



FACT SHEET

Commerce Finds Dumping and Subsidization of Certain Steel Wheels from the People's Republic of China

- On March 19, 2012, the Department of Commerce (Commerce) announced its affirmative final determinations in the antidumping duty (AD) and countervailing duty (CVD) investigations of imports of certain steel wheels (steel wheels) 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.
- Commerce determined that producers/exporters from China have sold steel wheels in the United States at dumping margins ranging from 44.96 to 193.54 percent. Commerce also determined that Chinese producers/exporters have received countervailable subsidies between 25.66 and 38.32 percent *ad valorem*.
- In the AD investigation, mandatory respondents Shanghai Yata Industry Company Limited and Zhejiang Jingu Company Limited each received a dumping rate of 82.92 percent. Mandatory respondent Jining Centurion Wheels Manufacturing Co., Ltd. received a dumping rate of 44.96 percent.
- Eight additional exporters qualified for a separate rate of 63.94 percent. All other Chinese producers/exporters are subject to the China-wide dumping rate of 193.54 percent.
- Commerce found critical circumstances in the AD investigation with regard to Jining Centurion Wheels Manufacturing Co., Ltd. and the China-wide entity. Accordingly, because Commerce did not find critical circumstances for the China-wide entity at the *Preliminary Determination*, we will direct U.S. Customs and Border Protection (CBP) to suspend liquidation of merchandise exported by the China-wide entity effective 90 days prior to the publication of the *Preliminary Determination* and will instruct CBP to continue to suspend liquidation of merchandise exported by Centurion entered 90 days prior to the publication of the *Preliminary Determination*. Commerce did not find critical circumstances with regard to Jingu or the separate rate respondents, therefore suspension will continue effective the date of the publication of the *Preliminary Determination*.
- In the CVD investigation, mandatory respondent Jining Centurion Wheel Manufacturing Co., Ltd. and Jining CII Wheel Manufacture Co., Ltd. (the Centurion Companies) received a net subsidy rate of 25.66 percent *ad valorem*. Mandatory respondent Shandong Xingmin Wheel Co., Ltd. and Sino-tex (Longkou) Wheel Manufacturers Inc. (the Xingmin Companies) received a net subsidy rate of 32.62 percent *ad valorem*. Mandatory respondent Zhejiang Jingu Company Limited, Chengdu Jingu Wheel Co., Ltd., Zhejiang Wheel World Industrial Co., Ltd., and Shanghai Yata Industrial Co., Ltd. (the Jingu Companies) received a net subsidy rate of 38.32 percent *ad valorem*.

- All other Chinese producers/exporters received a net subsidy rate of 34.55 percent *ad valorem*.
- Commerce found critical circumstances in the CVD investigation with regard to all other Chinese producers/exporters. Commerce did not find critical circumstances with respect to any of the mandatory respondents. Accordingly, Commerce will direct CBP to continue to suspend liquidation of merchandise entered by all other Chinese producers/exporters beginning June 8, 2011 (90 days prior to the publication of the CVD Preliminary Determination).
- As a result of the AD final determination, Commerce will instruct CBP to continue to collect cash deposits or bonds equal to the weighted-average dumping margins, adjusted for export subsidies found in the final determination of the companion CVD investigation. As a result of the affirmative final CVD determination, Commerce will issue a CVD order and reinstate the suspension of liquidation and require a cash deposit equal to the final net subsidy rates if the U.S. International Trade Commission (ITC) issues a final affirmative injury determination.
- The petitioners for these investigations are: Accuride Corporation (IN) and Hayes Lemmerz International, Inc. (MI).
- The products covered by these investigations are steel wheels with a wheel diameter of 18 to 24.5 inches. Rims and discs for such wheels are included, whether imported as an assembly or separately. These products are used with both tubed and tubeless tires. Steel wheels, whether or not attached to tires or axles, are included. However, if the steel wheels are imported as an assembly attached to tires or axles, the tire or axle is not covered by the scope. The scope includes steel wheels, discs, and rims of carbon and/or alloy composition and clad wheels, discs, and rims when carbon or alloy steel represents more than fifty percent of the product by weight. The scope includes wheels, rims, and discs, whether coated or uncoated, regardless of the type of coating.
- Imports of the subject merchandise are provided for under the following categories of the Harmonized Tariff Schedule of the United States (HTSUS): 8708.70.0500, 8708.70.2500, 8708.70.4530, and 8708.70.6030. Imports of the subject merchandise may also enter under the following categories of the HTSUS: 8406.90.4580, 8406.90.7500, 8420.99.9000, 8422.90.1100, 8422.90.2100, 8422.90.9120, 8422.90.9130, 8422.90.9160, 8422.90.9195, 8431.10.0010, 8431.10.0090, 8431.20.0000, 8431.31.0020, 8431.31.0040, 8431.31.0060, 8431.39.0010, 8431.39.0050, 8431.39.0070, 8431.39.0080, 8431.43.8060, 8431.49.1010, 8431.49.1060, 8431.49.1090, 8431.49.9030, 8431.49.9040, 8431.49.9085, 8432.90.0005, 8432.90.0015, 8432.90.0030, 8432.90.0080, 8433.90.1000, 8433.90.5020, 8433.90.5040, 8436.99.0020, 8436.99.0090, 8479.90.9440, 8479.90.9450, 8479.90.9496, 8487.90.0080, 8607.19.1200, 8607.19.1500, 8708.70.1500, 8708.70.3500, 8708.70.4560, 8708.70.6060, 8709.90.0000, 8710.00.0090, 8714.19.0030, 8714.19.0060, 8716.90.1000, 8716.90.5030, 8716.90.5060, 8803.20.0015, 8803.20.0030, and 8803.20.0060. These HTSUS numbers are provided for convenience and Customs purposes only; the written description of the scope is dispositive.
- In 2011, imports of steel wheels were valued at an estimated \$84.2 million. However, the steel wheels subject to this investigation are classified within HTSUS basket categories that contain products beyond the scope of the investigations.

