



FACT SHEET

Commerce Initiates Antidumping Duty (AD) Investigations of Galvanized Steel Wire from the People's Republic of China (China) and Mexico and a Countervailing Duty (CVD) Investigation of Galvanized Steel Wire from China

- On April 20, 2011, the Department of Commerce (Commerce) initiated AD investigations of imports of galvanized steel wire from China and Mexico and a CVD investigation of galvanized steel wire from China.
- For the purpose of AD investigations, dumping occurs when a foreign company sells a product in the United States at less than normal value. For the purpose of CVD investigations, subsidies are financial assistance from foreign governments that benefits the production, manufacture, or exportation of goods.
- The petitioners for these investigations are: Davis Wire Corporation (CA), Johnstown Wire Technologies, Inc. (PA), Mid-South Wire Company, Inc. (TN), National Standard, LLC (MI), and Oklahoma Steel & Wire Company, Inc. (OK).
- Galvanized steel wire is used in a variety of applications, such as agriculture, automotive, construction, consumer, and industrial uses. It is also an intermediate product used to make a multitude of wire products.
- The merchandise covered by these investigations is galvanized steel wire which is a cold-drawn carbon quality steel product in coils, of solid, circular cross section with an actual diameter of 0.5842 mm (0.0230 inch) or more, plated or coated with zinc (whether by hot-dipping or electroplating). Steel products to be included in the scope of these investigations, regardless of Harmonized Tariff Schedule of the United States ("HTSUS") definitions, are products in which: (1) iron predominates, by weight, over each of the other contained elements; (2) the carbon content is two percent or less, by weight; and (3) none of the elements listed below exceeds the quantity, by weight, respectively indicated:
 - 1.80 percent of manganese, or
 - 1.50 percent of silicon, or
 - 1.00 percent of copper, or
 - 0.50 percent of aluminum, or
 - 1.25 percent of chromium, or
 - 0.30 percent of cobalt, or
 - 0.40 percent of lead, or
 - 1.25 percent of nickel, or
 - 0.30 percent of tungsten, or
 - 0.02 percent of boron, or
 - 0.10 percent of molybdenum, or
 - 0.10 percent of niobium, or
 - 0.41 percent of titanium, or
 - 0.15 percent of vanadium, or

- 0.15 percent of zirconium.
- Imports of the subject merchandise are provided for under the following categories of the HTSUS: 7217.20.30 and 7217.20.45. Galvanized wire is reported under statistical reporting numbers 7217.20.3000, 7217.20.4510, 7217.20.4520, 7217.20.4530, 7217.20.4540, 7217.20.4550, 7217.20.4560, 7217.20.4570, and 7217.20.4580. These products may also enter under HTSUS subheadings 7229.20.0015, 7229.90.5008, 7229.90.5016, 7229.90.5031, and 7229.90.5051. These HTS numbers are provided for convenience and Customs purposes only; the written description of the scope is dispositive.
- In 2010, imports of galvanized steel wire from China and Mexico were valued at an estimated \$53.9 million and \$59.6 million, respectively. However, the galvanized steel wire subject to these investigations can be classified within HTSUS basket categories that contain products beyond the scope of the investigations.

NEXT STEPS

- The U.S. International Trade Commission (ITC) is scheduled to make its preliminary injury determination on or about May 16, 2011.
- If the ITC determines that there is a reasonable indication that imports from China and Mexico are materially injuring, or threatening material injury to, the domestic industry, the investigations will continue, and Commerce will be scheduled to make its CVD preliminary determination in June 2011 and its AD preliminary determinations in September 2011.

Alleged Dumping Margins:

COUNTRY	MARGIN
CHINA	171.00 – 235.00 percent
MEXICO	166.00 – 244.00 percent

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	AD INVESTIGATIONS	CVD INVESTIGATION
Petitions Filed	March 31, 2011	March 31, 2011
DOC Initiation Date	April 20, 2011	April 20, 2011
ITC Preliminary Determination*	May 16, 2011	May 16, 2011
DOC Preliminary Determinations**	September 7, 2011	June 24, 2011
DOC Final Determinations**	November 21, 2011	September 7, 2011
ITC Final Determination***	January 5, 2012	October 24, 2011
Issuance of Orders****	January 12, 2012	October 31, 2011

* 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 from Commerce.

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IMPORT STATISTICS:

CHINA	2008	2009	2010
Volume (metric tons)	73,000	50,000	52,000
Value (US\$)	94,311,000	52,703,000	53,915,000

MEXICO	2008	2009	2010
Volume (metric tons)	39,000	43,000	64,000
Value (US\$)	56,188,000	47,794,000	59,586,000

Source: U.S. Bureau of Census, accessed through Global Trade Atlas. (HTSUS 7217.20.3000, 7217.20.4510, 7217.20.4520, 7217.20.4530, 7217.20.4540, 7217.20.4550, 7217.20.4560, 7217.20.4570, 7217.20.4580, 7229.20.0015, 7229.90.5008, 7229.90.5016, 7229.90.5031, and 7229.90.5051). Some HTSUS subheadings include basket categories and may cover both subject and non-subject merchandise.