



FACT SHEET

Commerce Initiates Antidumping (AD) and Countervailing Duty (CVD) Investigations on Raw Flexible Magnets from the People's Republic of China (AD/CVD) and Taiwan (AD)

- On October 12, the Department of Commerce announced its decisions to initiate antidumping and countervailing duty investigations of imports on raw flexible magnets from the People's Republic of China (China), as well as an antidumping investigation on imports of raw flexible magnets from Taiwan.
- The petitioner for these investigations is Magnum Magnetics Corporation (OH).
- Raw flexible magnets are generally relatively thin, polymer bonded magnetic materials characterized by their flexibility and ease of machinability, which make them ideal for use as "refrigerator magnets." Raw flexible magnets are also used in a broad range of domestic, commercial, and industrial applications.
- Raw flexible magnets are currently classifiable under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 8505.19.1000 (flexible magnets) and 8505.19.2000 (composite goods containing flexible magnets). While HTSUS subheadings are provided for convenience and customs purposes, Commerce's written description of the scope of these investigations is dispositive.
- In 2006, imports of raw flexible magnets from China were valued at an estimated \$20.9 million and imports from Taiwan were valued at an estimated \$2.31 million.

NEXT STEPS

- The U.S. International Trade Commission (ITC) is scheduled to make its preliminary injury determinations on or about November 5, 2007.
- If the ITC determines that there is a reasonable indication that imports are materially injuring, or threatening material injury to, the domestic industry, the investigations will continue, and Commerce will be scheduled to make its preliminary CVD determination in December 2007 and its preliminary AD determinations in February 2008.

Alleged Dumping Margins:

COUNTRY	MARGIN
China	26.46 – 185.28%
Taiwan	25.04 – 38.03%

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 Calendar:

EVENT	AD INVESTIGATION	CVD INVESTIGATION
Petitions Filed	September 21, 2007	September 21, 2007
DOC Initiation Date	October 11, 2007	October 11, 2007
ITC Preliminary Determination	November 5, 2007	November 5, 2007
DOC Preliminary Determinations*	February 28, 2008	December 17, 2007
DOC Final Determinations*	May 13, 2008	February 28, 2008
ITC Final Determination**	June 27, 2008	April 14, 2008
Issuance of Orders***	July 4, 2008	April 21, 2008

* These deadlines may be extended under the governing statute.

** This will take place only in the event of a final affirmative determination from the Department of Commerce.

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

Import Statistics:

CHINA	2004	2005	2006
Volume (units)	42,936,319	83,653,694	111,447,226
Value (\$US)	7,939,442	17,755,442	20,910,221
TAIWAN	2004	2005	2006
Volume (units)	6,098,270	3,352,301	3,748,199
Value (\$US)	1,608,405	1,799,337	2,305,580

Source: U.S. International Trade Commission, Dataweb (HTSUS 8505.19.1000 and 8505.19.2000)