



## FACT SHEET

### **Commerce Finds Unfair Dumping of Electrolytic Manganese Dioxide from Australia and the People's Republic of China**

- On August 11, the Department of Commerce announced its affirmative final determinations in the antidumping duty (AD) investigations of imports of electrolytic manganese dioxide (EMD) from Australia and the People's Republic of China (China).
- Dumping occurs when a foreign company sells a product in the United States at less than normal value.
- Commerce has determined that Australian and Chinese exporters have sold EMD in the United States at 83.66 percent and 149.92 percent less than normal value, respectively.
- Australia's mandatory respondent, Delta EMD Australia Pty Ltd., withdrew from the investigation and received a final rate of 83.66 percent based on adverse facts available. This rate will apply to all other Australian exporters as well.
- China's mandatory respondent, Guizhou Redstar Developing Import and Export Co. Ltd., received a final calculated rate of 149.92 percent. As this is the highest rate in the China investigation, it will also be applied to all other Chinese exporters as the adverse-facts-available rate for the China-wide entity.
- As a result of these affirmative final determinations, U.S. Customs and Border Protection (CBP) will continue to suspend liquidation of entries of EMD from all Australian and Chinese exporters, and to collect a cash deposit or bond based on the final rates.
- Tronox LLC (OK) is the petitioner for these investigations. Tronox LLC has an EMD plant in Nevada.
- The scope of these investigations covers EMD that has been manufactured in an electrolysis process, whether in powder, chip, or plate form. Excluded from the scope are natural manganese dioxide and chemical manganese dioxide.
- EMD is classifiable under subheading 2820.10.00.00 of the Harmonized Tariff Schedule of the United States (HTSUS). While the HTSUS subheading is provided for convenience and customs purposes, Commerce's written description of the scope of these investigations is controlling.
- From 2006 to 2007, imports of EMD from Australia increased 19 percent by volume and were valued at an estimated \$21.7 million in 2007. Imports from China decreased 40 percent by volume and were valued at an estimated \$9.5 million in 2007.

## NEXT STEPS

- The U.S. International Trade Commission (ITC) is scheduled to make its final determination in these investigations in September 2008.
- If the ITC makes affirmative determinations that imports of EMD from China and Australia materially injure, or threaten material injury to, the domestic industry, Commerce will issue AD orders. If the ITC makes negative injury determinations, these investigations will be terminated.

## Final Dumping Margins:

COUNTRY	EXPORTER/PRODUCER		MARGIN
AUSTRALIA	Delta EMD Australia Pty Ltd		83.66%
	All Others		83.66%
	EXPORTER	PRODUCER	MARGIN
CHINA	Guizhou Redstar Developing Import and Export Co., Ltd.	Guizhou Redstar Developing Dalong Manganese Industrial Co., Ltd.	149.92%
	China-Wide Entity*		149.92%

\*The China-Wide Entity includes Xiangtan Electrochemical Scientific, Ltd. (the mandatory respondent that did not participate in this investigation.)

## Case Calendar:

EVENT	DATE
Petitions Filed	August 22, 2007
DOC Initiation Date	September 11, 2007
ITC Preliminary Determination	October 9, 2007
DOC Preliminary Determinations	March 19, 2008
DOC Final Determinations	August 8, 2008
ITC Final Determination	September 22, 2008
Issuance of Orders*	September 29, 2008

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

**Import Statistics:**

<b>AUSTRALIA</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
<b>Volume (MT)</b>	<b>15,871</b>	<b>13,675</b>	<b>16,307</b>
<b>Value (\$US)</b>	<b>20,999,857</b>	<b>19,314,204</b>	<b>21,685,916</b>
<b>CHINA</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
<b>Volume (MT)</b>	<b>10,344</b>	<b>15,061</b>	<b>9,045</b>
<b>Value (\$US)</b>	<b>10,907,162</b>	<b>15,967,124</b>	<b>9,522,626</b>

Source: U.S. International Trade Commission, Dataweb (HTSUS 2820.10.00.00)