



FACT SHEET

Commerce Preliminarily Finds Dumping of Galvanized Steel Wire from the People's Republic of China and Mexico

- On October 28, 2011, the Department of Commerce (Commerce) announced its affirmative preliminary determinations in the antidumping duty (AD) investigations of imports of galvanized steel wire (galvanized wire) from the People's Republic of China (China) and Mexico.
- For purposes of AD investigations, dumping occurs when a foreign company sells a product in the United States at less than fair value.
- Commerce preliminarily determined that Chinese and Mexican producers/exporters have sold galvanized wire in the United States at margins ranging from 76.34 to 235.00 percent, and 37.87 to 61.54 percent, respectively.
- In the China investigation, mandatory respondents Tianjin Honbase Machinery Manufactory Co., Ltd. (Tianjin Honbase); and Shanghai Bao Zhang Industry Co., Ltd., Anhui Bao Zhang Metal Products Co., Ltd., and B&Z Galvanized Wire Industry (Baozhang) received preliminary dumping rates of 131.84 and 76.34 percent, respectively. Mandatory respondent Tianjin Huayuan Metal Wire Products Co., Ltd. received the China-wide rate of 235.00 percent, because it did not receive a separate rate. Finally, because there were Chinese exporters that did not respond to Commerce's request for information, we have assigned the AFA rate to the PRC-wide entity. The AFA rate is 235.00 percent.
- Sixteen exporters qualified for a separate dumping rate of 127.09 percent. All other Chinese exporters received a preliminary dumping rate of 235.00 percent.
- In the Mexico investigation, mandatory respondent Deacero S.A. de C.V. received a preliminary dumping rate of 61.54 percent. Mandatory respondent Aceros Camesa, S.A. de C.V. received a preliminary dumping rate of 37.87 percent.
- All other Mexican exporters received a preliminary dumping rate of 59.37 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 these preliminary rates.
- The petitioners for these investigations are: Davis Wire Corporation (CA), Johnstown Wire Technologies, Inc. (PA), Mid-South Wire Company, Inc. (TN), National Standard, LLC (MI), and Oklahoma Steel & Wire Company, Inc. (OK).
- The products covered by these investigations are galvanized steel wire which is a cold-drawn carbon quality steel product in coils, of solid, circular cross section with an actual diameter of 0.5842 mm (0.0230 inch) or more, plated or coated with zinc (whether by hot-dipping or electroplating). Steel products to be included in the scope of these investigations, regardless of

Harmonized Tariff Schedule of the United States (HTSUS) definitions, are products in which: (1) iron predominates, by weight, over each of the other contained elements; (2) the carbon content is two percent or less, by weight; and (3) none of the elements listed below exceeds the quantity, by weight, respectively indicated:

- 1.80 percent of manganese, or
 - 1.50 percent of silicon, or
 - 1.00 percent of copper, or
 - 0.50 percent of aluminum, or
 - 1.25 percent of chromium, or
 - 0.30 percent of cobalt, or
 - 0.40 percent of lead, or
 - 1.25 percent of nickel, or
 - 0.30 percent of tungsten, or
 - 0.02 percent of boron, or
 - 0.10 percent of molybdenum, or
 - 0.10 percent of niobium, or
 - 0.41 percent of titanium, or
 - 0.15 percent of vanadium, or
 - 0.15 percent of zirconium.
- Specifically excluded from the scope of these investigations are galvanized steel wire in coils of 15 feet or less which is pre-packed in individual retail packages. Imports of the subject merchandise are provided for under the following categories of the HTSUS: 7217.20.30 and 7217.20.45. Steel wire is reported under statistical reporting numbers 7217.20.3000, 7217.20.4510, 7217.20.4520, 7217.20.4530, 7217.20.4540, 7217.20.4550, 7217.20.4560, 7217.20.4570, and 7217.20.4580. These products may also enter under HTSUS subheadings 7229.20.0015, 7229.20.0090, 7229.90.5008, 7229.90.5016, 7229.90.5031, and 7229.90.5051. These HTS numbers are provided for convenience and customs purposes only; the written description of the scope is dispositive.
 - In 2010, imports of galvanized wire from China and Mexico were valued at an estimated \$53.9 million and \$59.6 million, respectively. However, the galvanized wire subject to these investigations can be classified within HTSUS basket categories that contain products beyond the scope of the investigations.

NEXT STEPS

- Commerce is currently scheduled to make its final determinations in March 2012.
- If Commerce makes affirmative final determinations, and the International Trade Commission (ITC) makes affirmative final determinations that imports of galvanized wire from China and/or Mexico materially injure, or threaten material injury to, the domestic industry, Commerce will issue antidumping duty orders. The ITC is scheduled to make its final injury determination on or about April 24, 2012.

PRELIMINARY DUMPING MARGINS:

COUNTRY	EXPORTER/PRODUCER	MARGIN
CHINA	Tianjin Honbase	131.84%
	Baozhang	76.34%
	Separate Rate Companies (See Attached List)	127.09%
	China-Wide (including Tianjin Huayuan Metal Wire Products Co., Ltd.)	235.00%

PRELIMINARY DUMPING MARGINS:

COUNTRY	PRODUCER/EXPORTER	MARGIN
MEXICO	Deacero S.A. de C.V.	61.54%
	Aceros Camesa, S.A. de C.V.	37.87%
	All Others Rate	59.37%

CASE CALENDAR:

EVENT	AD INVESTIGATION
Petition Filed	March 31, 2011
DOC Initiation Date	April 20, 2011
ITC Preliminary Determination	May 16, 2011
DOC Preliminary Determinations	October 27, 2011
DOC Final Determinations*	March 10, 2012
ITC Final Determination**	April 24, 2012
Issuance of Orders***	May 1, 2012

*This deadline may be extended under the governing statute.

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

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IMPORT STATISTICS:

CHINA	2008	2009	2010
Volume (metric tons)	73,000	50,000	52,000
Value (US\$)	94,311,000	52,703,000	53,915,000

MEXICO	2008	2009	2010
Volume (metric tons)	39,000	43,000	64,000
Value (US\$)	56,188,000	47,794,000	59,586,000

Source: U.S. Bureau of Census, accessed through Global Trade Atlas. (HTSUS 7217.20.3000, 7217.20.4510, 7217.20.4520, 7217.20.4530, 7217.20.4540, 7217.20.4550, 7217.20.4560, 7217.20.4570, 7217.20.4580, 7229.20.0015, 7229.90.5008, 7229.90.5016, 7229.90.5031, and 7229.90.5051). Some HTSUS subheadings include basket categories and may cover both subject and non-subject merchandise.

Attachment

Separate Rate Companies

Shijiazhuang Kingway Metal Products Co., Ltd.
Shanxi Yuci Broad Wire Products Co., Ltd.
Huanghua Jinhai Hardware Products Co., Ltd.
Huanghua Jinhai Import & Export Trading Co., Ltd.
Guizhou Wire Rope Incorporated Company
Hebei Minmetals Co., Ltd.
Shandong Minmetals Co., Ltd.
Fasten Group Imp. & Exp. Co., Ltd.
Qingdao Ant Hardware Manufacturing Co., Ltd.
Suntec Industries Co., Ltd.
M & M Industries Co., Ltd.
Shaanxi New Mile International Trade Co., Ltd.
Hebei Cangzhou New Century Foreign Trade Co., Ltd.
Dezhou Hualude Hardware Products Co., Ltd.
Shanghai SETI Enterprise International Co., Ltd.
Xi'an Metals and Minerals Import and Export Co., Ltd.