NEXT STEPS

- The ITC is currently scheduled to issue its final injury determinations on or before April 30, 2012.
- If the ITC makes an affirmative final determination that imports of steel wheels from China materially injure, or threaten material injury to, the domestic industry, Commerce will issue AD and CVD orders. If the ITC makes a negative injury determination, these investigations will be terminated.

FINAL DUMPING RATES:

PRODUCER/EXPORTER	MARGIN*
Zhejiang Jingu Company Limited / Zhejiang Jingu Company Limited	82.92%
Shanghai Yata Industry Company Limited / Zhejiang Jingu Company Limited	82.92%
Jining Centurion Wheels Manufacturing Co., Ltd. / Jining Centurion Wheels Manufacturing Co., Ltd.	44.96%
Separate Rate Companies (See Attached List)	63.94%
China-wide	193.54%

FINAL SUBSIDY RATES:

PRODUCER/EXPORTER	SUBSIDY RATE
Jining Centurion Wheel Manufacturing Co., Ltd. and Jining CII Wheel Manufacture Co., Ltd. (the Centurion Companies)	25.66%
Shandong Xingmin Wheel Co., Ltd. and Sino-tex (Longkou) Wheel Manufacturers Inc. (the Xingmin Companies)	32.62%
Zhejiang Jingu Automobile Components, Chengdu Jingu Wheel Co., Ltd., Zhejiang Wheel World Industrial Co., Ltd., and Shanghai Yata Industrial Co., Ltd. (the Jingu Companies)	38.32%
All Others	34.55%

CASE CALENDAR¹:

EVENT	AD	CVD
Petition Filed	March 30, 2011	March 30, 2011
DOC Initiation Date	April 19, 2011	April 19, 2011
ITC Preliminary Determination	May 16, 2011	May 16, 2011
DOC Preliminary Determination	October 26, 2011	August 29, 2011
DOC Final Determination	March 16, 2012	March 16, 2012
ITC Final Determination	April 30, 2012	April 30, 2012
Issuance of Order*	May 7, 2012	May 7, 2012

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

IMPORT STATISTICS:

CHINA	2009	2010	2011
Volume (units)	1,941,000	2,755,000	2,289,000
Value (US\$)	60,892,000	80,440,000	84,179,000

Source: U.S. Bureau of Census, accessed through Global Trade Atlas. (HTSUS 8708.70.0500, 8708.70.2500, 8708.70.4530, and 8708.70.6030). Some HTSUS subheadings include basket categories and may cover both subject and non-subject merchandise.

¹ 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.

Attachment

Separate Rate Companies

Shandong Land Star Import & Export Co., Ltd

Shandong Jining Wheel Factory

Wuxi Superior Wheel Co., Ltd.

Shandong Xingmin Wheel Co. Ltd.

Xiamen Sunrise Wheel Group Co., Ltd.

Jiaxing Stone Wheel Co., Ltd.

Xiamen Topu Import & Export Co., Ltd.

China Dongfeng Motor Industry Imp. & Exp. Co., Ltd.