



## FACT SHEET

### **Commerce Finds Dumping of Oil Country Tubular Goods from the People's Republic of China**

- On April 9, the Department of Commerce (“Commerce”) announced its affirmative final determination in the antidumping duty investigation on imports of oil country tubular goods (“OCTG”) from China. OCTG are either carbon or alloy tubular steel products used in oil and gas wells.
- For purposes of antidumping investigations, dumping occurs when a foreign company sells a product in the United States at less than fair value.
- Commerce determined that Chinese producers/exporters have sold OCTG in the United States at margins ranging from 29.94 to 99.14 percent.
- Mandatory respondent, Tianjin Pipe International Economic and Trading Corp. (“TPCO”), received a final dumping rate of 29.94 percent. In addition, 37 Chinese respondents qualified for a separate rate of 29.94 percent. All other Chinese exporters, including mandatory respondent Jiangsu Changbao Steel Tube Co., Ltd. (“Changbao”), are subject to the PRC-wide final dumping rate of 99.14 percent.
- The final dumping margin for mandatory respondent Changbao is based on adverse facts available as it failed to cooperate to the best of its ability in the investigation. Specifically, Changbao submitted documentation to Commerce which Commerce has concluded differed significantly from documentation in the possession of U.S. Customs and Border Protection (“CBP”), thus making it impossible for Commerce to conduct a meaningful investigation.
- As a result of this final determination, Commerce will instruct CBP to collect a cash deposit or bond equal to the weighted-average dumping margins, adjusted for export subsidies found in the final determination of the companion countervailing duty investigation. TPCO received an export subsidy rate of 0.08 percent. Accordingly, Commerce will instruct CBP to collect an antidumping duty cash deposit or bonding rate of 29.86 percent for TPCO; 29.91 percent for the separate rate companies; and 99.14 percent for Changbao and all other exporters.
- Critical circumstances were found with regard to the PRC-wide entity, including Changbao. Accordingly, Commerce will direct CBP to suspend liquidation of merchandise entered by all companies, other than TPCO, Changbao and the separate-rate companies starting 90 days prior to the publication of the Preliminary Determination. Because Changbao had a zero margin at the Preliminary Determination, Commerce did not instruct CBP to suspend liquidation of merchandise exported by Changbao. Consequently, Commerce will direct CBP to suspend liquidation of merchandise entered by Changbao 90 days prior to the publication of this final determination.
- The petitioners for this investigation are: Maverick Tube Corporation (TX); United States Steel Corporation (PA); TMK IPSCO (IL); V&M Star LP (TX); Wheatland Tube Corp. (PA);

Evraz Rocky Mountain Steel (CO); and United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO-CLC (PA).

- The merchandise covered by this investigation consists of certain OCTG, which are hollow steel products of circular cross-section, including oil well casing and tubing, of iron (other than cast iron) or steel (both carbon and alloy), whether seamless or welded, regardless of end finish (*e.g.*, whether or not plain end, threaded, or threaded and coupled) whether or not conforming to American Petroleum Institute (“API”) or non-API specifications, whether finished (including limited service OCTG products) or unfinished (including green tubes and limited service OCTG products), whether or not thread protectors are attached. The scope of this investigation also covers OCTG coupling stock.
- Excluded from the scope of this investigation is casing or tubing containing 10.5 percent or more by weight of chromium, drill pipe, unattached couplings and unattached thread protectors.
- The merchandise covered by this investigation is currently classified in the Harmonized Tariff Schedule of the United States (“HTSUS”) under item numbers: 7304.29.10.10, 7304.29.10.20, 7304.29.10.30, 7304.29.10.40, 7304.29.10.50, 7304.29.10.60, 7304.29.10.80, 7304.29.20.10, 7304.29.20.20, 7304.29.20.30, 7304.29.20.40, 7304.29.20.50, 7304.29.20.60, 7304.29.20.80, 7304.29.31.10, 7304.29.31.20, 7304.29.31.30, 7304.29.31.40, 7304.29.31.50, 7304.29.31.60, 7304.29.31.80, 7304.29.41.10, 7304.29.41.20, 7304.29.41.30, 7304.29.41.40, 7304.29.41.50, 7304.29.41.60, 7304.29.41.80, 7304.29.50.15, 7304.29.50.30, 7304.29.50.45, 7304.29.50.60, 7304.29.50.75, 7304.29.61.15, 7304.29.61.30, 7304.29.61.45, 7304.29.61.60, 7304.29.61.75, 7305.20.20.00, 7305.20.40.00, 7305.20.60.00, 7305.20.80.00, 7306.29.10.30, 7306.29.10.90, 7306.29.20.00, 7306.29.31.00, 7306.29.41.00, 7306.29.60.10, 7306.29.60.50, 7306.29.81.10, and 7306.29.81.50.
- The OCTG coupling stock covered by this investigation may also enter under the following HTSUS item numbers: 7304.39.00.24, 7304.39.00.28, 7304.39.00.32, 7304.39.00.36, 7304.39.00.40, 7304.39.00.44, 7304.39.00.48, 7304.39.00.52, 7304.39.00.56, 7304.39.00.62, 7304.39.00.68, 7304.39.00.72, 7304.39.00.76, 7304.39.00.80, 7304.59.60.00, , 7304.59.80.15, 7304.59.80.20, 7304.59.80.25, 7304.59.80.30, 7304.59.80.35, 7304.59.80.40, 7304.59.80.45, 7304.59.80.50, 7304.59.80.55, 7304.59.80.60, 7304.59.80.65, 7304.59.80.70, and 7304.59.80.80. While the HTSUS subheadings are provided for convenience and customs purposes, Commerce’s written description of the subject merchandise governs the scope of this investigation.
- In 2009, imports of OCTG from China were valued at an estimated \$1.1 billion.

