



## FACT SHEET

### **Commerce Finds Unfair Dumping and Subsidization of New Pneumatic Off-The-Road-Tires from the People's Republic of China**

- On July 8, the Commerce Department announced its affirmative final determinations in the antidumping (AD) and countervailing duty (CVD) investigations on imports of new pneumatic off-the-road (OTR) tires from the People's Republic of China (China).
- Dumping is when a foreign company sells a product in the United States at less than normal value. Subsidies are financial assistance from foreign governments that benefit the production, manufacture, or exportation of goods.
- Commerce has determined that Chinese exporters have sold OTR tires in the United States at zero to 210.48 percent less than normal value. Mandatory respondents Guizhou Tyre Co., Ltd./Guizhou Advance Rubber, Hebei Starbright Tire Co., Ltd., Tianjin United Tire & Rubber International Co., Ltd., and Xuzhou Xugong Tyre Co. Ltd., received final dumping rates of 4.08, 19.15, 8.09, and zero percent, respectively.
- Twenty-five exporters qualified for a separate dumping rate of 9.48 percent. The China-wide rate of 210.48 percent will be applied to all other Chinese exporters.
- Commerce also determined that critical circumstances exist for the PRC entity, but not for the mandatory respondents or the separate-rate recipients.
- Additionally, Commerce has determined that Chinese exporters received net countervailable subsidies ranging from 2.45 to 14.00 percent. Mandatory respondents, Hebei Starbright Tire Co., Ltd, Guizhou Tyre Co., Ltd., and Tianjin United Tire & Rubber International Co., Ltd., received net subsidy rates of 14.00, 2.45, and 6.85 percent, respectively. A final net subsidy rate of 5.62 percent will apply to all other Chinese exporters.
- As a result of the final AD determination, Commerce will instruct U.S. Customs and Border Protection to continue to suspend liquidation of entries of subject merchandise and to collect a cash deposit or bond based on the final rates, except for Xuzhou Xugong Tyre Co. Ltd. Suspension of liquidation will only resume for purposes of countervailing duties if the U.S. International Trade Commission (ITC) issues an affirmative injury finding and Commerce issues a CVD order.
- Titan Tire Corporation (Titan) (IA), and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO-CLC (USW) (PA) are the petitioners for this investigation. In addition, Bridgestone Americas Holding entered an appearance as a domestic interested party.
- The merchandise covered by this investigation includes OTR tires designed for off-the-road and off-highway use. The subject merchandise can be of tube-type or tubeless, radial or non-radial forms.
- OTR tires are classifiable under subheadings 4011.20.10.25, 4011.20.10.35, 4011.20.50.30, 4011.20.50.50, 4011.61.00.00, 4011.62.00.00, 4011.63.00.00, 4011.69.00.00, 4011.92.00.00, 4011.93.40.00, 4011.93.80.00, 4011.94.40.00, and 4011.94.80.00 of the Harmonized Tariff Schedule of the United States (HTSUS). While HTSUS subheadings are provided for convenience and customs purposes, Commerce's written description of the scope of these investigations is final and conclusive.

- This investigation excludes tires of a kind designed primarily for on-highway or on-road use, including passenger cars, race cars, station wagons, sport utility vehicles, minivans, mobile homes, motorcycles, bicycles, on-road or on-highway trailers, light trucks, trucks and busses, and other such vehicles. Also excluded are tires of a kind used on aircraft, all-terrain vehicles, and vehicles for turf, lawn and garden, golf and trailer applications.
- From 2005 to 2007, imports of OTR tires from China increased 11 percent by volume and were valued at an estimated \$360 million in 2007.

#### NEXT STEPS

- The ITC is scheduled to make its final injury determination on or about August 21. If the ITC makes affirmative determinations, Commerce will issue AD and CVD orders. If the ITC makes a negative injury determination, the investigations will be terminated.

#### FINAL COUNTERVAILABLE SUBSIDY RATE:

PRODUCER/EXPORTER	SUBSIDY RATE
Hebei Starbright Tire Co., Ltd	14.00%
Guizhou Tyre Co., Ltd	2.45%
Tianjin United Tire & Rubber International Co., Ltd.	6.85%
All Others	5.62%

#### FINAL DUMPING RATE:

PRODUCER/EXPORTER	MARGIN
Guizhou Tyre Co., Ltd./Guizhou Advance Rubber	4.08%
Hebei Starbright Tire Co., Ltd.	19.15%
Tianjin United Tire & Rubber International Co., Ltd.	8.09%
Xuzhou Xugong Tyre Co. Ltd.	0.00%
Separate-Rate Respondents (see attachment)	9.48%
PRC-Wide Entity	210.48%

#### CASE CALENDAR:

EVENT	CVD INVESTIGATION	AD INVESTIGATION
Petitions Filed	June 18, 2007	June 18, 2007
DOC Initiation Date	July 9, 2007	June 30, 2007
ITC Preliminary Determination	August 24, 2007	August 20, 2007
DOC Preliminary Determinations	December 7, 2007	February 5, 2008
DOC Final Determinations	July 7, 2008	July 7, 2008
ITC Final Determination	August 21, 2008	August 21, 2008
Issuance of Orders*	August 28, 2008	August 28, 2008

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

**IMPORT STATISTICS:**

<b>CHINA</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
<b>Volume (number of tires)</b>	<b>12,356,498</b>	<b>14,950,160</b>	<b>13,678,190</b>
<b>Value (\$US)</b>	<b>232,595,403</b>	<b>339,562,664</b>	<b>360,474,308</b>

Source: U.S. International Trade Commission Dataweb for HTSUS subheadings: 4011.20.10.25, 4011.20.10.35, 4011.20.50.30, 4011.20.50.50, 4011.61.00.00, 4011.62.00.00, 4011.63.00.00, 4011.69.00.00, 4011.92.00.00, 4011.93.40.00, 4011.93.80.00, 4011.94.40.00, and 4011.94.80.00, which are basket categories.

