



FACT SHEET

Commerce Initiates Countervailing Duty Investigations on Imports of Ni-Resist Piston Inserts from Argentina and the Republic of Korea

- On February 18, the Department of Commerce (Commerce) announced its decision to initiate countervailing duty (CVD) investigations on imports of Ni-resist piston inserts from Argentina and the Republic of Korea (Korea).
- Subsidies are financial assistance from foreign governments that benefit the production, manufacture, or exportation of goods.
- Korff Holdings, LLC, dba Quaker City Castings (OH), is the petitioner for these investigations.
- The merchandise subject to these investigations includes all Ni-resist piston inserts (piston inserts) regardless of size, thickness, weight, or outside diameter. Piston inserts may also be called other names including, but not limited to, “Ring Carriers,” or “Alfin Inserts.” Ni-resist inserts are alloyed cast iron rings, composed of the material known as Ni-resist, of the chemical composition: 13.5% – 17.5% Ni (nickel), 5.5% – 8.0% Cu (copper), 0.8% – 2.0% Cr (chrome), 0.5% – 1.5% Mn (manganese), 1.0% – 3.0% Si (silicon), 2.4% – 3.0% C (carbon). The cast iron composition is produced primarily to the material specifications of the American Society for Testing and Materials (“ASTM”), ASTM A-436 grade 1.
- Piston inserts are classifiable under subheadings 8409.99.91.90 of the Harmonized Tariff Schedule of the United States (HTSUS). While HTSUS subheadings are provided for convenience and customs purposes, Commerce’s written description of the scope governs the scope of these investigations.
- Excluded from the scope of these investigations are: (1) piston rings or, (2) any other product manufactured using the Ni-resist material.
- In 2007, imports of piston inserts from Argentina were valued at an estimated \$5.0 million, while imports from Korea were valued at an estimated \$20.0 million.

NEXT STEPS

- The U.S. International Trade Commission (ITC) is scheduled to make its preliminary injury determination on or about March 12, 2009.
- If the ITC determines that there is a reasonable indication that imports from Argentina and Korea are materially injuring, or threatening material injury to, the domestic industry, the investigations will continue, and Commerce will be scheduled to make its preliminary determinations in April 2009.

Alleged Subsidy Rate:

COUNTRY	SUBSIDY RATE
ARGENTINA	Above <i>de minimis</i> *
KOREA	Above <i>de minimis</i> *

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

Case Calendar:

EVENT	DATE
Petitions Filed	January 26, 2009
Initiation Date	February 17, 2009
ITC Preliminary Determination	March 12, 2009
DOC Preliminary Determinations*	April 23, 2009
DOC Final Determinations*	July 7, 2009
ITC Final Determination**	August 21, 2009
Publication of Order***	August 28, 2009

* These deadlines may be extended under the governing statute.

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

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Import Statistics:

ARGENTINA	2006	2007	2008 (Jan. – Sept.)
Volume (kg)	982,003	560,085	196,434
Value (\$US)	5,937,865	4,981,645	1,432,829
KOREA			
Volume (kg)	0	262,487	306,088
Value (\$US)	0	19,914,427	11,906,103

Source: Petitioner's estimates of the volume and value of U.S. imports of subject merchandise from Argentina and Korea, as noted in the petition.