



FACT SHEET

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

- On February 14, 2018, the Department of Commerce (Commerce) announced its affirmative preliminary determination in the antidumping duty (AD) investigation of imports of cast iron soil pipe fittings 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 AD investigations, dumping occurs when a foreign company sells an imported product in the United States at less than fair value.
- Commerce calculated a preliminary dumping rate of 68.37 percent for mandatory respondent Shanxi Xuanshi Industrial Group Co., Ltd., a preliminary dumping rate of 78.86 percent for mandatory respondent Wor-Biz Trading Co., Ltd.(Anhui), and a preliminary dumping rate of 109.95 percent for mandatory respondent Sibos International Limited. Commerce determined a preliminary dumping rate of 88.47 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 preliminarily assigned to the China-wide entity a dumping margin of 109.95 percent, which is the highest calculated margin and the highest margin on the record of the proceeding, based on adverse facts available.
- As a result of the preliminary affirmative determination, Commerce will instruct U.S. Customs and Border Protection (CBP) to require cash deposits based on these preliminary rates. Commerce will adjust the cash deposit rates by the amount of export subsidies found in the companion countervailing duty investigation of cast iron soil pipe fittings from China.
- Commerce preliminarily found that “critical circumstances” exist with respect to all exporters of cast iron soil pipe fittings from China except for Shanxi Xuanshi Industrial Group Co., Ltd. and Wor-Biz Trading Co., Ltd. (Anhui). Consequently, Commerce will instruct CBP to impose provisional measures retroactively on entries of cast iron soil pipe fittings from China, effective 90 days prior to publication of the preliminary determination in the *Federal Register*, for the affected exporters.
- 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 this investigation 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. The HTSUS subheading and specifications are provided for convenience and customs purposes only; the written description of the scope of this investigation is dispositive.

- In 2016, imports of cast iron soil pipe fittings from China were valued at an estimated \$8.6 million.
- The Preliminary Decision Memorandum 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-570-062.

NEXT STEPS

- Commerce is scheduled to announce its final determination on or about June 28, 2018.
- If Commerce makes an affirmative final determination, and the U.S. International Trade Commission (ITC) makes an affirmative final determination that imports of cast iron soil pipe fittings from China materially injure, or threaten material injury to, the domestic industry, Commerce will issue an AD order. If either Commerce or the ITC issue a negative final determination, no AD order will be issued. The ITC is scheduled to make its final injury determination approximately 45 days after Commerce issues its final determination, if affirmative.

PRELIMINARY DUMPING RATES:

COUNTRY	EXPORTER/PRODUCER**	DUMPING RATES	CASH DEPOSIT RATES (adjusted for export subsidies)
China	Shanxi Xuanshi Industrial Group Co., Ltd.	68.37%	68.28%
	Wor-Biz Trading Co., Ltd.(Anhui)	78.86%	78.63%
	Sibo International Limited	109.95%	109.79%
	Separate Rate Companies*	88.47%	88.31%
	China-Wide	109.95%	109.86%

* 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.

CASE CALENDAR:

EVENT	DATE
Petition Filed	July 13, 2017
DOC Initiations Date	August 2, 2017
ITC Preliminary Determination	August 28, 2017
DOC Preliminary Determination	February 12, 2018 [^]
DOC Final Determination	June 27, 2018
ITC Final Determination ^{*†}	August 13, 2018
Issuance of Order ^{**}	August 20, 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. These deadlines may be extended under certain circumstances.

*This will take place only in the event of an affirmative final determination from Commerce.

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

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

[^] 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 preliminary date for this investigation has been tolled by 3 days and all other deadlines have been adjusted accordingly.

IMPORT STATISTICS:

CHINA	2014	2015	2016
Volume (metric tons)	6,648	5,018	7,585
Value (USD)	8,939,354	6,280,817	8,556,590

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