



FACT SHEET

Commerce Preliminarily Finds Dumping of Imports of Collated Steel Staples from China

- On January 3, 2020, the Department of Commerce (Commerce) announced its affirmative preliminary determination in the antidumping duty (AD) investigation of imports of collated steel staples from 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 assigned a preliminary dumping rate of 301.64 percent for mandatory respondent Tianjin Hweschun Fasteners Manufacturing Co., Ltd. (Tianjin Hweschun). Commerce applied this rate to the other mandatory respondent, Tianjin Jin Xin Sheng Long Metal Products Co., Ltd. (Tianjin JXSL) as well as the non-selected respondents eligible for a separate rate and the China-wide entity.
- On November 9, 2019, Commerce preliminarily determined that “critical circumstances” exist with respect to imports of collated staples from China shipped by Tianjin Hweschun and all other Chinese producers/exporters, except for Tianjin JXSL. Commerce now finds that critical circumstances also exist with respect to Tianjin JXSL. Consequently, Commerce will instruct CBP to impose provisional measures retroactively on all entries of collated staples from China, effective 90 days prior to publication of the preliminary determination in the Federal Register.
- As a result of this preliminary affirmative determination, Commerce will instruct U.S. Customs and Border Protection (CBP) to require cash deposits from importers of collated steel staples from China based on these preliminary rates.
- The petitioner is Kyocera Senco Industrial Tools, Inc. (Cincinnati, OH).
- The scope of this investigation is listed in Appendix I.
- In 2018, imports of collated steel staples from China were valued at an estimated \$88.8 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-570-112.

NEXT STEPS

- Commerce is scheduled to announce its final determination by May 19, 2020.

- If Commerce makes an affirmative final determination, and the U.S. International Trade Commission (ITC) makes an affirmative final determination that imports of collated steel staples from China materially injure, or threaten material injury to, the domestic industry, Commerce will issue an AD order. If either Commerce or the ITC issues 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 RATE | CASH DEPOSIT RATE* |
|---------|-----------------------------------------------------|--------------|--------------------|
| China | Tianjin Hweschun Fasteners Manufacturing Co., Ltd. | 301.64 % | 291.1 % |
| | Tianjin Jin Xin Sheng Long Metal Products Co., Ltd. | 301.64 % | 291.1 % |
| | Separate Rate Companies** | 301.64 % | 291.1 % |
| | China-wide Entity | 301.64 % | 291.1 % |

*Rates are adjusted for export subsidies.

**See the *Federal Register* notice for a list of companies receiving a separate rate.

CASE CALENDAR:

| EVENT | AD INVESTIGATION |
|-------------------------------|------------------|
| Petition Filed | June 6, 2019 |
| DOC Initiation Date | June 26, 2019 |
| ITC Preliminary Determination | July 22, 2019 |
| DOC Preliminary Determination | January 2, 2020 |
| DOC Final Determination | May 18, 2020 |
| ITC Final Determination** | July 2, 2020 |
| Issuance of Order*** | July 9, 2020 |

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.

IMPORT STATISTICS:

| CHINA | 2016 | 2017 | 2018 |
|-------------------|------------|------------|------------|
| Volume (Kilogram) | 52,507,421 | 57,512,126 | 63,640,957 |
| Value (USD) | 68,239,599 | 73,434,381 | 88,750,073 |

Source: U.S. Census Bureau, accessed through Global Trade Atlas (Harmonized Tariff Schedule of the United States (HTSUS) subheading 8305.20.0000. Imports of collated staples enter under an HTSUS subheading which is a large basket category and covers a significant amount of non-subject merchandise.

Appendix I:

The scope of the investigation is as follows:

The merchandise covered by the scope of these investigations is certain collated steel staples. Certain collated steel staples subject to these investigations are made from steel wire having a nominal diameter from 0.0355 inch to 0.0830 inch, inclusive, and have a nominal leg length from 0.25 inch to 3.0 inches, inclusive, and a nominal crown width from 0.187 inch to 1.125 inch, inclusive.

Certain collated steel staples may be manufactured from any type of steel and are included in the scope of the investigations regardless of whether they are uncoated or coated, and regardless of the type or number of coatings, including but not limited to coatings to inhibit corrosion.

Certain collated steel staples may be collated using any material or combination of materials, including but not limited to adhesive, glue, and adhesive film or adhesive or paper tape.

Certain collated steel staples are generally made to American Society for Testing and Materials (ASTM) specification ASTM F1667-18a, but can also be made to other specifications.

Excluded from the scope of these investigations are any carton-closing staples covered by the scope of the existing antidumping duty order on Carton-Closing Staples from the People's Republic of China. See Carton-Closing Staples From the People's Republic of China: Antidumping Duty Order, 83 FR 20792 (May 8, 2018).

Certain collated steel staples subject to these investigations are currently classifiable under subheading 8305.20.00.00 of the Harmonized Tariff Schedule of the United States (HTSUS).

While the HTSUS subheading and ASTM specification are provided for convenience and for customs purposes, the written description of the subject merchandise is dispositive.