

FACT SHEET

Commerce Finds Unfair Dumping and Subsidies on Lined Paper Products from India

- On August 1, the Commerce Department announced its affirmative final determinations in the antidumping and countervailing duty investigations on lined paper products from India. Dumping is when a foreign company sells a product in the United States at less than fair market value (often its price in its home market or the cost of production). Subsidies are financial assistance from foreign governments that benefit the production, manufacture, or exportation of goods.
- Commerce determined that Indian producers/exporters have sold lined paper products in the United States at 3.91 to 23.17 percent less than fair market value.
- Commerce also determined that Indian producers/exporters of lined paper products have received net countervailable subsidies ranging from 1.67 (*de minimis*) to 10.24 percent.
- If the U.S. International Trade Commission (ITC) issues a final affirmative injury determination, Commerce will instruct U.S. Customs and Border Protection to collect a cash deposit or bond based on these final determinations.
- The petitions for these investigations were filed by MeadWestvaco Corp. (Dayton, OH); Norcom, Inc. (Norcross, GA); and Top Flight, Inc. (Chattanooga, TN) (collectively, the Association of American School Paper Suppliers).
- Lined paper products are typically school supplies that feature straight horizontal and/or vertical lines on 10 or more paper sheets, including single- and multi-subject notebooks, composition books, wireless notebooks, loose-leaf or glued filler paper, graph paper, and laboratory notebooks. (HTSUS 4820.10.2050, 4810.22.5044, 4811.90.9090, 4820.10.2010, 4820.10.2020)
- From 2004 to 2005, imports of lined paper products from India decreased 16 percent by volume and were valued at an estimated \$13.8 million in 2005.

NEXT STEPS

- The U.S. International Trade Commission (ITC) is scheduled to make its final injury determinations on or about September 14. Under the law, the ITC examines whether the U.S. industry is injured or threatened with injury by imports of the subject merchandise. If the ITC makes negative final injury determinations, the investigations will be terminated.

FINAL RATES:

PRODUCER/EXPORTER	NET SUBSIDY RATE	DUMPING MARGIN
Aero Exports	7.05%	23.17%**
Kejriwal Paper Ltd.	1.67% (<i>de minimis</i>)*	3.91%
Navneet Publications (India) Ltd.	10.24%	23.17%**
All Others	9.42%	3.91%

* As this rate is *de minimis* (less than 2%), Kejriwal Paper Ltd. will be excluded from any countervailing duty order on lined paper products.

** These rates are based entirely on adverse inferences, as these respondents did not cooperate to the best of their ability with DOC requests for information.

CASE CALENDAR:

EVENT	CVD	AD
Petition Filed	September 9, 2005	September 9, 2005
DOC Preliminary Determination	February 7, 2006	April 7, 2006
DOC Final Determination	July 31, 2006	July 31, 2006
ITC Final Determination	September 13, 2006	September 13, 2006
Issuance of Order*	September 20, 2006	September 20, 2006

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

IMPORT STATISTICS:

INDIA	2003	2004	2005
Volume (units)	45,519,484	44,699,140	37,403,297
Value (\$US)	18,297,834	16,440,169	13,828,289

Source: U.S. ITC DataWeb under HTSUS subheadings 820.10.2050, 4810.22.5044, 4811.90.9090, 4820.10.2010, and 4820.10.2020. Volumes in kgs. were converted into units by dividing by 0.491262, the per-unit weight of the most common filler paper product (150-count filler paper), as indicated by information contained in the petition.