



FACT SHEET

Commerce Preliminarily Finds Unfair Dumping of Raw Flexible Magnets from the People's Republic of China and Taiwan

- On April 21, the Department of Commerce announced affirmative preliminary determinations in the antidumping duty investigations of imports of raw flexible magnets from the People's Republic of China (China) and Taiwan.
- Commerce preliminarily determined that exporters from China and Taiwan have sold raw flexible magnets in the United States at 105.00 to 185.28 percent and 31.20 to 38.03 percent less than fair value, respectively. Commerce will instruct U.S. Customs and Border Protection to collect a cash deposit or bond based on these preliminary rates.
- The preliminary rates for the mandatory respondents in both investigations are based on adverse facts available because they failed to fully cooperate.
- The petitioner for these investigations is Magnum Magnetics Corporation (OH).
- The merchandise covered by these investigations is raw flexible magnets. Raw flexible magnets are generally relatively thin, polymer-bonded magnetic materials characterized by their flexibility and ease of machinability, which make them ideal for use as refrigerator magnets. Raw flexible magnets are also used in a broad range of domestic, commercial, and industrial applications.
- Raw flexible magnets are currently classifiable under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 8505.19.1000 (flexible magnets) and 8505.19.2000 (composite goods containing flexible magnets). While HTSUS subheadings are provided for convenience and customs purposes, Commerce's written description of the scope of these investigations is dispositive.
- In 2007, imports of raw flexible magnets from China were valued at an estimated \$18 million and imports from Taiwan were valued at an estimated \$2 million.

NEXT STEPS

- Commerce is currently scheduled to make its final determinations in July 2008.
- If Commerce makes a final affirmative determination, and the U.S. International Trade Commission makes a final determination that imports of raw flexible magnets from China and Taiwan materially injure, or threaten material injury to, the domestic industry, Commerce will issue antidumping duty orders.

Preliminary Dumping Margins:

COUNTRY	EXPORTER/PRODUCER	MARGINS
CHINA	Polyflex Magnets Ltd.	185.28%
	Guangzhou Newlife Magnet Electricity Co., Ltd.*	105.00%
	China-Wide Entity	185.28%
TAIWAN	Kin Fong Magnets Co., Ltd.	38.03%
	Magruba Flexible Magnets Co., Ltd.	38.03%
	JASDI Magnet Co., Ltd.	38.03%
	All Others	31.20%

*This mandatory respondent qualified for a separate rate.

Case Calendar:

EVENT	DATE
Petitions Filed	September 21, 2007
DOC Initiation Date	October 11, 2007
ITC Preliminary Determination	November 5, 2007
DOC Preliminary Determinations	April 18, 2008
DOC Final Determinations*	July 2, 2008
ITC Final Determination**	August 18, 2008
Issuance of Orders***	August 25, 2008

* 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.

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Import Statistics:

CHINA	2005	2006	2007
Volume (units)	83,127,964	109,312,632	103,223,982
Value (\$US)	15,708,990	18,226,374	18,227,593
TAIWAN	2005	2006	2007
Volume (units)	3,352,301	3,748,199	2,968,572
Value (\$US)	1,799,337	2,305,580	1,777,665

Source: U.S. International Trade Commission, Dataweb (HTSUS 8505.19.1000 and 8505.19.2000)