



## FACT SHEET

### **Commerce Preliminarily Finds Unfair Dumping of 1-Hydroxyethylidene-1, 1-Diphosphonic Acid from India and the People's Republic of China**

- On October 16, the Department of Commerce (Commerce) announced its affirmative preliminary determinations in the antidumping duty investigations of imports of 1-Hydroxyethylidene-1, 1-Diphosphonic Acid (HEDP) from India and the People's Republic of China (China). HEDP is used in water treatment, detergents and cleaners, peroxide bleach stabilization, and personal care products.
- Dumping occurs when a foreign company sells a product in the United States at less than normal value.
- Commerce preliminarily determined that exporters/producers from India have sold HEDP in the United States at 3.91 percent, and from China at 24.30 to 72.42 percent, below normal value.
- In the China investigation, the participating Chinese mandatory respondent, Nanjing University of Chemical Technology Changzhou Wujin Water Quality Stabilizer Factory Ltd., received a preliminary dumping rate of 24.30 percent. Changzhou Kewei Fine Chemical Factory failed to fully cooperate in the investigation and received a rate of 72.42 percent based on adverse facts available. Two Chinese exporters received a separate preliminary rate of 24.30 percent. All other exporters will receive the China-wide rate of 72.42 percent.
- The sole Indian mandatory respondent, Aquapharm Chemicals Pvt. Ltd., and all other exporters from India received a preliminary dumping rate of 3.91 percent.
- As a result of these preliminary determinations, Commerce will instruct U.S. Customs and Border Protection to collect a cash deposit or bond based on the preliminary rates.
- Compass Chemical International LLC (GA) is the petitioner for these investigations.
- The merchandise covered by these investigations includes all grades of aqueous, acidic (non-neutralized) concentrations of HEDP. HEDP is currently classifiable under the Harmonized Tariff Schedule of the United States (HTSUS) at subheading 2931.00.9043. While this HTSUS subheading is provided for convenience and customs purposes, Commerce's written description of the scope of these investigations is final and conclusive.
- From 2005 to 2007, imports of HEDP from China increased 315 percent by volume and were valued at an estimated \$143 million in 2007. Imports from India increased 109 percent by volume and were valued at an estimated \$6 million in 2007.

### **NEXT STEPS**

- Commerce is currently scheduled to make its final determinations in March 2009.

- If Commerce makes affirmative final determinations, and the U.S. International Trade Commission makes a final determination that imports of HEDP from China and India materially injure, or threaten material injury to, the domestic industry, Commerce will issue antidumping orders.

#### PRELIMINARY DUMPING MARGINS:

COUNTRY	EXPORTER/PRODUCER	MARGIN
INDIA	Aquapharm Chemicals Pvt. Ltd.	3.91%
	All Others	3.91%
CHINA	Nanjing University of Chemical Technology Changzhou Wujin Water Quality Stabilizer Factory Ltd.	24.30%
	Changzhou Kewei Fine Chemical Factory	72.42%
	Separate-Rate Respondents (See Attachment)	24.30%
	China-Wide Entity	72.42%

#### CASE CALENDAR:

EVENT	AD INVESTIGATIONS
Petitions Filed	March 19, 2008
DOC Initiation Date	April 8, 2008
ITC Preliminary Determination	May 5, 2008
DOC Preliminary Determinations	October 15, 2008
DOC Final Determinations	March 6, 2009
ITC Final Determination*	April 20, 2009
Issuance of Orders**	April 27, 2009

\* 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)	11,683,877	22,618,387	48,480,733
Value (\$US)	\$26,878,177	\$62,501,586	\$143,086,372
<b>INDIA</b>			
Volume (kg)	126,725	173,475	264,480
Value (\$US)	\$143,574	\$270,719	\$6,172,999

Source: ITC DataWeb (which uses data issued by the U.S. Bureau of the Census) subheading 2931.00.9043 which is a basket category.

## SEPARATE RATE RESPONDENTS

<b>EXPORTER/PRODUCER</b>	<b>MARGIN</b>
<b>Changzhou Wujin Fine Chemical Factory Co., Ltd.</b>	<b>24.30%</b>
<b>Jiangsu Jianghai Chemical Group Co., Ltd</b>	<b>24.30%</b>