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New Antidumping and Countervailing Duty Petitions on Carbon and Alloy Steel Threaded Rod from China, India, Taiwan and Thailand

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Vulcan Steel Products Inc. (petitioner), on February 21, 2019, filed antidumping (AD) petitions on imports of carbon and alloy steel threaded rod from China, India, Taiwan, and Thailand and countervailing duty (CVD) petitions on imports of carbon and alloy steel threaded rod from China and India.

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 carbon and alloy steel threaded rod.

Scope

The merchandise covered by the scope of these investigations is carbon and alloy steel threaded rod. Steel threaded rod is certain threaded rod, bar, or studs, of carbon or alloy steel, having a solid, circular cross section of any diameter, in any straight length. Steel threaded rod is normally drawn, cold-rolled, threaded, and straightened, or it may be hot-rolled. In addition, the steel threaded rod, bar, or studs subject to these investigations are non-headed and threaded along greater than 25 percent of their total actual length. A variety of finishes or coatings, such as plain oil finish as a temporary rust protectant, zinc coating (i.e., galvanized, whether by electroplating or hot-dipping), paint, and other similar finishes and coatings, may be applied to the merchandise.

Steel threaded rod is normally produced to American Society for Testing and Materials (“ASTM”) specifications ASTM A36, ASTM A193 B7/B7m, ASTM A193 B16, ASTM A307, ASTM A320 L7/L7M, ASTM A320 L43, ASTM A354 BC and BD, ASTM A449, ASTM F1554-36, ASTM F1554-55, ASTM F1554 Grade 105, American Society of Mechanical Engineers (“ASME”) specification ASME B18.31.3, and American Petroleum Institute (“API”) specification API 20E. All steel threaded rod meeting the physical description set forth above is

covered by the scope of these investigations, whether or not produced according to a particular standard.

Subject merchandise includes material matching the above description that has been finished, assembled, or packaged in a third country, including by cutting, chamfering, coating, or painting the threaded rod, by attaching the threaded rod to, or packaging it with, another product, or any other finishing, assembly, or packaging operation that would not otherwise remove the merchandise from the scope of the investigation if performed in the country of manufacture of the threaded rod.

Carbon and alloy steel threaded rod are also included in the scope of this investigation whether or not imported attached to, or in conjunction with, other parts and accessories such as nuts and washers. If carbon and alloy steel threaded rod are imported attached to, or in conjunction with, such non-subject merchandise, only the threaded rod is included in the scope.

Excluded from the scope of these investigations are: (1) threaded rod, bar, or studs which are threaded only on one or both ends and the threading covers 25 percent or less of the total actual length; and (2) stainless steel threaded rod, defined as steel threaded rod containing, by weight, 1.2 percent or less of carbon and 10.5 percent or more of chromium, with or without other elements.

Excluded from the scope of the antidumping investigation on steel threaded rod from the People’s Republic of China is any merchandise covered by the existing antidumping order on Certain Steel Threaded Rod from the People’s Republic of China. See Certain Steel Threaded Rod from the People’s Republic of China: Notice of Antidumping Duty Order, 74 Fed. Reg. 17,154 (Dep’t Commerce Apr. 14, 2009).

Steel threaded rod is currently classifiable under subheadings 7318.15.5051, 7318.15.5056, and 7318.15.5090 of the Harmonized Tariff Schedule of the United States (“HTSUS”). Subject merchandise may also enter under subheading 7318.15.2095 and 7318.19.0000 of the HTSUS. The HTSUS subheadings are provided for convenience and U.S. Customs purposes only. The written description of the scope is dispositive.

Alleged Dumping Margins

The petitioners allege the following dumping margins:

- China: 53.57 percent to 55.60 percent
- India: 25.43 percent to 28.34 percent
- Taiwan: 32.10 percent
- Thailand: Not yet available.

The petitioner identified numerous possible subsidy programs, but did not allege specific subsidy rates.

Estimated Schedule of Investigations

- February 21, 2019 – Petition is filed
- March 13, 2019 – DOC initiates investigation
- March 14, 2019 – ITC staff conference
- April 8, 2019 – Deadline for ITC preliminary injury determinations

- May 17, 2019 – Deadline for DOC preliminary CVD determination, if not postponed
- July 22, 2019 – Deadline for DOC preliminary CVD determination, if fully postponed
- July 31, 2019 – Deadline for DOC preliminary AD determination, if not postponed
- September 19, 2019 – Deadline for DOC preliminary AD determination, if fully postponed
- February 3, 2020 – Deadline for DOC final AD and CVD determinations, if both preliminary and final determinations are fully postponed
- March 19, 2020 – Deadline for ITC final injury determinations, assuming fully postponed DOC deadlines

For further information, contact Douglas J. Heffner, Richard P. Ferrin or any other member of the Customs and International Trade Team.

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