

## FACT SHEET

### **Preliminary Results of the 2<sup>nd</sup> Administrative Reviews: Antidumping and Countervailing Duty Orders on Softwood Lumber from Canada**

On June 1, the Department of Commerce (the Department) announced its preliminary results of the above-referenced reviews for entries of softwood lumber from Canada during the period May 1, 2003 through April 30, 2004 for the antidumping duty review and April 1, 2003 through March 31, 2004 for the countervailing duty review. We preliminarily found that Canadian provincial stumpage and other programs confer a benefit to producers of softwood lumber and that Canadian producers/exporters of softwood lumber have sold their product in the United States below normal value. The Department will carefully consider interested parties' comments on its preliminary results as well as all record evidence before issuing the final results in these reviews, currently scheduled for early October.

**Petitioners:** The petitioner in this case is the Executive Committee of the Coalition for Fair Lumber Imports, an *ad hoc* coalition of softwood lumber producers.

**Product Description:** The products covered by this order are softwood lumber, flooring and siding (softwood lumber products). Softwood lumber products include all products currently classifiable under headings 4407.1000, 4409.1010, 4409.1090, and 4409.1020, respectively, of the Harmonized Tariff Schedule of the United States (HTSUS), and any softwood lumber, flooring and siding as described in our Notices of Preliminary Results of Review, published in the *Federal Register*.

#### **Preliminary Results of Review of the Countervailing Duty Order:**

In the administrative review of the countervailing duty order, the Department evaluated the provincial stumpage programs of British Columbia, Alberta, Manitoba., Saskatchewan, Ontario and Quebec. We did not evaluate stumpage programs in the Yukon Territory and the Northwest Territories. Certain softwood lumber products from the Maritime Provinces are exempt from the countervailing duty order.

The preliminary net countervailable subsidy rate calculated by the Department is 8.18 percent *ad valorem* on all imports of subject merchandise.

#### **Preliminary Results of Review of the Antidumping Duty Order:**

The Department received more than 400 individual requests for review from Canadian producers/exporters of softwood lumber. The Department chose eight mandatory respondents: Abitibi-Consolidated Company of Canada (Abitibi), Buchanan Lumber Sales Inc. (Buchanan), Canfor Corporation (Canfor), Tembec Inc. (Tembec), Tolko Industries Ltd. (Tolko), Weldwood of Canada Limited (Weldwood), West Fraser Mills Ltd. (West Fraser), and Weyerhaeuser Company (Weyerhaeuser).

Preliminary dumping margins for the individually-reviewed respondents for entries during the period of review range from 0.51 to 5.62 percent. The preliminary review-specific average dumping margin is 2.44 percent. This rate is to be distinguished from the "All Others" rate of 11.54 percent calculated in the Department's recent determination under section 129 of the Uruguay Round Agreement Act. The "All Others" rate applies only to those Canadian producers/exporters that have never participated in an administrative review.

**Preliminary Subsidy Rate:**

	Preliminary Net Subsidy Rate
All Imports (excluding companies and certain products from the Maritimes)	8.18%

**Preliminary Dumping Margins:**

Company	Preliminary Dumping Margin
Abitibi	2.53%
Buchanan	2.49%
Canfor	1.42%
Tembec	3.16%
Tolko	3.22%
Weldwood	5.62%
West Fraser	0.51%
Weyerhaeuser	4.74%
Review-Specific Average	2.44%

**Import Statistics:**

	2003	2004
Volume	61,316,128	58,999,872
Value (\$US)	\$4,637,910,157	\$6,761,535,914

(Source: ITC Dataweb for imports under HTS classifications 4407.1000, 4409.1010, 4409.1020, 4409.1090)

**Copies of the Antidumping Duty and Countervailing Duty Preliminary Results of Reviews:**

The preliminary results of these reviews can be accessed directly on the Web at [www.ia.ita.doc.gov/frn](http://www.ia.ita.doc.gov/frn). Hard copies of the preliminary results and all corresponding memoranda are available in our Central Records Unit, Room B-099, in the Main Commerce Building, 14<sup>th</sup> Street and Constitution Avenue, NW, Washington, DC 20230.