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HINE**

April 2011

**INTERNATIONAL TRADE &
CUSTOMS UPDATE**

Sharp Upturn in AD and CVD Petitions Filed by U.S. Manufacturers

On the last two days of March 2011, U.S. manufacturers filed a flurry of trade remedy petitions with the U.S. Department of Commerce (DOC) and the International Trade Commission (ITC) seeking antidumping (AD) duty and/or countervailing duty (CVD) relief. The eight petitions filed at the end of March are the first cases to be filed this year, and already exceed the total number of petitions filed during all of 2010. These cases, which are discussed below, will be of interest to companies importing or competing with goods subject to the petitions.

STEEL WHEELS FROM CHINA (AD/CVD)

Two U.S. auto wheel manufacturers, Accuride Corp and Hayes-Lemmerz International Inc., submitted petitions to the ITC and the DOC claiming that Chinese companies are selling certain steel wheels and rims at less than fair value in the U.S. market and causing injury to the domestic steel wheel industry as a result. Identifying approximately two dozen Chinese producers and exporters in their petitions, the petitioners also allege that the Chinese government has unfairly subsidized the production and export of steel wheels in China.

The petition's scope covers steel wheels and rims with 18- to 24.5-inch diameters primarily used on commercial vehicles (e.g., trucks, tractors, ambulances and buses), whether or not the steel wheels are attached to tires or axles. According to the petition, similar wheels constructed from aluminum customarily used on passenger vehicles are outside the scope of this investigation.

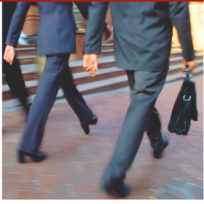
BOTTOM-MOUNT COMBINATION REFRIGERATOR-FREEZERS FROM SOUTH KOREA AND MEXICO (SOUTH KOREA: AD/CVD; MEXICO: AD)

Whirlpool Corporation filed AD and CVD petitions against bottom-mount refrigerator-freezers from South Korea and an AD petition against the same products from Mexico. Operations of Samsung Electronics Co. and LG Electronics are specifically named in the petitions against both South Korea and Mexico.

The appliances subject to the investigation are described by Whirlpool as high-end products sold in a variety of configurations (e.g., two-door, three-door, built-in versus freestanding, etc.), featuring a broad array of advanced technical specifications that include LCD interfaces, stainless steel accents and dual evaporators.

GALVANIZED STEEL WIRE FROM MEXICO AND CHINA (CHINA: AD/CVD; MEXICO: AD)

Five U.S. steel wire makers filed AD and CVD petitions against China and an AD petition against Mexico, alleging that more than 275 Chinese companies and a single Mexican company, DeAcero



S.A. de C.V., are selling galvanized steel wire at less than fair value in the U.S. market and causing injury to the domestic industry as a result. The petitioners – Davis Wire Corporation; Johnstown Wire Technologies, Inc.; Mid-South Wire Company, Inc.; National Standard, Inc.; and Oklahoma Steel & Wire Company, Inc. – are targeting galvanized steel wire with a diameter of 0.5842 mm or more that is used in a variety of construction, automotive and consumer applications such as wire shelving and wire racks.

STEEL NAILS FROM UAE (AD)

Missouri-based manufacturer Mid Continent Nail Corporation filed a petition requesting AD duties on imports of certain steel nails from the United Arab Emirates (UAE). Subject to this petition are certain steel nails having a shaft length not exceeding 12 inches, regardless of shaft diameter or gauge. The petition excludes certain categories of steel nails including thumb tacks and two-piece nails already assembled with plastic washers.

STILBENIC OPTICAL BRIGHTENING AGENTS FROM CHINA AND TAIWAN (CHINA: AD; TAIWAN: AD)

Clariant Corporation filed AD petitions against imports of stilbenic optical brightening agents from Taiwan and China. The product is an organic chemical often used to brighten paper products. The petitioner alleged that these imports are being sold in the United States at less than fair value and are materially injuring the domestic stilbenic optical brightening agent industry as a result.

The alleged AD and CVD rates in all these petitions would, if confirmed by the DOC, virtually preclude importation of the targeted products.

There is still time for interested parties to participate directly in any of these proceedings. Interested parties may also wish to closely monitor the cases and their potential impact.

FOR MORE INFORMATION

Please contact **Matthew R. Nicely**, **David S. Christy**, or any member of the **International Trade & Customs** practice group for more information.

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