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New Antidumping and Countervailing Duty Petitions on Laminated Woven Sacks from Vietnam

By Douglas J. Heffner and Richard P. Ferrin

The Laminated Woven Sacks Fair Trade Coalition (LWS Coalition) and its individual members, on March 7, 2018, filed antidumping (AD) and countervailing duty (CVD) petitions on laminated woven sacks from Vietnam. The individual LWS Coalition members that filed the petitions are Polytex Fibers Corporation and ProAmpac LLC.

The U.S. AD law imposes special tariffs to counteract imports that are sold in the United States at less than “normal value.” The U.S. CVD law imposes special tariffs to counteract imports that are sold in the United States with the benefit of foreign government subsidies. For AD/CVD duties to be imposed, the U.S. government must determine not only that dumping and/or subsidies are occurring, but also that there is “material injury” (or threat thereof) by reason of the dumped and/or subsidized imports. Importers are liable for any potential AD/CVD duties imposed. In addition, these investigations could impact purchasers by increasing prices and/or decreasing supply of laminated woven sacks.

Scope

The products subject to these investigations are laminated woven sacks (LWS) comprised of one or more plies of fabric consisting of woven polypropylene strip and/or polyethylene strip that is laminated to an exterior ply of plastic film, such as biaxially-oriented polypropylene (“BOPP”), or to an exterior ply of paper that is suitable for high-quality print graphics. The exterior ply is printed in three colors or more; it is usually aligned and printed at three or more separate print stations, each containing a different color, creating multicolor, high quality print graphics. The laminated outer ply serves as point of sale advertising for packaged consumer goods such as pet foods and bird feed. They are commonly referred to as laminated woven polypropylene bags or sacks, laminated woven polyethylene bags or sacks, or laminated woven bags or sacks.

LWS have various sizes and resistance capabilities that make them suitable for various types and quantities of packaged products. Their dimensions, size, strength, closure, color, coating, and printing are specified by manufacturers of packaged consumer goods as needed to serve their retail customers. LWS are made from polypropylene or polyethylene pellets and pigments, melted into sheet form, and cut into thin flat strips that are spooled and woven into fabric. The fabric may be coated with one to several layers of polypropylene or

polypropylene-polyethylene mix and is laminated either to a reverse-printed plastic film such as BOPP or paper that is suitable for high quality print graphics. LWS display three or more colors on one or both sides. LWS may be lined or unlined. They may or may not have a thin layer of plastic film over the print medium. The bottom of the finished sack is folded and stitched, or a separate polypropylene strip is folded over one end of the fabric and sewn to create a closure at the bottom. LWS resist puncture and tearing and are resistant to moisture, grease, and oil.

Merchandise covered by these proceedings is currently classified in the Harmonized Tariff System of the United States (“HTSUS”) under subheading 6305.33.0040 (sacks and bags, of a kind used for the packing of goods, of man-made textile materials, other, of polyethylene or polypropylene strip of the like, weighing less than 1 kg, with an outer laminated ply of plastics sheeting, printed with three or more colors). This HTSUS subheading is provided for convenience and customs purposes; the written description of the scope of these proceedings is dispositive.

Alleged Dumping Margins

The petitioners allege dumping margins of 109.95 percent to 294.57 percent.

Estimated Schedule of Investigations

- March 7, 2018 – Petition is filed
- March 27, 2018 – DOC initiates investigation
- March 28, 2018 – ITC staff conference
- April 23, 2018 – Deadline for ITC preliminary injury determinations
- May 31, 2018 – Deadline for DOC preliminary CVD determinations, if not postponed
- August 6, 2018 – Deadline for DOC preliminary CVD determination, if fully postponed
- August 14, 2018 – Deadline for DOC preliminary AD determination, if not postponed
- October 3, 2018 – Deadline for DOC preliminary AD determination, if fully postponed

- February 15, 2019 – Deadline for DOC final AD and CVD determinations, if both the preliminary and final AD determinations are postponed and the CVD investigation is aligned
- April 1, 2019 – Deadline for ITC final injury determination, if DOC deadlines are all fully postponed

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