



FACT SHEET

Commerce Finds Dumping of Imports of Forged Steel Fittings from Taiwan

- On July 24, 2018, the Department of Commerce (Commerce) announced its affirmative final determination in the antidumping duty (AD) investigation of imports of forged steel fittings from Taiwan.
- 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 final dumping rate of 116.17 percent to both mandatory respondents, Both Well Steel Fittings Co., Ltd. and Luchu Shin Yee Works Co. Ltd., based entirely on adverse facts available. Commerce assigned a dumping rate of 116.17 percent to all other producers and exporters of forged steel fittings from Taiwan.
- Upon publication of the final affirmative AD determination, Commerce will instruct U.S. Customs and Border Protection (CBP) to continue to collect cash deposits equal to the applicable final weighted-average dumping rates.
- The petitioners are Bonney Forge Corporation (Mount Union, PA), and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (Pittsburgh, PA).
- The merchandise covered by this investigation is carbon and alloy forged steel fittings, whether unfinished (commonly known as blanks or rough forgings) or finished. Such fittings are made in a variety of shapes including, but not limited to, elbows, tees, crosses, laterals, couplings, reducers, caps, plugs, bushings, unions, and outlets. Forged steel fittings are covered regardless of end finish, whether threaded, socket-weld or other end connections.

While these fittings are generally manufactured to specifications ASME B16.11, MSS SP-79, MSS SP-83, MSS SP-97, ASTM A105, ASTM A350, and ASTM A182, the scope is not limited to fittings made to these specifications.

The term forged is an industry term used to describe a class of products included in applicable standards, and does not reference an exclusive manufacturing process. Forged steel fittings are not manufactured from casting. Pursuant to the applicable specifications, subject fittings may also be machined from bar stock or machined from seamless pipe and tube.

All types of fittings are included in the scope regardless of nominal pipe size (which may or may not be expressed in inches of nominal pipe size), pressure rating (usually, but not necessarily expressed in

pounds of pressure/PSI, *e.g.*, 2,000 or 2M; 3,000 or 3M; 6,000 or 6M; 9,000 or 9M), wall thickness, and whether or not heat treated.

Excluded from this scope are all fittings entirely made of stainless steel. Also excluded are flanges, butt weld fittings, butt weld outlets, nipples, and all fittings that have a maximum pressure rating of 300 pounds of pressure/PSI or less.

Also excluded are fittings certified or made to the following standards, so long as the fittings are not also manufactured to the specifications of ASME B16.11, MSS SP-79, MSS SP-83, MSS SP-97, ASTM A105, ASTM A350, and ASTM A182:

- American Petroleum Institute (API) API 5CT, API 5L, or API 11B
- Society of Automotive Engineering (SAE) SAE J476, SAE J514, SAE J516, SAE J517, SAE J518, SAE J1026, SAE J1231, SAE J1453, SAE J1926, J2044 or SAE AS 35411
- Underwriter's Laboratories (UL) certified electrical conduit fittings
- ASTM A153, A536, A576, or A865
- Casing Conductor Connectors 16-42 inches in diameter made to proprietary specifications
- Military Specification (MIL) MIL-C-4109F and MIL-F-3541
- International Organization for Standardization (ISO) ISO6150-B

To be excluded from the scope, products must have the appropriate standard or pressure markings and/or accompanied by documentation showing product compliance to the applicable standard or pressure, *e.g.*, "API 5CT" mark and/or a mill certification report.

Subject carbon and alloy forged steel fittings are normally entered under Harmonized Tariff Schedule of the United States (HTSUS) 7307.99.1000, 7307.99.3000, 7307.99.5045, and 7307.99.5060. They also may be entered under HTSUS 7307.92.3010, 7307.92.3030, 7307.92.9000, and 7326.19.0010. The HTSUS subheadings and specifications are provided for convenience and customs purposes; the written description of the scope is dispositive.

- In 2017, imports of forged steel fittings from Taiwan were valued at an estimated \$18.9 million.
- The Final 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-583-863.

NEXT STEPS

- The U.S. International Trade Commission (ITC) is scheduled to make its final determination on or about September 6, 2018.
- If the ITC makes an affirmative final determination that imports of forged steel fittings from Taiwan 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
Taiwan	Both Well Steel Fittings Co., Ltd.	116.17%
	Luchu Shin Yee Works Co. Ltd.	116.17%
	All Others	116.17%

CASE CALENDAR:

EVENT	DATE
Petition Filed	October 5, 2017
DOC Initiation Date	October 25, 2017
ITC Preliminary Determination	November 27, 2017
DOC Preliminary Determination	May 7, 2018 [^]
DOC Final Determination	July 23, 2018
ITC Final Determination	September 6, 2018
Issuance of Order*	September 13, 2018

NOTE: Commerce 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.

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

[^]As explained in the Memorandum, "Deadlines Affected by the Shutdown of the Federal Government," dated January 23, 2018, Commerce 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 determination date for this investigation has been tolled by three days and all other deadlines have been adjusted accordingly.

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

IMPORT STATISTICS:

TAIWAN	2015	2016	2017
Volume (metric tons)	4,133	3,057	4,359
Value (USD)	19,086,308	15,098,862	18,898,463

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS: 7307.99.1000, 7307.99.3000, 7307.99.5045, and 7307.99.5060).