## NEXT STEPS

- As a result of this final determination, Commerce will instruct CBP to collect a cash deposit or bond based on the final margins.
- The U.S. International Trade Commission (“ITC”) is scheduled to issue its final injury determination on or before May 24, 2010.

- If the ITC makes an affirmative final determination that imports of OCTG from China materially injure, or threaten material injury to, the domestic industry, Commerce will issue an antidumping order.

#### FINAL DUMPING RATES:

PRODUCER/EXPORTER	MARGIN	CASH DEPOSIT
Tianjin Pipe International Economic and Trading Corp.	29.94	29.86*
Zhejiang Jianli Co., Ltd. (Separate Rate Company)	29.94	29.94**
Wuxi Seamless Pipe Co., Ltd. (Separate Rate Company)	29.94	29.94**
All Other Separate Rate Companies†	29.94	29.91***
PRC-wide (including Jiangsu Changbao Steel Tube Co., Ltd.)	99.14	99.14

\*Margin rate minus the export subsidy rate of 0.08 percent.

\*\*The export subsidy adjustment will not apply to Zhejiang Jianli Co., Ltd. and Wuxi Seamless Pipe Co., Ltd., two separate rate companies who are mandatory respondents in the OCTG CVD proceeding, because neither of these companies received export subsidies in the OCTG CVD proceeding.

\*\*\*For the separate rate companies, Commerce deducted from the margin a portion of the export subsidy based on the percentage of the total quantity of TPCO's shipments during the POI.

†For a complete list of companies see the *Federal Register* notice for the final determination.

#### CASE CALENDAR:

EVENT	DATES
Petitions Filed	April 08, 2009
DOC Initiation Date	April 28, 2009
ITC Preliminary Determination	June 10, 2009
DOC Preliminary Determination	November 4, 2009
DOC Final Determination	April 8, 2010
ITC Final Determination	May 24, 2010
Issuance of Orders*	June 1, 2010

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

**IMPORT STATISTICS:**

CHINA	2007	2008	2009
Quantity (MTs)	839,000	2,074,000	709,000
Value (USD)	811,412,000	2,743,270,000	1,116,411,000

**Source:** U.S. Bureau of Census, accessed through Global Trade Atlas (HTSUS 7304.29.10.10, 7304.29.10.20, 7304.29.10.30, 7304.29.10.40, 7304.29.10.50, 7304.29.10.60, 7304.29.10.80, 7304.29.20.10, 7304.29.20.20, 7304.29.20.30, 7304.29.20.40, 7304.29.20.50, 7304.29.20.60, 7304.29.20.80, 7304.29.31.10, 7304.29.31.20, 7304.29.31.30, 7304.29.31.40, 7304.29.31.50, 7304.29.31.60, 7304.29.31.80, 7304.29.41.10, 7304.29.41.20, 7304.29.41.30, 7304.29.41.40, 7304.29.41.50, 7304.29.41.60, 7304.29.41.80, 7304.29.50.15, 7304.29.50.30, 7304.29.50.45, 7304.29.50.60, 7304.29.50.75, 7304.29.61.15, 7304.29.61.30, 7304.29.61.45, 7304.29.61.60, 7304.29.61.75, 7305.20.20.00, 7305.20.40.00, 7305.20.60.00, 7305.20.80.00, 7306.29.10.30, 7306.29.10.90, 7306.29.20.00, 7306.29.31.00, 7306.29.41.00, 7306.29.60.10, 7306.29.60.50, 7306.29.81.10, 7306.29.81.50, 7304.39.00.24, 7304.39.00.28, 7304.39.00.32, 7304.39.00.36, 7304.39.00.40, 7304.39.00.44, 7304.39.00.48, 7304.39.00.52, 7304.39.00.56, 7304.39.00.62, 7304.39.00.68, 7304.39.00.72, 7304.39.00.76, 7304.39.00.80, 7304.59.60.00, 7304.59.80.15, 7304.59.80.20, 7304.59.80.25, 7304.59.80.30, 7304.59.80.35, 7304.59.80.40, 7304.59.80.45, 7304.59.80.50, 7304.59.80.55, 7304.59.80.60, 7304.59.80.65, 7304.59.80.70, and 7304.59.80.80).

**Note:** The trade figures above reflect the full scope of the antidumping investigation and may differ from the statistics of the OCTG Preliminary AD Determination factsheet (11/5/09), which were based on a limited group of HTS categories.