



FACT SHEET

Commerce Preliminarily Finds Countervailable Subsidization of Imports of Steel Wire Garment Hangers from the Socialist Republic of Vietnam (Vietnam)

- On May 30, 2012, the Department of Commerce (Commerce) announced its affirmative preliminary determination in the countervailing duty (CVD) investigation of imports of steel wire garment hangers from Vietnam.
- 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 preliminarily determined that Vietnamese producers/exporters have received countervailable subsidies of 11.03 percent to 21.25 percent.
- Commerce preliminarily determined that South East Asia Hamico Export Joint Stock Company (SEA Hamico), Nam A Hamico Export Joint Stock Company (Nam A), and Linh Sa Hamico Company Limited (Linh Sa) (collectively, the Hamico Companies) and Infinite Industrial Hanger Limited (Infinite) and Supreme Hanger Company Limited (Supreme) (collectively the Infinite Companies) received countervailable subsidies of 21.25 percent and 11.03 percent, respectively.
- All other Vietnamese producers/exporters received a preliminary net subsidy rate of 16.14 percent.
- As a result of the preliminary affirmative determination, Commerce will instruct U.S. Customs and Border Protection (CBP) to collect 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 this investigation 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 this investigation is 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 this investigation 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 Vietnam were valued at an estimated \$31.9 million. 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 in October 9, 2012.
- If Commerce makes an affirmative final determination, and the U.S. International Trade Commission (ITC) makes an affirmative final determination that imports of steel wire garment hangers from Vietnam materially injure, or threaten material injury to, the domestic industry, Commerce will issue a CVD order. If either Commerce or the ITC's final determination is negative, no CVD order will be issued. The ITC is scheduled to make its final injury determinations in November 2012.

Preliminary Subsidy Rates:

EXPORTER/PRODUCER	SUBSIDY RATE
South East Asia Hamico Export Joint Stock Company (SEA Hamico), Nam A Hamico Export Joint Stock Company (Nam A), and Linh Sa Hamico Company Limited (Linh Sa) (collectively, the Hamico Companies)	21.25%
Infinite Industrial Hanger Limited (Infinite) and Supreme Hanger Company Limited (Supreme) (collectively the Infinite Companies)	11.03%
All Others	16.14%

CASE CALENDAR:

EVENT	CVD INVESTIGATION
Petition Filed	December 29, 2011
DOC Initiation Date	January 18, 2012
ITC Preliminary Determination	February 13, 2012
DOC Preliminary Determination	May 29, 2012
DOC Final Determination	October 9, 2012
ITC Final Determination*	November 23, 2012
Issuance of Order**	November 30, 2012

NOTE: Commerce preliminary and final determination deadlines are governed by statute. For CVD investigations, the deadline is set forth in section 705(a)(1) 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 a final affirmative determination by Commerce.

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

IMPORT STATISTICS:

VIETNAM	2009	2010	2011
Value (US\$)	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.