



FACT SHEET

Department of Commerce Finds Unfair Dumping and Subsidization of Imports of Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses from the People's Republic of China

- On September 21, 2010, the Department of Commerce (Commerce) announced its affirmative final determinations in the antidumping duty (AD) and countervailing duty (CVD) investigations of imports of certain coated paper suitable for high-quality print graphics using sheet-fed presses (certain coated paper) from the People's Republic of China (China).
- For the purposes of AD investigations, dumping occurs when a foreign company sells a product in the United States at less than normal value. For the purposes of CVD investigations, subsidies are financial assistance from foreign governments that benefit the production, manufacture, or exportation of goods.
- Commerce determined that Chinese producers/exporters have sold certain coated paper in the United States at dumping margins ranging from 7.60 to 135.83 percent. Commerce also determined that Chinese producers/exporters have received net countervailable subsidies ranging from 17.64 to 178.03 percent.
- In the AD investigation, Chinese mandatory respondent, APP-China (comprised of the collapsed respondents Gold East Paper (Jiangsu) Co., Ltd., Gold Huasheng Paper Co., Ltd., Ningbo Zhonghua Paper Co., Ltd., Ningbo Asia Pulp and Paper Co., Ltd., and Gold East (Hong Kong) Trading Co., Ltd.) received a final dumping rate of 7.60 percent. The second mandatory respondent, Sun Paper Companies (comprised of the collapsed respondents Shandong Sun Paper Industry Joint Stock Co., Ltd., Yanzhou Tianzhang Paper Industry Co., Ltd., Shandong International Paper and Sun Coated Paperboard Co., Ltd., and International Paper and Sun Cartonboard Co., Ltd.), notified the Department on May 19, 2010, that it would no longer participate in the AD investigation. Accordingly, Sun Paper Companies received a rate of 135.83 percent as total adverse facts available.
- One Chinese company, Shandong Chenming Paper Holdings Ltd., qualified for a separate dumping rate of 7.60 percent. All other Chinese producers/exporters received the China-wide dumping rate of 135.83 percent.
- In the CVD investigation, Chinese mandatory respondent, APP-China (also referred to as the Gold Companies), received a net subsidy rate of 17.64. The second mandatory respondent, Sun Paper Companies, received a net subsidy rate of 178.03 percent. As in the AD investigation, the Sun Paper Companies' rate was based on adverse facts available, as these companies did not provide information about subsidies received by many of their affiliates. All other Chinese producers/exporters received a net subsidy rate of 17.64 percent.
- As a result of the final AD determination, Commerce will instruct U.S. Customs and Border Protection to collect a cash deposit or bond based on the final AD rates. Cash deposits of countervailing duties on imports of certain coated paper will not be required unless the U.S. International Trade Commission (ITC) reaches a final determination that imports of certain

coated paper from China materially injure, or threaten material injury to, the domestic industry. This is because the maximum period for the collection of provisional measures in the CVD investigation has expired.

- The petitioners for these investigations are: Appleton Coated LLC (WI); NewPage Corporation (OH); S.D. Warren Company d/b/a Sappi Fine Paper North America (MA); and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (PA).
- The product covered by these investigations is certain coated paper suitable for high-quality print graphics using sheet-fed presses is used in the printing of corporate annual reports, high-end catalogues and magazines, and in other “prestige” applications.
- The merchandise subject to these investigations is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers: 4810.14.11, 4810.14.1900, 4810.14.2010, 4810.14.2090, 4810.14.5000, 4810.14.6000, 4810.14.70, 4810.19.1100, 4810.19.1900, 4810.19.2010, 4810.19.2090, 4810.22.1000, 4810.22.50, 4810.22.6000, 4810.22.70, 4810.29.1000, 4810.29.5000, 4810.29.6000, 4810.29.70, 4810.32, 4810.39, and 4810.92. While the HTSUS subheading is provided for convenience and customs purposes, Commerce’s written description of the subject merchandise governs the scope of these investigations.
- Commerce has continued to include multi-ply coated paper and paperboard in the scope of these investigations, to the extent that imports of such products conform to the stated scope of the proceeding.
- Commerce affirms its August 3, 2010, decision to add three HTSUS numbers to the scope of these investigations (4810.32, 4810.39, and 4810.92) because these HTS numbers may include in-scope merchandise.
- In 2009, imports of certain coated paper from China were valued at an estimated \$279.1 million.

