



## FACT SHEET

### **Commerce Initiates Antidumping Duty and Countervailing Duty Investigations of Imports of Certain Collated Steel Staples from the People's Republic of China, the Republic of Korea (AD only) and Taiwan (AD only)**

- On June 27, 2019, the Department of Commerce (Commerce) announced the initiation of antidumping duty (AD) and countervailing duty (CVD) investigations of imports of certain collated steel staples (collated staples) from the People's Republic of China (China), the Republic of Korea (Korea) (AD only) and Taiwan (AD only).
- 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 unfair subsidization 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 a product in the United States at less than its fair value. For the purpose of CVD investigations, a countervailable subsidy is financial assistance from a foreign government 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.
- The petitioner is Kyocera Senco Industrial Tools, Inc. (Cincinnati, OH).
- 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.

- In 2018, imports of collated staples from China, Korea, and Taiwan were valued at an estimated \$88.8 million, \$6.9 million, and \$5.1 million, respectively.
- The Initiation Decision Checklists 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 numbers: A-570-112 for the AD investigation and C-570-113 for the CVD investigation for China, A-580-901 for the AD investigation for Korea, and A-583-866 for the AD investigation for Taiwan.

## NEXT STEPS

- The U.S. International Trade Commission (ITC) is scheduled to make its preliminary injury determinations on or before July 22, 2019.
- If the ITC determines that there is a reasonable indication that imports of collated staples from China, Korea and/or Taiwan materially injure, or threaten material injury to, the domestic industry in the United States, the investigations will continue, and Commerce will be scheduled to announce its preliminary CVD determination on September 3, 2019, and its preliminary AD determination on November 14, 2019, although these dates may be extended. If the ITC's determinations are negative, the investigations will be terminated.

## ALLEGED DUMPING MARGINS:

COUNTRY	DUMPING MARGINS
China	119.37 – 122.55 percent
Korea	10.23 – 14.25 percent
Taiwan	47.60 percent

## ESTIMATED SUBSIDY RATE:

COUNTRY	SUBSIDY RATE
China	Above <i>de minimis</i>

\* *de minimis* = less than 1% for developed countries, less than 2% for developing countries.

## CASE CALENDAR:

EVENT	CVD INVESTIGATION	AD INVESTIGATION
<b>Petitions Filed</b>	<b>June 6, 2019</b>	<b>June 6, 2019</b>
<b>DOC Initiation Date</b>	<b>June 26, 2019</b>	<b>June 26, 2019</b>
<b>ITC Preliminary Determinations*</b>	<b>July 22, 2019†</b>	<b>July 22, 2019†</b>
<b>DOC Preliminary Determinations</b>	<b>August 30, 2019</b>	<b>November 13, 2019</b>
<b>DOC Final Determinations</b>	<b>November 13, 2019</b>	<b>January 27, 2020</b>
<b>ITC Final Determinations**</b>	<b>December 30, 2019†</b>	<b>March 12, 2020</b>
<b>Issuance of Orders***</b>	<b>January 6, 2020</b>	<b>March 19, 2020</b>

NOTE: Commerce's preliminary and final determination deadlines are governed by statute. For CVD investigations, the deadlines are set forth in sections 703(b) and 705(a)(1) of the Tariff Act of 1930, as amended (the Act). For AD investigations, the deadlines are set forth in sections 733(b) and 735(a) of the Act. These deadlines may be extended under certain circumstances.

\* If the ITC makes a negative preliminary determination of injury, the investigations are terminated.

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

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

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

## IMPORT STATISTICS:

CHINA	2016	2017	2018
Volume (kilograms)	52,507,421	57,712,126	63,640,957
Value (USD)	68,239,599	73,434,381	88,750,073
KOREA	2016	2017	2018
Volume (kilograms)	2,008,526	2,120,035	2,159,268
Value (USD)	6,140,530	6,663,938	6,872,775
TAIWAN	2016	2017	2018
Volume (kilograms)	1,437,622	1,559,301	2,006,509
Value (USD)	4,972,068	5,132,156	5,113,233

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.

