



FACT SHEET

Commerce Preliminarily Finds Subsidization of Wire Decking from the People's Republic of China

- On November 3, the Department of Commerce (Commerce) announced its affirmative preliminary determination in the countervailing duty investigation on imports of wire decking 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 2.02 to 437.73 percent.
- Mandatory respondents, Dalian Huameilong Metal Products Co., Ltd and Dalian Eastfound Metal Products, received net subsidy rates of 2.02 and 3.13 percent, respectively.
- In this investigation, there are a significant number of companies that did not complete Commerce's Quantity and Value Questionnaire. As a result, these companies will receive an adverse rate of 437.73 percent for non-responsiveness.
- All other Chinese exporters received a net subsidy rate of 2.58 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 AWP Industries, Inc. (KY), ITC Manufacturing, Inc. (AZ), J&L Wire Cloth, Inc. (MN), Nashville Wire Products Mfg. Co., Inc. (TN), and Wireway Husky Corporation (NC).
- The product covered by this investigation is welded-wire rack decking produced from carbon or alloy steel wire that has been welded into a mesh pattern. The wire mesh is reinforced with structural supports and designed to be load bearing. Wire decking reinforced with structural supports is designed generally for industrial and other commercial storage rack systems.
- The product covered by this investigation is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item number: 9403.90.8040. Wire Decking may also be entered under HTSUS 7217.10, 7217.20, 7217.90, 9403.20.0020, and 9403.20.0030. While the HTSUS subheading is 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 wire decking from China increased 49 percent by value and amounted to an estimated \$317 million in 2008. This HTSUS subheading, however, is a basket category covering not only subject merchandise, but also other metal furniture parts.

NEXT STEPS

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

PRELIMINARY SUBSIDY RATES:

PRODUCER/EXPORTER	SUBSIDY RATE
Dalian Huameilong Metal Products Co., Ltd.	2.02%
Dalian Eastfound Metal Products Co., Ltd.	3.13%
Adverse Facts Available Rate Companies*	437.73%
All Others	2.58%

*For a complete list of companies see the *Federal Register* notice for the preliminary determination.

CASE CALENDAR:

EVENT	CVD INVESTIGATION
Petitions Filed	June 5, 2009
DOC Initiation Date	June 25, 2009
ITC Preliminary Determination	July 31, 2009
DOC Preliminary Determinations	November 2, 2009
DOC Final Determinations*	March 20, 2010
ITC Final Determination**	March 5, 2010
Issuance of Orders***	March 11, 2010

* This deadline may be extended under the governing statute.

** This will take place only in the event of final affirmative determinations 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:

CHINA	2006	2007	2008
Value (USD)	\$212,874,998	\$258,107,913	\$317,055,951

Source: ITC Dataweb (HTSUS 9403.90.8040). This HTSUS subheading is a basket category, covering not only subject merchandise, but also other metal furniture parts). ITC Dataweb does not collect volume data for this HTSUS subheading.