



FACT SHEET

Commerce Finds Subsidization of New Pneumatic Off-The-Road Tires from the People's Republic of China

- On December 10, the Department of Commerce announced its affirmative preliminary determination in the countervailing duty investigation on imports of new pneumatic off-the-road tires from the People's Republic of China (China).
- Commerce preliminarily determined that Chinese producers/exporters have received net countervailable subsidies ranging from 2.38 to 6.59 percent. As a result of this preliminary determination, Commerce will instruct U.S. Customs and Border Protection to collect a cash deposit or bond based on these preliminary rates.
- 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.
- The merchandise covered by this investigation includes new pneumatic off-the-road 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.
- Pneumatic off-the-road 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 this investigation is dispositive.
- 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 2004 to 2006, imports of new pneumatic off-the-road tires from China increased 30 percent by volume and were valued at an estimated \$339.6 million in 2006.

NEXT STEPS

- Commerce is currently scheduled to make its final determination in February 2008.
- If Commerce makes a final determination that Chinese producers/exporters have received countervailable subsidies in this investigation, and the U.S. International Trade Commission (ITC) makes a final affirmative determination that imports from China materially injure, or threaten material injury to, the domestic industry, Commerce will issue a countervailing duty order.

Preliminary Countervailable Subsidy Rates:

PRODUCERS/EXPORTERS	SUBSIDY RATE
Hebei Starbright Tire Co., Ltd	2.38%
Guizhou Tyre Co., Ltd	3.13%
Tianjin United Tire & Rubber International Co., Ltd.	6.59%
All Others	4.44%

Case Calendar:

EVENT	CVD INVESTIGATION
Petition Filed	June 18, 2007
DOC Initiation Date	July 9, 2007
ITC Preliminary Determination	August 24, 2007
DOC Preliminary Determination	December 7, 2007
DOC Final Determination*	February 20, 2008
ITC Final Determination**	April 7, 2008
Issuance of Order***	April 14, 2008

* This deadline may be extended under the governing statute.

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

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Import Statistics:

CHINA	2004	2005	2006
Volume (No. of Tires)	11,226,320	12,356,498	14,950,160
Value (\$US)	142,039,856	232,595,403	339,562,664

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.