



## FACT SHEET

### **Commerce Preliminarily Finds Dumping of Imports of Steel Wire Garment Hangers from Taiwan and the Socialist Republic of Vietnam**

- On July 27, 2012, the Department of Commerce (Commerce) announced its affirmative preliminary determinations in the antidumping duty (AD) investigations of imports of steel wire garment hangers from Taiwan and the Socialist Republic of Vietnam (Vietnam).
- For the 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 producers/exporters from Taiwan and Vietnam sold steel wire garment hangers in the United States at dumping margins of 69.98 percent to 125.43 percent and 135.81 percent to 187.51 percent, respectively.
- In the Taiwan investigation, mandatory respondents Golden Canyon Ltd. and Taiwan Hanger Manufacturing Co., Ltd. received preliminary dumping margins of 69.98 percent and 125.43 percent, respectively. All other producers/exporters from Taiwan received a preliminary dumping margin of 69.98 percent.
- In the Vietnam investigation, mandatory respondent the TJ Group received a preliminary dumping margin of 135.81 percent. Mandatory respondent South East Asia Hamico Export Joint Stock Corporation was denied a separate rate and is part of the Vietnam-Wide Entity, which received an adverse facts available rate of 187.51 percent. Three other exporters qualified for a separate rate of 135.81 percent. All other producers/exporters from Vietnam received a preliminary dumping margin of 187.51 percent.
- As a result of the preliminary affirmative determinations, Commerce will instruct U.S. Customs and Border Protection (CBP) to require a cash deposit based on these preliminary rates. Pursuant to a change of practice announced in accordance with Commerce's Trade Law Enforcement Initiative, for investigations based on petitions filed on or after November 2, 2011, Commerce requires importers to post cash deposits rather than bonds to cover estimated duties between the preliminary determination and any subsequent order (76 FR 61042, October 3, 2011).
- The petitioners for these investigations are M&B Metal Products Company, Inc. (Leeds, AL), Innovative Fabrication LLC/ Indy Hanger (Indianapolis, IN), and US Hanger Company, LLC (Gardena, CA).
- The merchandise subject to these investigations are steel wire garment hangers, fabricated from carbon steel wire, whether or not galvanized or painted, whether or not coated with latex or epoxy or similar gripping materials, and/or whether or not fashioned with paper covers or capes (with or without printing) and/or nonslip features such as saddles or tubes. These products may also be referred to by a commercial designation, such as shirt, suit, strut, caped, or latex (industrial) hangers.

- Specifically excluded from the scope of these investigations are (a) wooden, plastic, and other garment hangers that are not made of steel wire; (b) steel wire garment hangers with swivel hooks; (c) steel wire garment hangers with clips permanently affixed; and (d) chrome plated steel wire garment hangers with a diameter of 3.4 mm or greater.
- Imports of the subject merchandise are provided for under the following categories of the Harmonized Tariff Schedule of the United States (HTSUS): HTSUS 7323.99.9060, 7323.99.9080, and 7326.20.0020). Some HTSUS subheadings include basket categories and may cover both subject and non-subject merchandise. Note HTS code 7323.99.9060 was in effect for subject merchandise prior to 2011 and is included for historic data purposes. These HTS numbers are provided for convenience and customs purposes only; the written description of the scope is dispositive.
- In 2011, imports of steel wire garment hangers from Taiwan and Vietnam were valued at an estimated \$12 million and \$32 million, respectively. Some HTSUS subheadings include basket categories and may cover both subject and non-subject merchandise.

## **NEXT STEPS**

- Commerce is currently scheduled to make its final determination for Taiwan in October 2012, and its final determination for Vietnam in December 2012.
- If Commerce makes affirmative final determinations, and the U.S. International Trade Commission (ITC) makes affirmative final determinations that imports of steel wire garment hangers from Taiwan and/or Vietnam materially injure, or threaten material injury to, the domestic industry, Commerce will issue AD orders. If either Commerce or the ITC's final determination is negative, no AD order will be issued. The ITC will make its final injury determinations in the Taiwan and Vietnam investigations in November 2012 and January 2013, respectively.

**Preliminary Dumping Margins:**

| <b>COUNTRY</b> | <b>EXPORTER/PRODUCER</b>                     | <b>DUMPING MARGINS</b> |
|----------------|----------------------------------------------|------------------------|
| <b>Taiwan</b>  | <b>Golden Canyon Ltd.</b>                    | <b>69.98%</b>          |
|                | <b>Taiwan Hanger Manufacturing Co., Ltd.</b> | <b>125.43%</b>         |
|                | <b>All Others</b>                            | <b>69.98%</b>          |
|                | <b>EXPORTER/PRODUCER</b>                     |                        |
| <b>Vietnam</b> | <b>The TJ Group</b>                          | <b>135.81%</b>         |
|                | <b>Separate Rate Companies</b>               | <b>135.81%</b>         |
|                | <b>Vietnam-Wide Rate</b>                     | <b>187.51%</b>         |

## CASE CALENDAR:

| EVENT                          | TAIWAN AD INVESTIGATION | VIETNAM AD INVESTIGATION |
|--------------------------------|-------------------------|--------------------------|
| Petitions Filed                | December 29, 2011       | December 29, 2011        |
| DOC Initiation Date            | January 18, 2012        | January 18, 2012         |
| ITC Preliminary Determinations | February 13, 2012       | February 13, 2012        |
| DOC Preliminary Determinations | July 26, 2012           | July 26, 2012            |
| DOC Final Determinations       | October 9, 2012         | December 10, 2012        |
| ITC Final Determinations*      | November 23, 2012       | January 22, 2013         |
| Issuance of Orders**           | November 30, 2012       | January 29, 2013         |

**NOTE:** Commerce preliminary and final determination deadlines are governed by the statute. For AD investigations, the deadline is set forth in section 735(a) of the Tariff Act of 1930, as amended. These deadlines may be extended under certain circumstances.

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

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

## IMPORT STATISTICS:

| Taiwan      | 2009       | 2010       | 2011       |
|-------------|------------|------------|------------|
| Value (USD) | 24,652,000 | 23,033,000 | 11,827,000 |
| Vietnam     | 2009       | 2010       | 2011       |
| Value (USD) | 19,512,000 | 28,992,000 | 31,981,000 |

**Source:** U.S. Bureau of Census, accessed through Global Trade Atlas. (HTSUS 7323.99.9060, 7323.99.9080, and 7326.20.0020). Some HTSUS subheadings include basket categories and may cover both subject and non-subject merchandise. Note HTS code 7323.99.9060 was in effect for subject merchandise prior to 2011 and is included for historic data purposes. Volume could not be calculated, as imports of subject merchandise are reported in multiple units of measure.