



## FACT SHEET

### **Commerce Preliminarily Finds Dumping of Imports of Large Residential Washers from Mexico and the Republic of Korea**

- On July 30, 2012, the Department of Commerce (Commerce) announced its affirmative preliminary determinations and postponement of final determinations in the antidumping duty (AD) investigations of imports of large residential washers from Mexico and the Republic of Korea (Korea).
- 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 Mexican and Korean producers/exporters sold large residential washers in the United States at dumping margins of 33.30 percent to 72.41 percent, and 9.62 percent to 82.41 percent, respectively.
- In the Mexico investigation, mandatory respondents Electrolux Home Products, Corp. NV/Electrolux Home Products De Mexico, S.A. de C.V. (Electrolux), Samsung Electronics Mexico S.A. de C.V. (Samsung), and Whirlpool International S. de R.L. de C.V. (Whirlpool) received preliminary dumping margins of 33.30 percent, 72.41 percent, and 72.41 percent, respectively. The margins for Samsung and Whirlpool were based on adverse facts available (AFA) because of their failure to cooperate in the investigation. All other Mexican producers/exporters received a preliminary dumping margin of 33.30 percent.
- In the Korea investigation, mandatory respondents, Daewoo Electronics Corporation (Daewoo), LG Electronics, Inc. (LG), and Samsung Electronics Co., Ltd. received preliminary dumping margins of 82.41 percent, 12.15 percent, and 9.62 percent, respectively. The margin for Daewoo was based on AFA because of its failure to cooperate in the investigation. All other Korean producers/exporters received a preliminary dumping margin of 11.36 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, adjusted for export subsidies, as appropriate, found in the preliminary determination of the companion Korea countervailing duty investigation. 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 now 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 petitioner for these investigations is Whirlpool Corporation (corporate headquarters in Benton Harbor, MI, with washing machine production in Clyde, OH).
- The merchandise subject to these investigations is all large residential washers and certain subassemblies thereof from Korea and Mexico. For purposes of these investigations, the term "large residential washers" denotes all automatic clothes washing machines, regardless of the orientation of

the rotational axis, except as noted below, with a cabinet width (measured from its widest point) of at least 24.5 inches (62.23 cm) and no more than 32.0 inches (81.28 cm). Excluded from the scope are stacked washer-dryers and commercial washers designed for the “pay per use” market. Also excluded from the scope are automatic clothes washing machines with a vertical rotational axis and a rated capacity of less than 3.70 cubic feet.

- Imports of the subject merchandise are provided for under the following categories of the Harmonized Tariff Schedule of the United States (HTSUS): HTSUS 8450.11.0040, 8450.11.0080, 8450.20.0090, 8450.90.2000, and 8450.90.6000). Some HTSUS subheadings include basket categories and may cover both subject and non-subject merchandise. These HTS numbers are provided for convenience and Customs purposes only; the written description of the scope is dispositive.
- In 2011, imports of large residential washers from Mexico and Korea were valued at an estimated \$434 million and \$569 million, respectively.

#### **NEXT STEPS**

- Commerce is currently scheduled to make its final determinations for Mexico and Korea in December 2012.
- If Commerce makes affirmative final determinations, and the U.S. International Trade Commission (ITC) makes affirmative final determinations that imports of large residential washers from Mexico and/or Korea 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 Mexico and Korea investigations in January 2013.

**PRELIMINARY DUMPING MARGINS:**

<b>COUNTRY</b>	<b>EXPORTER/PRODUCER</b>	<b>MARGIN</b>	
<b>Mexico</b>	<b>Electrolux</b>	<b>33.30%</b>	
	<b>Samsung</b>	<b>72.41%</b>	
	<b>Whirlpool</b>	<b>72.41%</b>	
	<b>All Others</b>	<b>33.30%</b>	
	<b>EXPORTER/PRODUCER</b>	<b>MARGIN</b>	<b>CASH DEPOSIT</b>
<b>Korea</b>	<b>Daewoo</b>	<b>82.41%</b>	<b>79.11%*</b>
	<b>LG</b>	<b>12.15%</b>	<b>12.15%</b>
	<b>Samsung</b>	<b>9.62%</b>	<b>9.62%</b>
	<b>All Others</b>	<b>11.36%</b>	<b>11.36%</b>

\*The cash deposit rate reflects the offset of the export subsidies found for Daewoo in the companion CVD investigation, which was 3.30 percent.

## CASE CALENDAR:

EVENT	AD INVESTIGATIONS
Petitions Filed	December 30, 2011
DOC Initiation Date	January 19, 2012
ITC Preliminary Determinations	February 13, 2012
DOC Preliminary Determinations	July 27, 2012
DOC Final Determinations*	December 10, 2012
ITC Final Determinations**	January 23, 2013
Issuance of Orders***	January 30, 2013

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

\*Commerce final determination deadlines have been postponed.

\*\*The ITC final determinations 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:

Mexico	2009	2010	2011
Value (USD)	382,747,000	450,234,000	434,302,000
Korea	2009	2010	2011
Value (USD)	569,756,000	659,109,000	568,535,000

**Source:** U.S. Bureau of Census, accessed through Global Trade Atlas. (HTSUS 8450.11.0040, 8450.11.0080, 8450.20.0090, 8450.90.2000, and 8450.90.6000). Some HTSUS subheadings include basket categories and may cover both subject and non-subject merchandise.