



FACT SHEET

Commerce Finds Dumping of Imports of Circular Welded Carbon-Quality Steel Pipe from the Socialist Republic of Vietnam and No Subsidization of Imports of Circular Welded Carbon-Quality Steel Pipe from the Socialist Republic of Vietnam

- On October 16, 2012, the Department of Commerce (Commerce) announced its affirmative final determination in the antidumping (AD) investigation of imports of circular welded carbon-quality steel pipe (circular welded pipe) from the Socialist Republic of Vietnam (Vietnam). Commerce also announced its negative final determination in the countervailing duty (CVD) investigation of imports of certain steel pipe from Vietnam.
- The AD and CVD laws provide U.S. businesses, workers, and farmers with a transparent and internationally approved mechanism to seek relief from the market distorting effects caused by injurious dumping and subsidization of imports into the United States, and thus to have an opportunity to compete on a level playing field.
- For the purpose of AD investigations, dumping occurs when a foreign company sells a product in the United States at less than its fair value. For the purpose of CVD investigations, countervailable subsidies are financial assistance from foreign governments that benefit the production of goods from foreign companies and are limited to specific enterprises or industries, or are contingent either upon export performance or upon the use of domestic goods over imported goods.
- Commerce determined that producers/exporters from Vietnam have sold circular welded pipe in the United States at dumping margins ranging from 3.96 percent to 27.96 percent. Commerce also determined that producers/exporters from Vietnam did not receive countervailable subsidies.
- In the AD investigation, mandatory respondents SeAH Steel VINA Corporation and Vietnam Haiphong Hongyuan Machinery Manufactory Co., Ltd. were determined to have final dumping margins of 3.96 percent and 5.17 percent, respectively.
- Three other producers/exporters received a separate rate of 4.57 percent. All remaining producers/exporters from Vietnam received a final dumping rate of 27.96 percent.
- In the CVD investigation, Commerce determined that neither of the mandatory respondents, SeAH Steel VINA Corporation and Vietnam Haiphong Hongyuan Machinery Manufactory Co., Ltd., received countervailable subsidies. Therefore, Commerce determined that countervailable subsidies are not being provided to producers/exporters in Vietnam of circular welded pipe.
- As a result of the final AD determination, Commerce will instruct U.S. Customs and Border Protection (CBP) to collect cash deposits or bonds equal to the applicable weighted-average dumping margins.
- As a result of the negative final CVD determination, Commerce is terminating the CVD investigation. Commerce will order the release of any bond or other security and refund any cash deposits that were collected for shipments of subject merchandise entered, or withdrawn from

warehouse on or after March 30, 2012, the date that Commerce instructed CBP to suspend liquidation following the preliminary determination.

- The petitioners for these investigations are Allied Tube and Conduit (IL), JMC Steel Group (IL), Wheatland Tube (PA), and United States Steel Corporation (PA).
- The merchandise covered by these investigations is welded carbon-quality steel pipes and tube, of circular cross-section, with an outside diameter not more than 16 inches, regardless of wall thickness or surface finish, or industry specification. The petitions indicate subject pipe is generally known as standard pipe, fence pipe and tube, sprinkler pipe, and structural pipe (although the subject product may also be referred to as mechanical tubing if it is made to standard sizes for subject standard pipe; *see below*).
- The scope of these investigations does not include: (a) boiler tubing; (b) finished electrical conduit; (c) finished scaffolding; (d) tube and pipe hollows for redrawing; (e) oil country tubular goods produced to API specifications; (f) line pipe produced to only API specifications; and (g) certain mechanical tubing.
- The pipe subject to these investigations is currently classifiable in Harmonized Tariff Schedule of the United States (“HTSUS”) statistical reporting numbers 7306.19.1010, 7306.19.1050, 7306.19.5110, 7306.19.5150, 7306.30.1000, 7306.30.5025, 7306.30.5032, 7306.30.5040, 7306.30.5055, 7306.30.5085, 7306.30.5090, 7306.50.1000, 7306.50.5050, and 7306.50.5070. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.
- In 2011, imports of circular welded pipe from Vietnam were valued at an estimated \$50.1 million.

NEXT STEPS

- The ITC is scheduled to make its final determination on or before November 29, 2012.
- If the ITC makes an affirmative final determination that imports of circular welded pipe from Vietnam materially injure, or threaten material injury to, the domestic industry, Commerce will issue an AD order. If the ITC makes a negative determination of injury, the AD investigation will be terminated.

FINAL DUMPING MARGINS:

EXPORTER/PRODUCER	DUMPING MARGIN
SeAH Steel VINA Corporation	3.96%
Vietnam Haiphong Hongyuan Machinery Manufactory Co., Ltd.	5.17%
Separate Rate Companies: Sun Steel Joint Stock Company Huu Lien Asia Corporation Hoa Phat Steel Pipe Co.	4.57%
Vietnam-Wide Rate	27.96%

CASE CALENDAR:

EVENT	CVD INVESTIGATION	AD INVESTIGATION
Petition Filed	October 26, 2011	October 26, 2011
DOC Initiation Date	November 15, 2011	November 15, 2011
ITC Preliminary Determination	December 12, 2011	December 12, 2011
DOC Preliminary Determination	March 26, 2012	May 23, 2012
DOC Final Determination	October 15, 2012	October 15, 2012
ITC Final Determination	November 29, 2012	November 29, 2012
Issuance of AD Order*	December 6, 2012	December 6, 2012

NOTE: Department preliminary and final determination deadlines are governed by the statute. For CVD investigations, the deadline is set forth in section 705(a)(1) of the Tariff Act of 1930, as amended (the Act). For AD investigations, the deadline is set forth in section 735(a) of the Act. These deadlines may be extended under certain circumstances.

*This will take place only in the event of a final affirmative injury determination from the ITC.

IMPORT STATISTICS:

Vietnam	2009	2010	2011
Volume (in metric tons)	20,000	32,000	55,000
Value (USD)	16,250,000	27,496,000	50,117,000

Source: U.S. Bureau of Census, accessed through Global Trade Atlas. (HTSUS 7306.19.1010, 7306.19.1050, 7306.19.5110, 7306.19.5150, 7306.30.1000, 7306.30.5025, 7306.30.5032, 7306.30.5040, 7306.30.5055, 7306.30.5085, 7306.30.5090, 7306.50.1000, 7306.50.5050, and 7306.50.5070). Some HTSUS subheadings include basket categories and may cover both subject and non-subject merchandise.