



FACT SHEET

Commerce Preliminarily Finds Unfair Dumping of Circular Welded Carbon Quality Steel Line Pipe from the People's Republic of China and the Republic of Korea

- On October 31, the Department of Commerce (Commerce) announced its affirmative preliminary determinations in the antidumping duty (AD) investigations of imports of circular welded carbon quality steel line pipe (welded line pipe) from the People's Republic of China (China) and the Republic of Korea (Korea). Welded line pipe is used for the transmission of gas or oil, generally in pipeline or utility distribution systems.
- Dumping occurs when a foreign company sells a product in the United States at less than normal value.
- Commerce preliminarily determined that producers/exporters from China and Korea have sold welded line pipe in the United States at 67.83 to 81.52 percent and 0.00 and 2.34 percent less than normal value, respectively.
- Chinese mandatory respondents, Huludao Steel Pipe Industrial Co., Ltd. and Shanghai Metals & Minerals Import & Export Corp. received dumping rates of 67.83 and 81.52 percent, respectively. Four Chinese exporters received a separate preliminary rate of 74.68 percent. All other Chinese producers/exporters of welded line pipe received a rate of 81.52 percent. Korean mandatory respondents, SeAH Steel Corporation and Hyundai HYSCO received dumping rates of 0.00 and 2.34 percent, respectively. All other Korean producers/exporters of welded line pipe received a rate of 2.34 percent.
- As a result of these preliminary determinations, Commerce will instruct U.S. Customs and Border Protection to suspend liquidation of entries of subject merchandise and to collect a cash deposit or bond based on these preliminary rates for all companies except SeAH Steel Corporation.
- The petitioners for these investigations are Maverick Tube Corporation (TX), United States Steel Corporation (PA), Tex-Tube Company (TX), and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO-CLC (PA).
- The merchandise covered by these investigations is certain welded line pipe of a kind used for oil and gas pipelines, not more than 406.4 mm (16 inches) in outside diameter, regardless of wall thickness, length, surface finish, end finish or stenciling.
- Welded line pipe is classifiable under subheadings 7306.19.10.10, 7306.19.10.50, 7306.19.51.10, and 7306.19.51.50 of the Harmonized Tariff Schedule of the United States

(HTSUS). While HTSUS subheadings are provided for convenience and customs purposes, Commerce's written description of the scope of these investigations is conclusive.

NEXT STEPS

- Commerce is currently scheduled to make its final determinations in March 2009.
- If Commerce makes affirmative final determinations, and the U.S. International Trade Commission makes final determinations that imports of welded line pipe from China and Korea materially injure, or threaten material injury to, the domestic industry, Commerce will issue antidumping orders.

PRELIMINARY DUMPING RATES:

COUNTRY	EXPORTER	PRODUCER	MARGIN
CHINA	Huludao Steel Pipe Industrial Co., Ltd./Huludao City Steel Pipe Industrial Co., Ltd.	Huludao Steel Pipe Industrial Co., Ltd./Huludao City Steel Pipe Industrial Co., Ltd.	67.83%
	Shanghai Metals & Minerals Import & Export Corp. d/b/a Shanghai Minmetals Materials & Products Corp.	Huludao Steel Pipe Industrial Co., Ltd. or Benxi Northern Pipes Co. Ltd.	81.52%
	China Wide Entity		81.52%
KOREA	SeAH Steel Corporation		0.00%
	Hyundai HYSCO		2.34%
	All Others		2.34%

SEPARATE RATE RESPONDENTS (CHINA)

EXPORTER	PRODUCER	
Benxi Northern Pipes Co., Ltd.	Benxi Northern Pipes Co., Ltd. or Tianjin Lianzhong Steel Pipe Co., Ltd.	74.68%
Pangang Group Beihai Steel Pipe Corporation	Pangang Group Beihai Steel Pipe Corporation	74.68%
Jiangsu Yulong Steel Pipe Co., Ltd.	Jiangsu Yulong Steel Pipe Co., Ltd.	74.68%
Tianjin Xingyuda Import and Export Co., Ltd.	Tianjin Lifengyuanda Steel Pipe Group Co., Ltd.	74.68%

CASE CALENDAR:

EVENT	DATE
Petition Filed	April 3, 2008
DOC Initiation Date	April 23, 2008
ITC Preliminary Determination	May 19, 2008
DOC Preliminary Determinations	October 30, 2008
DOC Final Determinations	March 20, 2009
ITC Final Determination*	May 4, 2009
Issuance of Order**	May 11, 2009

* 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 both Commerce and the ITC.

IMPORT STATISTICS:

CHINA	2005	2006	2007
Volume (kg)	25,115,394	204,527,874	256,073,396
Value (\$US)	17,547,071	124,696,532	165,463,864
KOREA			
Volume (kg)	79,763,000	169,020,918	161,640,803
Value (\$US)	60,783,006	111,820,601	116,307,766

Source: U.S. International Trade Commission, Dataweb (HTSUS 7306.19.10.10; 7306.19.10.50; 7306.19.51.10; 7306.19.51.50, effective February 3, 2007, and HTSUS 7306.10.10.10; 7306.10.10.50; 7306.10.50.10; 7306.10.50.50, prior to February 3, 2007)