



FACT SHEET

Commerce Initiates Antidumping and Countervailing Duty Investigations of Certain Magnesia Carbon Bricks from Mexico (AD) and the People's Republic of China (AD/CVD)

- On August 19, the Department of Commerce (Commerce) announced its decision to initiate antidumping (AD) and countervailing duty (CVD) investigations on imports of certain magnesia carbon bricks from Mexico (AD) and the People's Republic of China (China) (AD/CVD).
- Dumping occurs when a foreign company sells a product in the United States at less than normal value. Subsidies are financial assistance from foreign governments that benefit the production, manufacture, or exportation of goods.
- The petitioner for these investigations is Resco Products, Inc. (PA).
- Magnesia carbon bricks are a type of refractory brick used in furnaces primarily for the production of iron and steel. The merchandise subject to these investigations consist of chemically bonded (resin or pitch) magnesia carbon bricks with a magnesia component of at least 70 percent magnesia by weight, and with carbon levels ranging from trace amounts to 30 percent by weight.
- The products covered by these investigations are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under the categories: 6902.10.10.00, 6902.10.50.00, 6815.91.00.00, and 6815.99. While the HTSUS subheadings are provided for convenience and customs purposes, Commerce's written description of the subject merchandise governs the scope of these investigations.
- From 2006 to 2008, imports of certain magnesia carbon bricks from China increased 3.78 percent by volume and were valued at an estimated \$50.8 million in 2008. From 2006 to 2008, imports of certain magnesia carbon bricks from Mexico increased 7.66 percent by volume and were valued at an estimated \$7.7 million in 2008.

NEXT STEPS

- The U.S. International Trade Commission (ITC) is scheduled to make its preliminary injury determination on or about September 14, 2009.
- If the ITC determines that there is a reasonable indication that imports are materially injuring, or threatening material injury to, the domestic industry, the investigations will continue, and Commerce will be scheduled to make its preliminary CVD determination in October 2009 and its preliminary AD determinations in January 2010.

Alleged Dumping Margins:

COUNTRY	MARGIN
MEXICO	153% - 295%
CHINA	112% - 349%

Estimated Subsidy Rate:

COUNTRY	SUBSIDY RATE
CHINA	Above <i>de minimis</i> *

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

CASE CALENDAR:

EVENT	CVD INVESTIGATION	AD INVESTIGATION
Petitions Filed	July 29, 2009	July 29, 2009
DOC Initiation Date	August 18, 2009	August 18, 2009
ITC Preliminary Determination*	September 14, 2009	September 14, 2009
DOC Preliminary Determinations**	October 22, 2009	January 5, 2010
DOC Final Determinations**	January 5, 2010	March 22, 2010
ITC Final Determination***	February 19, 2010	May 5, 2010
Issuance of Orders****	February 26, 2010	May 12, 2010

* If the ITC makes a negative preliminary determination of injury, the investigations are terminated.

** These deadlines 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.

IMPORT STATISTICS:

MEXICO	2006	2007	2008
Volume (tons)	9,204	6,894	9,909
Value (USD)	7,361,608	5,625,853	7,712,262
CHINA			
Volume (tons)	65,418	64,701	67,882
Value (USD)	38,034,440	39,740,629	50,784,069

*Source: United States International Trade Commission's (ITC) Dataweb import statistics.

*The merchandise subject to the investigations is most closely classified under the Harmonized Tariff Schedule of the United States (HTSUS) statistical categories 6902.10.10.00 and 6902.10.50.00. Petitioner stated that subject merchandise may also enter under subheadings 6815.91.00.00 and 6815.99. Import data under these subheadings and statistical categories were not used to report volume and value of subject merchandise because only a very small portion of imports is entered under these categories.