



## FACT SHEET

### Commerce Finds Subsidization of Certain Kitchen Appliance Shelving and Racks from the People's Republic of China

- On December 23, the Department of Commerce (Commerce) announced its affirmative preliminary determination in the countervailing duty investigation on imports of certain kitchen appliance shelving and racks from the People's Republic of China (China).
- 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 13.22 to 197.14 percent.
- Mandatory respondent, Guangdong Wireking Housewares and Hardware Co., Ltd., received a net subsidy rate of 13.22 percent. Mandatory respondent Asber Enterprise Co., Ltd., failed to cooperate in the investigation and therefore received a net subsidy rate of 197.14 percent based on adverse facts available, which includes programs based on geographical location.
- The following companies did not respond to Commerce's request for information and therefore received a net subsidy rate of 162.87 percent based on adverse facts available: Changzhou Yixiong Metal Products Co., Ltd.; Foshan Winleader Metal Products Co., Ltd.; Kingsun Enterprises Group Co, Ltd.; Yuyao Hanjun Metal Work Co./Yuyao Hanjun Metal Products Co., Ltd.; and Zhongshan Iwatani Co., Ltd.
- All other Chinese exporters received a net subsidy rate of 13.22 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 petitioners for this investigation are Nashville Wire Products, Inc. (TN); SSW Holding Company, Inc. (KY); the United Steelworkers, and the International Association of Machinists and Aerospace Workers (IA).
- The merchandise covered by this investigation is shelving and racks for refrigerators, freezers, combined refrigerator-freezers, other refrigerating or freezing equipment, cooking stoves, ranges, and ovens. The subject merchandise may be coated or uncoated and may be formed and/or welded. Shelving and racks are used by original equipment manufacturers of residential and recreational vehicle refrigerators, freezers, and refrigerators/freezers. Excluded from the scope of this investigation is shelving in which the support surface is glass.

- The merchandise subject to this investigation is currently classifiable under the subheadings 8418.99.8050, 7321.90.5000, and 8516.90.8000 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 of this investigation is final and conclusive.
- From 2005 to 2007, imports of kitchen appliance shelving and racks from China increased 101 percent by volume and were valued at an estimated \$124 million in 2007.

**NEXT STEPS**

- Commerce is currently scheduled to issue its final determination in May 2009.
- If Commerce makes an affirmative final determination, and the U.S. International Trade Commission makes an affirmative final determination that imports of kitchen appliance shelving and racks from China materially injure, or threaten material injury to, the domestic industry, Commerce will issue a countervailing duty order.

**PRELIMINARY SUBSIDY RATES:**

<b>PRODUCER/EXPORTER</b>	<b>SUBSIDY RATE</b>
<b>Guangdong Wireking Housewares and Hardware Co., Ltd.</b>	<b>13.22%</b>
<b>Asber Enterprise Co., Ltd.</b>	<b>197.14%</b>
<b>Changzhou Yixiong Metal Products Co., Ltd.</b>	<b>162.87%</b>
<b>Foshan Winleader Metal Products Co., Ltd.</b>	<b>162.87%</b>
<b>Kingsun Enterprises Group Co, Ltd.</b>	<b>162.87%</b>
<b>Yuyao Hanjun Metal Work Co./ Yuyao Hanjun Metal Products Co., Ltd.</b>	<b>162.87%</b>
<b>Zhongshan Iwatani Co., Ltd.</b>	<b>162.87%</b>
<b>All Others</b>	<b>13.22%</b>

**CASE CALENDAR:**

<b>EVENT</b>	<b>CVD INVESTIGATION</b>
<b>Petitions Filed</b>	<b>July 31, 2008</b>
<b>DOC Initiation Date</b>	<b>August 20, 2008</b>
<b>ITC Preliminary Determination</b>	<b>September 15, 2008</b>
<b>DOC Preliminary Determination</b>	<b>December 22, 2008</b>
<b>DOC Final Determination*</b>	<b>May 12, 2009</b>
<b>ITC Final Determination**</b>	<b>June 26, 2009</b>
<b>Issuance of Orders***</b>	<b>July 3, 2009</b>

\* This deadline may be extended under the governing statute.

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

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

**IMPORT STATISTICS:**

<b>CHINA</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
<b>Value (USD)</b>	<b>\$91,458,956</b>	<b>\$97,562,062</b>	<b>\$124,512,886</b>

Source: U.S. International Trade Commission, Dataweb (HTSUS 8418.99.8050, 7321.90.5000, and 8516.90.8000). These HTSUS subheadings are basket categories, covering not only subject merchandise, but also other kitchen appliance parts.