



FACT SHEET

Commerce Initiates Antidumping Duty and Countervailing Duty Investigations of Drawn Stainless Steel Sinks from the People's Republic of China

- On March 22, 2012, the Department of Commerce (Commerce) announced the initiation of antidumping duty (AD) and countervailing duty (CVD) investigations of imports of drawn stainless steel sinks from the People's Republic of China (China).
- For the purpose of AD investigations, dumping occurs when a foreign company sells a product in the United States at less than fair value. For the purpose of CVD investigations, countervailable subsidies are financial assistance from foreign governments that benefit the production of goods from foreign companies and are limited to specific enterprises or industries, or are contingent either upon export performance or upon the use of domestic goods over imported goods.
- The petitioner for these investigations is Elkay Manufacturing Company (IL).
- The products covered by these investigations are stainless steel sinks with single or multiple drawn bowls, with or without drain boards, whether finished or unfinished, regardless of type of finish, gauge, or grade of stainless steel ("Drawn Stainless Steel Sinks"). Mounting clips, fasteners, seals, and sound-deadening pads are also covered by the scope of these investigations if they are included within the sales price of the Drawn Stainless Steel Sinks.¹ For purposes of this scope definition, the term "drawn" refers to a manufacturing process using metal forming technology to produce a smooth basin with seamless, smooth, and rounded corners. Drawn Stainless Steel Sinks are available in various shapes and configurations and may be described in a number of ways including flush mount, top mount, or undermount (to indicate the attachment relative to the countertop). Stainless steel sinks with multiple drawn bowls that are joined through a welding operation to form one unit are covered by the scope of the investigations. Drawn Stainless Steel Sinks are covered by the scope of the investigations whether or not they are sold in conjunction with non-subject accessories such as faucets (whether attached or unattached), strainers, strainer sets, rinsing baskets, bottom grids, or other accessories.

Excluded from the scope of the investigations are stainless steel sinks with fabricated bowls. Fabricated bowls do not have seamless corners, but rather are made by notching and bending the stainless steel, and then welding and finishing the vertical corners to form the bowls. Stainless steel sinks with fabricated bowls may sometimes be referred to as "zero radius" or "near zero radius" sinks.

The products covered by these investigations are currently classified in the Harmonized Tariff Schedule of the United States ("HTSUS") under statistical reporting number 7324.10.0000.

¹ Mounting clips, fasteners, seals, and sound-deadening pads are not covered by the scope of these investigations if they are not included within the sales price of the Drawn Stainless Steel Sinks, regardless of whether they are shipped with or entered with Drawn Stainless Steel Sinks.

Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the products under investigation is dispositive of its inclusion as subject merchandise.

- Imports of the subject merchandise are provided for under HTSUS category 7324.10.0000. This HTSUS subheading does not differentiate between stainless steel sinks with drawn bowls and those with fabricated bowls and therefore may cover both subject and non-subject merchandise.
- In 2011, imports of drawn stainless steel sinks from China were valued at an estimated \$118 million.

NEXT STEPS

- The U.S. International Trade Commission (ITC) is scheduled to make its preliminary injury determination on or before April 16, 2012.
- If the ITC determines that there is a reasonable indication that imports from China materially injure, or threaten material injury to, the domestic industry, the investigations will continue, and Commerce will be scheduled to make its CVD and AD preliminary determinations in May and August 2012, respectively, unless the determinations are extended.

ALLEGED DUMPING MARGINS:

COUNTRY	MARGIN
CHINA	22.81 to 76.53%

ESTIMATED SUBSIDY RATE:

COUNTRY	SUBSIDY RATE
CHINA	Above <i>de minimis</i>*

* *de minimis* = less than 1% for developed countries, less than 2% for developing countries.

CASE CALENDAR²:

EVENT	AD INVESTIGATION	CVD INVESTIGATION
Petitions Filed	March 1, 2012	March 1, 2012
DOC Initiation Date	March 21, 2012	March 21, 2012
ITC Preliminary Determination*	April 16, 2012	April 16, 2012
DOC Preliminary Determinations**	August 8, 2012	May 25, 2012
DOC Final Determinations**	October 22, 2012	August 8, 2012
ITC Final Determination***	December 6, 2012	September 24, 2012
Issuance of Orders****	December 13, 2012	October 1, 2012

* If the ITC makes a negative preliminary determination of injury, the investigations are terminated.

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

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

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

IMPORT STATISTICS:

CHINA	2009	2010	2011
Volume (units)	2,049,000	2,759,000	3,287,000
Value (US\$)	68,805,000	98,150,000	117,950,000

Source: U.S. Bureau of Census, accessed through Global Trade Atlas. (HTSUS 7324.10.0000).

Note: This HTSUS subheading does not differentiate between stainless steel sinks with drawn bowls and those with fabricated bowls. Therefore, import statistics in this table may include non-subject merchandise.

² For a CVD investigation, the deadline is set forth in section 705(a)(1) of the Tariff Act of 1930, as amended (the Act). For an AD investigation, the deadline is set forth in section 735(a) of the Act.