



## FACT SHEET

### **Commerce Initiates Antidumping and Countervailing Duty Investigations of Circular Welded Carbon Quality Steel Line Pipe from the People's Republic of China and the Republic of Korea**

- On April 24, the Department of Commerce (Commerce) announced its decision to initiate antidumping (AD) and countervailing duty (CVD) investigations on imports of circular welded carbon quality steel line pipe (welded line pipe) from the People's Republic of China (China) (AD/CVD) and the Republic of Korea (Korea) (AD).
- Dumping occurs when a foreign company sells a product in the United States at less than fair value. Subsidies are financial assistance from foreign governments that benefit the production, manufacture, or exportation of goods.
- Maverick Tube Corporation (TX), United States Steel Corporation (PA), Tex-Tube Company (TX), and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO-CLC (PA) are the petitioners for these investigations.
- The merchandise covered by each of these investigations is certain welded line pipe of a kind used for oil and gas pipelines, not more than 406.4 mm (16 inches) in outside diameter, regardless of wall thickness, length, surface finish, end finish or stenciling.
- Welded line pipe is classifiable under subheadings 7306.19.10.10, 7306.19.10.50, 7306.19.51.10, and 7306.19.51.50 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 dispositive.

#### **NEXT STEPS**

- The U.S. International Trade Commission (ITC) is scheduled to make its preliminary injury determination on or about May 19, 2008.
- If the ITC determines that there is a reasonable indication that imports from China and Korea are materially injuring, or threatening material injury to, the domestic industry, the investigations will continue, and Commerce will be scheduled to make its preliminary CVD determination in June 2008, and its preliminary AD determinations in September 2008.

### Alleged Dumping Margins:

COUNTRY	MARGINS
China	57.45% to 58.96%
Korea	41.69% to 42.75%

### Alleged Subsidy Rate:

	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	AD INVESTIGATION	CVD INVESTIGATION
Petitions Filed	April 3, 2008	April 3, 2008
DOC Initiation Date	April 23, 2008	April 23, 2008
ITC Preliminary Determination	May 19, 2008	May 19, 2008
DOC Preliminary Determinations*	September 10, 2008	June 27, 2008
DOC Final Determinations*	November 24, 2008	September 10, 2008
ITC Final Determination**	January 8, 2009	October 27, 2008
Issuance of Orders***	January 15, 2009	November 3, 2008

\* These deadlines may be extended under the governing statute.

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

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

### Import Statistics:

CHINA	2005	2006	2007
Volume (kg)	25,115,394	204,527,874	256,073,396
Value (\$US)	17,547,071	124,696,532	165,463,864
KOREA	2005	2006	2007
Volume (kg)	79,763,000	169,020,918	161,640,803
Value (\$US)	60,783,006	111,820,601	116,307,766

Source: U.S. International Trade Commission, DataWeb, HTSUS 7306.19.10.10; 7306.19.10.50; 7306.19.51.10; 7306.19.51.50, effective February 3, 2007, and HTSUS 7306.10.10.10; 7306.10.10.50; 7306.10.50.10; 7306.10.50.50, prior to February 3, 2007.