



FACT SHEET

Commerce Finds Dumping of Imports of Finished Carbon Steel Flanges from Spain

- On April 12, 2017, the Department of Commerce (Commerce) announced its affirmative final determination in the antidumping duty (AD) investigation of imports of finished carbon steel flanges from Spain.
- The AD 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 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 found that dumping has occurred by mandatory respondent ULMA Forja, S.Coop at a dumping margin of 24.43 percent, as adverse facts available, due to its failure to respond to Commerce's requests for information. Commerce calculated a dumping margin of 18.81 percent for all other producers/exporters in Spain.
- Upon publication of the final affirmative AD determination, Commerce will instruct U.S. Customs and Border Protection (CBP) to collect cash deposits equal to the applicable final weighted-average dumping margins. In the event of a negative U.S. International Trade Commission (ITC) determination, the AD proceeding will be terminated and all entries liquidated without regard to cash deposits.
- The petitioners are Boltex Manufacturing Co., L.P. (TX) and Weldbend Corporation (IL).
- The scope of this investigation covers finished carbon steel flanges. Finished carbon steel flanges differ from unfinished carbon steel flanges (also known as carbon steel flange forgings) in that they have undergone further processing after forging, including, but not limited to, beveling, bore threading, center or step boring, face machining, taper boring, machining ends or surfaces, drilling bolt holes, and/or de-burring or shot blasting. Any one of these post-forging processes suffices to render the forging into a finished carbon steel flange for purposes of this investigation. However, mere heat treatment of a carbon steel flange forging (without any other further processing after forging) does not render the forging into a finished carbon steel flange for purposes of these investigations.

While these finished carbon steel flanges are generally manufactured to specification ASME B16.5 or ASME B16.47 series A or series B, the scope is not limited to flanges produced under those specifications. All types of finished carbon steel flanges are included in the scope regardless of pipe size (which may or may not be expressed in inches of nominal pipe size), pressure class (usually, but not necessarily, expressed in pounds of pressure, *e.g.*, 150, 300, 400, 600, 900, 1500, 2500, *etc.*), type of face (*e.g.*, flat face, full face, raised face, *etc.*), configuration (*e.g.*, weld neck, slip on, socket weld, lap joint, threaded, *etc.*), wall thickness (usually, but not necessarily, expressed in inches),

normalization, or whether or not heat treated. These carbon steel flanges either meet or exceed the requirements of the ASTM A105, ASTM A694, ASTM A181, ASTM A350 and ASTM A707 standards (or comparable foreign specifications). The scope includes any flanges produced to the above-referenced ASTM standards as currently stated or as may be amended. The term “carbon steel” under this scope is steel in which:

- (a) iron predominates, by weight, over each of the other contained elements;
- (b) the carbon content is 2 percent or less, by weight; and
- (c) none of the elements listed below exceeds the quantity, by weight, as indicated:

- (i) 0.87 percent of aluminum;
- (ii) 0.0105 percent of boron;
- (iii) 10.10 percent of chromium;
- (iv) 1.55 percent of columbium;
- (v) 3.10 percent of copper;
- (vi) 0.38 percent of lead;
- (vii) 3.04 percent of manganese;
- (viii) 2.05 percent of molybdenum;
- (ix) 20.15 percent of nickel;
- (x) 1.55 percent of niobium;
- (xi) 0.20 percent of nitrogen;
- (xii) 0.21 percent of phosphorus;
- (xiii) 3.10 percent of silicon;
- (xiv) 0.21 percent of sulfur;
- (xv) 1.05 percent of titanium;
- (xvi) 4.06 percent of tungsten;
- (xvii) 0.53 percent of vanadium; or
- (xviii) 0.015 percent of zirconium.

Finished carbon steel flanges are currently classified under subheadings 7307.91.5010 and 7307.91.5050 of the Harmonized Tariff Schedule of the United States (HTSUS). They may also be entered under HTSUS subheadings 7307.91.5030 and 7307.91.5070. The HTSUS subheadings are provided for convenience and customs purposes; the written description of the scope is dispositive.

- In 2016, imports of finished carbon steel flanges from Spain were valued at an estimated \$16.5 million.

NEXT STEPS

- The ITC is scheduled to make its final determination on or about May 26, 2017.
- If the ITC makes an affirmative final determination that imports of finished carbon steel flanges from Spain materially injure, or threaten material injury to, the domestic industry, Commerce will issue an AD order. If the ITC makes a negative determination of injury, the investigation will be terminated.

FINAL DUMPING MARGINS:

COUNTRY	EXPORTER/PRODUCER	DUMPING RATES
Spain	ULMA Forja, S.Coop	24.43 %
	All others	18.81 %

CASE CALENDAR:

EVENT	DATES
Petitions Filed	June 30, 2016
DOC Initiation Date	July 20, 2016
ITC Preliminary Determinations	August 12, 2016
DOC Preliminary Determinations	January 26, 2017
DOC Final Determinations	April 11, 2017
ITC Final Determinations	May 26, 2017
Issuance of Orders*	June 2, 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.

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

IMPORT STATISTICS:

SPAIN	2014	2015	2016
Volume (metric tons)	6,975	11,916	8,495
Value (USD)	19,769,325	26,754,739	16,544,290

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS 2931.90.9043).

The above HTSUS subheading is a basket category and may cover both subject and non-subject merchandise.

Imports of HEDP may also enter under HTSUS 2811.19.6090 and 2931.90.9041. These HTSUS subheadings may cover a significant amount of non-subject merchandise and therefore have been excluded for purposes of reporting import statistics.