NEXT STEPS

- The ITC is scheduled to issue its final determinations on or about November 4, 2010.
- If the ITC makes affirmative determinations that imports of certain coated paper from China materially injure, or threaten material injury to, the domestic industry, Commerce will issue AD and CVD orders. If the ITC makes negative injury determinations, these investigations will be terminated.

FINAL DUMPING MARGINS:

COUNTRY	EXPORTER/PRODUCER	MARGIN
CHINA	Gold East Paper (Jiangsu) Co., Ltd., Gold Huasheng Paper Co., Ltd., Ningbo Zhonghua Paper Co., Ltd., Ningbo Asia Pulp and Paper Co., Ltd., Gold East (Hong Kong) Trading Co., Ltd. / Gold East Paper (Jiangsu) Co., Ltd., Gold Huasheng Paper Co., Ltd., Ningbo Zhonghua Paper Co., Ltd., Ningbo Asia Pulp and Paper Co., Ltd.	7.60%
	Separate Rate Respondent	
	Shandong Chenming Paper Holdings Ltd. / Shandong Chenming Paper Holdings Ltd.	7.60%
	China-Wide*	135.83%

*The China-Wide rate includes the Sun Paper & Board companies for failure to cooperate with this investigation.

FINAL SUBSIDY RATES:

COUNTRY	PRODUCER/EXPORTER	SUBSIDY RATE
CHINA	Gold East Paper (Jiangsu) Co., Ltd, Gold Huasheng Paper Co., Ltd., Gold East Trading (Hong Kong) Company Ltd., Ningbo Zhonghua Paper Co., Ltd., and Ningbo Asia Pulp & Paper Co., Ltd.	17.64%
	Sun Paper Industry Joint Stock Co., Ltd., Yanzhou Tianzhang Paper Industry Co., Ltd., Shandong International Paper and Sun Coated Paperboard Co., Ltd., and International Paper and Sun Cartonboard Co., Ltd.	178.03%
	All Others Rate	17.64%

CASE CALENDAR:

EVENT	AD	CVD
Petitions Filed	September 23, 2009	September 23, 2009
DOC Initiation Date	October 13, 2009	October 13, 2009
ITC Preliminary Determination	November 9, 2009	November 9, 2009
DOC Preliminary Determination	April 28, 2010	March 1, 2010
DOC Final Determination	September 20, 2010	September 20, 2010
ITC Final Determination	November 4, 2010	November 4, 2010
Issuance of Order*	November 12, 2010	November 12, 2010

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

IMPORT STATISTICS:

CHINA	2007	2008	2009
Quantity (Metric Tons)	339,000	315,000	349,000
Value (USD)	294,780,000	285,595,000	279,094,000

Source: U.S. Bureau of Census, accessed through Global Trade Atlas. (HTSUS 4810.14.1120, 4810.14.1140, 4810.14.1900, 4810.14.2010, 4810.14.2090, 4810.14.5000, 4810.14.6000, 4810.14.7020, 4810.14.7040, 4810.19.1100, 4810.19.1900, 4810.19.2010, 4810.19.2090, 4810.22.1000, 4810.22.5044, 4810.22.5080, 4810.22.6000, 4810.22.7020, 4810.22.7040, 4810.29.1000, 4810.29.5000, 4810.29.6000, 4810.29.7020, 4810.29.7040, 4810.32.1020, 4810.32.1040, 4810.32.1060, 4810.32.3000, 4810.32.6500, 4810.39.1200, 4810.39.1400, 4810.39.3000, 4810.39.6500, and 4810.92). Some HTSUS subheadings include basket categories and may cover both subject and non-subject merchandise.