



FACT SHEET

Commerce Preliminarily Finds Subsidization of Narrow Woven Ribbons with Woven Selvedge from the People's Republic of China

- On December 8, the Department of Commerce (Commerce) announced its affirmative preliminary determination in the countervailing duty (CVD) investigation on imports of narrow woven ribbons with woven selvedge (woven ribbons) from the People's Republic of China (China).
- For the purposes of CVD investigations, subsidies are financial assistance from foreign governments that benefit the production, manufacture, or exportation of goods.
- Commerce preliminarily determined that Chinese producers/exporters have received net countervailable subsidies ranging from 0.29 (*de minimis*) to 118.68 percent.
- Mandatory respondent, Yama Ribbons and Bows Co., Ltd., received a net subsidy rate of 0.29 percent (*de minimis*).
- As mandatory respondent Changtai Rongshu Textile Co., Ltd. did not respond to the Department's request for information, it received a net subsidy rate of 118.68 percent based on adverse facts available. All other Chinese exporters received a net subsidy rate of 59.49 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 Berwick Offray LLC and its wholly-owned subsidiary Lion Ribbon Company, Inc. (PA).
- The products covered by this investigation include narrow woven ribbons of various woven fibers, less than 12 centimeters in width, and used for decorative purposes such as wrapping a gift box or embellishing apparel.
- The products covered by this investigation are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under the categories: 5806.32.1020, 5806.32.1030, 5806.32.1050, 5806.32.1060. While the HTSUS subheadings are provided for convenience and customs purposes, Commerce's written description of the subject merchandise governs the scope of this investigation.
- Comparing the first quarter of 2008 to the first quarter of 2009,¹ imports of narrow woven ribbons from China increased 53 percent by volume and were valued at an estimated \$2.2 million.

¹ Until 2008 subject merchandise entered under a basket HTSUS statistical category, 5806.32.1090; therefore, data for 2006 and 2007 reflect the basket category, while data from 2008 and 2009 (January-March) reflect the four HTSUS statistical categories that are more specific to subject merchandise (5806.32.1020, 5806.32.1030, 5806.32.1050,

NEXT STEPS

- Commerce is currently scheduled to make its final determination in April 2010.
- If Commerce makes an affirmative final determination, and the U.S. International Trade Commission makes an affirmative final determination that imports of woven ribbons from China materially injures, or threaten material injury to, the domestic industry, Commerce will issue a CVD order.

PRELIMINARY SUBSIDY RATES:

PRODUCER/EXPORTER	SUBSIDY RATE
Yama Ribbons and Bows Co., Ltd.	0.29% (<i>de minimis</i>)
Changtai Rongshu Textile Co., Ltd.	118.68%
All Others	59.49%

* de minimis = less than 1% for developed countries; less than 2% for developing countries.

CASE CALENDAR:

EVENT	DATE
Petitions Filed	July 9, 2009
DOC Initiation Date	July 29, 2009
ITC Preliminary Determination	August 21, 2009
DOC Preliminary Determination	December 4, 2009
DOC Final Determination*	April 19, 2010
ITC Final Determination**	June 4, 2010
Issuance of Orders***	June 9, 2010

* This deadline may be extended under the governing statute.

** 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.

5806.32.1060). As the 2008 and 2009 data is more specific to subject merchandise, we provided a comparison between first quarter 2008 and first quarter 2009 volumes and values.

IMPORT STATISTICS:

CHINA	2006	2007	2008	2008 (Jan-Mar)	2009 (Jan-Mar)
Volume (1000s of KG)	2,159	2,052	756	104	159
Value (US \$1,000)	35, 269	32,669	16,103	2,318	2,159

Source: U.S. International Trade Commission, Dataweb (HTSUS 5806.32.1020, 5806.32.1030, 5806.32.1050, 5806.32.1060), and information from Petitioner. Until 2008 subject merchandise entered under a basket HTSUS statistical category, 5806.32.1090; therefore, data for 2006 and 2007 reflect the basket category, while data from 2008 and 2009 (January-March) reflect the four HTSUS statistical categories that are more specific to subject merchandise (5806.32.1020, 5806.32.1030, 5806.32.1050, 5806.32.1060).