



FACT SHEET

Commerce Initiates Antidumping Duty (AD) and Countervailing Duty (CVD) Investigations of High Pressure Steel Cylinders from the People's Republic of China (China)

- On May 31, 2011, the Department of Commerce (Commerce) initiated AD and CVD investigations of imports of high pressure steel cylinders 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 benefit the production, manufacture, or exportation of goods.
- The petitioner for these investigations is Norris Cylinder Company (TX).
- High pressure steel cylinders are typically used for storage or transport of compressed or liquefied gas.
- The merchandise covered by the scope of these investigations is seamless steel cylinders designed for storage or transport of compressed or liquefied gas (“high pressure steel cylinders”). High pressure steel cylinders are fabricated of chrome alloy steel including, but not limited to, chromium-molybdenum steel or chromium magnesium steel, and have permanently impressed into the steel, either before or after importation, the symbol of a U.S. Department of Transportation, Pipeline and Hazardous Materials Safety Administration (“DOT”)-approved high pressure steel cylinder manufacturer, as well as an approved DOT type marking of DOT 3A, 3AX, 3AA, 3AAX, 3B, 3E, 3HT, 3T, or DOT-E (followed by a specific exemption number) in accordance with the requirements of sections 178.36 through 178.68 of Title 49 of the Code of Federal Regulations, or any subsequent amendments thereof. High pressure steel cylinders covered by these investigations have a water capacity up to 450 liters, and a gas capacity ranging from 8 to 702 cubic feet, regardless of corresponding service pressure levels and regardless of physical dimensions, finish or coatings.
- Excluded from the scope of these investigations are high pressure steel cylinders manufactured to UN-ISO-9809-1 and 2 specifications and permanently impressed with ISO or UN symbols. Also excluded from these investigations are acetylene cylinders, with or without internal porous mass, and permanently impressed with 8A or 8AL in accordance with DOT regulations.
- Merchandise covered by these investigations is classified in the Harmonized Tariff Schedule of the United States (“HTSUS”) under subheading 7311.00.00.30. Subject merchandise may also enter under HTSUS subheadings 7311.00.0060 or 7311.00.00.90. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under these investigations is dispositive.
- In 2010, imports of high pressure steel cylinders from China were valued at an estimated \$48.8 million.

NEXT STEPS

- The U.S. International Trade Commission (ITC) is scheduled to make its preliminary injury determination on or about June 27, 2011.
- If the ITC determines that there is a reasonable indication that imports from China 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 and AD determinations in August and October 2011, respectively.

Alleged Dumping Margins:

COUNTRY	MARGIN
CHINA	17.04 – 176.25 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 INVESTIGATION	CVD INVESTIGATION
Petitions Filed	May 11, 2011	May 11, 2011
DOC Initiation Date	May 31, 2011	May 31, 2011
ITC Preliminary Determination*	June 27, 2011	June 27, 2011
DOC Preliminary Determinations**	October 18, 2011	August 4, 2011
DOC Final Determinations**	January 3, 2012	October 18, 2011
ITC Final Determination***	February 15, 2012	December 2, 2011
Issuance of Orders****	February 22, 2012	December 9, 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.

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

IMPORT STATISTICS:

CHINA	2008	2009	2010
Volume (units)	986,000	847,000	1,247,000
Value (US\$)	53,748,000	29,139,000	48,822,000

Source: U.S. Bureau of Census, accessed through Global Trade Atlas. (HTSUS 7311.00.0030, 7311.00.0060 and 7311.00.0090). Some HTSUS subheadings include basket categories and may cover both subject and non-subject merchandise.