## SEPARATE RATES

EXPORTER	PRODUCER	MARGIN
<b>Aeolus Tyre Co., Ltd.</b>	<b>Aeolus Tyre Co., Ltd.</b>	<b>9.48%</b>
<b>Double Coin Holdings Ltd.</b>	<b>Double Coin Holdings Ltd.; Double Coin Group Rugao Tyre Co., Ltd.; Double Coin Group Shanghai Donghai Tyre Co., Ltd.</b>	<b>9.48%</b>
<b>Double Happiness Tyre Industries Corp., Ltd.</b>	<b>Double Happiness Tyre Industries Corp., Ltd.</b>	<b>9.48%</b>
<b>Jiangsu Feichi Co., Ltd.</b>	<b>Jiangsu Feichi Co., Ltd.</b>	<b>9.48%</b>
<b>Kenda Rubber (China) Co., Ltd./Kenda Global Holding Co., Ltd. (Cayman Islands)</b>	<b>Kenda Rubber (China) Co., Ltd.</b>	<b>9.48%</b>
<b>KS Holding Limited</b>	<b>Oriental Tyre Technology Ltd.; Shandong Taishan Tyre Co., Ltd.; Xu Zhou Xugong Tyres Co., Ltd.</b>	<b>9.48%</b>
<b>Laizhou Xiongying Rubber Industry Co., Ltd.</b>	<b>Laizhou Xiongying Rubber Industry Co., Ltd.</b>	<b>9.48%</b>
<b>Oriental Tyre Technology Limited</b>	<b>Midland Off the Road Tire Co., Ltd.; Midland Specialty Tire Co., Ltd.; Xuzhou Hanbang Tyres Co., Ltd.</b>	<b>9.48%</b>
<b>Qingdao Aonuo Tyre Co., Ltd.</b>	<b>Qingdao Aonuo Tyre Co., Ltd.</b>	<b>9.48%</b>
<b>Qingdao Etyre International Trade Co., Ltd.</b>	<b>Shandong Xingda Tyre Co. Ltd.; Shandong Xingyuan International Trade Co. Ltd.; Shandong Xingyuan Rubber Co. Ltd.</b>	<b>9.48%</b>
<b>Qingdao Free Trade Zone Full-World International Trading Co., Ltd.</b>	<b>Qingdao Eastern Industrial Group Co., Ltd.; Qingdao Qihang Tyre Co., Ltd.; Qingdao Shuanghe Tyre Co., Ltd.; Qingdao Yellowsea Tyre Factory; Shandong Zhentai Tyre Co., Ltd.</b>	<b>9.48%</b>
<b>Qingdao Hengda Tyres Co., Ltd.</b>	<b>Qingdao Hengda Tyres Co., Ltd.</b>	<b>9.48%</b>
<b>Qingdao Milestone Tyre Co., Ltd.</b>	<b>Qingdao Shuanghe Tyre Co., Ltd.; Shandong Zhentai Tyre Co., Ltd.; Shifeng Double-Star Tire Co., Ltd.; Weifang Longtai Tyre Co., Ltd.</b>	<b>9.48%</b>
<b>Qingdao Qinghang Tyre Co., Ltd.</b>	<b>Qingdao Qinghang Tyre Co., Ltd.</b>	<b>9.48%</b>
<b>Qingdao Qizhou Rubber Co., Ltd.</b>	<b>Qingdao Qizhou Rubber Co., Ltd.</b>	<b>9.48%</b>

<b>EXPORTER</b>	<b>PRODUCER</b>	<b>MARGIN</b>
<b>Qingdao Sinorient International Ltd.</b>	<b>Qingdao Hengda Tyres Co., Ltd.; Shifeng Double-Star Tire Co., Ltd.; Tengzhou Broncho Tyre Co., Ltd</b>	<b>9.48%</b>
<b>Shandong Huitong Tyre Co., Ltd.</b>	<b>Shandong Huitong Tyre Co., Ltd.</b>	<b>9.48%</b>
<b>Shandong Jinyu Tyre Co., Ltd.</b>	<b>Shandong Jinyu Tyre Co., Ltd.</b>	<b>9.48%</b>
<b>Shandong Taishan Tyre Co., Ltd.</b>	<b>Shandong Taishan Tyre Co., Ltd</b>	<b>9.48%</b>
<b>Shandong Wanda Boto Tyre Co., Ltd.</b>	<b>Shandong Wanda Boto Tyre Co., Ltd.</b>	<b>9.48%</b>
<b>Shandong Xingyuan International Trading Co., Ltd.</b>	<b>Shandong Xingda Tyre Co., Ltd.; Xingyuan Tyre Group Co., Ltd.</b>	<b>9.48%</b>
<b>Techking Tires Limited (Techking Enterprise (H.K.) Co., Ltd.)</b>	<b>Shandong Xingda Tyre Co. Ltd.; Shandong Xingyuan International Trade Co. Ltd.; Shandong Xingyuan Rubber Co. Ltd.</b>	<b>9.48%</b>
<b>Triangle Tyre Co., Ltd.</b>	<b>Triangle Tyre Co., Ltd.</b>	<b>9.48%</b>
<b>Wendeng Sanfeng Tyre Co., Ltd.</b>	<b>Wendeng Sanfeng Tyre Co., Ltd.</b>	<b>9.48%</b>
<b>Zhaoyuan Leo Rubber Co., Ltd.</b>	<b>Zhaoyuan Leo Rubber Co., Ltd.</b>	<b>9.48%</b>