570-062 for the AD investigation and C-570-063 for the CVD investigation.

NEXT STEPS

- The ITC is scheduled to make its final determinations on or about August 20, 2018.
- If the ITC makes affirmative final determinations that imports of cast iron soil pipe fittings from China materially injure, or threaten material injury to, the domestic industry, Commerce will issue AD and CVD orders. In the event that a CVD order is issued and suspension of liquidation is resumed in the CVD investigation, Commerce will instruct CBP to require AD cash deposits adjusted by the amount of export subsidies, as appropriate. If the ITC makes negative determinations of injury, the investigations will be terminated.

FINAL DUMPING RATES:

COUNTRY	EXPORTER/PRODUCER**	DUMPING RATES	CASH DEPOSIT RATES (adjusted for export subsidies)
China	Shanxi Xuanshi Industrial Group Co., Ltd.	27.18%	27.09%
	Wor-Biz Trading Co., Ltd.(Anhui)	22.11%	21.88%
	Separate Rate Companies*	24.65%	24.49%
	China-Wide	360.39%	360.30%

* Shijiazhuang Asia Casting Co., Ltd., Shanxi Zhongrui Tianyue Trading Co., Ltd., Dalian Lino F.T.Z. Co., Ltd., Dinggin Hardware (Dalian) Co., Ltd., Dalian Metal I/E Co., Ltd., Qinshui Shunshida Casting Co., Ltd., Richang Qiaoshan Trade Co., Ltd., and Hebei Metals & Engineering Products Trading Co., Ltd.

**See *Federal Register* notice for dumping rates applicable to specific exporter/producer combinations.

FINAL SUBSIDY RATES:

COUNTRY	EXPORTER/PRODUCER	SUBSIDY RATE
China	Shanxi Xuanshi Industrial Group Co., Ltd.	34.87%
	Shijiazhuang Chengmei Import & Export Co., Ltd.	133.94%
	Wor-Biz International Trading Co., Ltd. (Anhui)	7.37%
	All Others	23.28%

CASE CALENDAR:

EVENT	CVD	AD
Petitions Filed	July 13, 2017	July 13, 2017
DOC Initiation Date	August 2, 2017	August 2, 2017
ITC Preliminary Determinations	August 28, 2017	August 28, 2017
DOC Preliminary Determinations	December 11, 2017	February 12, 2018
DOC Final Determinations [^]	July 5, 2018	July 5, 2018
ITC Final Determinations	August 20, 2018	August 20, 2018
Issuance of Orders*	August 27, 2018	August 27, 2018

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. These deadlines may be extended under certain circumstances.

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

[^] As explained in the Memorandum for the Record from Christian Marsh, Deputy Assistant Secretary for Enforcement and Compliance, "Deadlines Affected by the Shutdown of the Federal Government" (January 23, 2018), Commerce has exercised its discretion to toll deadlines for the duration of the closure of the Federal Government from January 20, through January 22, 2018. Therefore, the final date for these investigations has been tolled by 3 days and all other deadlines have been adjusted accordingly.

IMPORT STATISTICS:

CHINA	2015	2016	2017
Volume (metric tons)	5,018	7,624	6,276
Value (USD)	6,280,817	8,596,279	7,811,434

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS 7307.11.0045)