



FACT SHEET

Commerce Preliminarily Finds Unfair Dumping of Polyvinyl Alcohol from Taiwan

- On September 8, the Department of Commerce (Commerce) announced its affirmative preliminary determination in the antidumping (AD) duty investigation of imports of polyvinyl alcohol (PVA) from Taiwan.
- 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 initiated the AD investigation on PVA from Taiwan on September 27, 2004. Due to a preliminary negative injury determination by the U.S. International Trade Commission (ITC), Commerce terminated the original investigation. After the petitioner, Celanese Chemicals Ltd., appealed the ITC determination to the Court of International Trade (CIT), the ITC reversed its determination on remand, and found a reasonable indication of injury, which was affirmed by the Court of Appeals for the Federal Circuit (CAFC). As a result, Commerce resumed its investigation of PVA on March 25, 2010.
- Commerce preliminarily determined that the Taiwanese producer/exporter has sold PVA in the United States at a margin of 3.02 percent.
- The sole mandatory respondent, Chang Chun Petrochemical Co., Ltd., received a preliminary dumping rate of 3.02 percent. All other Taiwanese producers/exporters also received a preliminary dumping rate of 3.02 percent.
- As a result of this preliminary determination, Commerce will instruct U.S. Customs and Border Protection to collect a cash deposit or bond based on these preliminary rates.
- The petitioner for this investigation is Celanese Chemicals Ltd., with manufacturing facilities in Kentucky and Texas.
- The product covered by this investigation is PVA which is a dry, white to cream-colored, water-soluble synthetic polymer, and consists of polyvinyl alcohols hydrolyzed in excess of 80 percent, whether or not mixed or diluted with defoamer or boric acid. PVA in fiber form is not included in the scope of this investigation. PVA is used in a wide range of applications, including textile and paper sizing, adhesive formulations, emulsifiers in cosmetics, and soil binding to control erosion.
- The merchandise subject to this investigation is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item number 3905.30.00. While the HTSUS subheading is provided for convenience and customs purposes, Commerce's written description of the subject merchandise governs the scope of this investigation.
- Imports of PVA from Taiwan were valued at an estimated \$18.2 million in 2009.

NEXT STEPS

- Commerce is currently scheduled to make its final determination in January 2011.
- If Commerce makes an affirmative final determination, and the U.S. International Trade Commission makes an affirmative final determination that imports of PVA from Taiwan materially injure, or threaten material injury to, the domestic industry, Commerce will issue an AD duty order.

PRELIMINARY DUMPING MARGINS:

PRODUCER/EXPORTER	MARGIN
Chang Chun Petrochemical Co., Ltd.	3.02%
All Others	3.02%

CASE CALENDAR:

EVENT	DEADLINE
Petition Filed	September 7, 2004
DOC Initiation Date	September 27, 2004
ITC Preliminary Negative Injury Determination	October 22, 2004
CIT Affirms ITC Affirmative Finding of Injury on Remand	November 19, 2008
CAFC Affirms ITC Affirmative Finding of Injury	December 23, 2009
Resumption of Investigation by DOC	March 25, 2010
DOC Preliminary Determination	September 7, 2010
DOC Final Determination	January 20, 2011
ITC Final Determination*	March 6, 2011
Issuance of Order**	March 13, 2011

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

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IMPORT STATISTICS:

TAIWAN	2007	2008	2009
Volume (metric tons)	12,000	15,000	8,000
Value (USD)	22,135,000	36,326,000	18,245,000

Source: US Bureau of Census, accessed through Global Trade Atlas. (HTSUS 3905.30.0000)