



FACT SHEET

Commerce Preliminarily Finds Dumping of Imports of Certain Fabricated Structural Steel from China and Mexico, and No Dumping of Imports of Fabricated Structural Steel from Canada

- On September 4, 2019, the Department of Commerce (Commerce) announced its affirmative preliminary determinations in the antidumping duty (AD) investigations of imports of certain fabricated structural steel (FSS) from China and Mexico, and a negative preliminary determination in the AD investigation of imports of certain fabricated structural steel from Canada.
- The AD law provides U.S. businesses and workers with a transparent, quasi-judicial, and internationally accepted mechanism to seek relief from the market distorting effects caused by injurious dumping of imports into the United States, establishing an opportunity to compete on a level playing field.
- For the purpose of AD investigations, dumping occurs when a foreign company sells an imported product in the United States at less than fair value.
- In the Canada investigation, Commerce assigned preliminary dumping rates of 0.00 percent and 0.69 percent (*de minimis*) to mandatory respondents Canatal Industries, Inc. and Les Constructions Beauce-Atlas Inc., respectively.
- In the China investigation, Commerce assigned a preliminary dumping rate of 57.86 percent to mandatory respondent Jinhuan Construction Group Co., Ltd. Commerce assigned a preliminary dumping rate of 0.00 percent to Modern Heavy Industries (Taicang) Co., Ltd. Commerce assigned a preliminary dumping rate of 52.09 to Wison (Nantong) Heavy Industry Co., Ltd./Wison Offshore & Marine (Hong Kong) Limited. Commerce assigned a preliminary dumping rate of 55.76 to the separate rate companies. Commerce assigned a preliminary dumping rate of 141.38 percent for all other Chinese producers and exporters.
- In the Mexico investigation, Commerce assigned a preliminary dumping rate of 10.58 percent to mandatory respondent Building Systems de Mexico, S.A. de C.V. Commerce assigned a preliminary dumping rate of 0 percent to voluntary respondent Corey S.A. de C.V. / Industrias Recal S.A. de C.V. Commerce assigned a preliminary dumping rate of 30.58 percent to all non-responsive companies. Commerce assigned a preliminary dumping rate of 10.58 percent for all other Mexican producers and exporters.
- The petitioner is the American Institute of Steel Construction Full Member Subgroup (Chicago, IL).
- The merchandise covered by these investigations is carbon and alloy fabricated structural steel.

Fabricated structural steel is made from steel in which: (1) iron predominates, by weight, over each of the other contained elements; and (2) the carbon content is two percent or less by weight. Fabricated structural steel products are steel products that have been fabricated for erection or assembly into structures, including, but not limited to, buildings (commercial, office, institutional, and multi-family residential); industrial and

utility projects; parking decks; arenas and convention centers; medical facilities; and ports, transportation and infrastructure facilities. Fabricated structural steel is manufactured from carbon and alloy (including stainless) steel products such as angles, columns, beams, girders, plates, flange shapes (including manufactured structural shapes utilizing welded plates as a substitute for rolled wide flange sections), channels, hollow structural section (HSS) shapes, base plates, and plate-work components. Fabrication includes, but is not limited to cutting, drilling, welding, joining, bolting, bending, punching, pressure fitting, molding, grooving, adhesion, beveling, and riveting and may include items such as fasteners, nuts, bolts, rivets, screws, hinges, or joints.

The inclusion, attachment, joining, or assembly of non-steel components with fabricated structural steel does not remove the fabricated structural steel from the scope.

Fabricated structural steel is covered by the scope of the investigations regardless of whether it is painted, varnished, or coated with plastics or other metallic or non-metallic substances and regardless of whether it is assembled or partially assembled, such as into modules, modularized construction units, or sub-assemblies of fabricated structural steel.

Subject merchandise includes fabricated structural steel that has been assembled or further processed in the subject country or a third country, including but not limited to painting, varnishing, trimming, cutting, drilling, welding, joining, bolting, punching, bending, beveling, riveting, galvanizing, coating, and/or slitting or any other processing that would not otherwise remove the merchandise from the scope of the investigations if performed in the country of manufacture of the fabricated structural steel.

All products that meet the written physical description of the merchandise covered by the investigations are within the scope of these investigations unless specifically excluded or covered by the scope of an existing antidumping duty order.

Specifically excluded from the scope of these investigations are:

1. Fabricated steel concrete reinforcing bar (rebar) if: (i) it is a unitary piece of fabricated rebar, not joined, welded, or otherwise connected with any other steel product or part; or (ii) it is joined, welded, or otherwise connected only to other rebar.
2. Fabricated structural steel for bridges and bridge sections that meets American Association of State and Highway and Transportation Officials (AASHTO) bridge construction requirements or any state or local derivatives of the AASHTO bridge construction requirements.
3. Pre-engineered metal building systems, which are defined as complete metal buildings that integrate steel framing, roofing and walls to form one, pre-engineered building system, that meet Metal Building Manufacturers Association guide specifications. Pre-engineered metal building systems are typically limited in height to no more than 60 feet or two stories.
4. Steel roof and floor decking systems that meet Steel Deck Institute standards.
5. Open web steel bar joists and joist girders that meet Steel Joist Institute specifications.
6. Also excluded from the scope of these investigations is scaffolding, and parts and accessories thereof, that comply with ANSI/ASSE A10.8 – 2011 - Scaffolding Safety Requirements, and/or Occupational Safety and

Health Administration regulations at 29 C.F.R. Part 1926 subpart L - Scaffolds. The outside diameter of the scaffold tubing covered by this exclusion ranges from 25mm to 150mm.

7. Excluded from the scope of these investigations are access flooring systems panels and accessories, where such panels have a total thickness ranging from 0.75 inches to 1.75 inches and consist of concrete, wood, other non-steel materials, or hollow space permanently attached to a top and bottom layer of galvanized or painted steel sheet or formed coil steel, the whole of which has been formed into a square or rectangle having a measurement of 24 inches on each side +/- 0.1 inch; 24 inches by 30 inches +/- 0.1 inch; or 24 by 36 inches +/- 0.1 inch.

8. Excluded from the investigations are the following types of steel poles, segments of steel poles, and steel components of those poles:

- Steel Electric Transmission Poles, or segments of such poles, that meet (1) the American Society of Civil Engineers (ASCE) – Design of Steel Transmission Pole Structures, ASCE/SEI 48 or (2) the USDA RUS bulletin 1724E-214 Guide specification for standard class Steel Transmission Poles. The exclusion for steel electric transmission poles also encompasses the following components thereof: transmission arms which attach to poles; pole bases; angles that do not exceed 8” x 8” x 0.75”; steel vangs, steel brackets, steel flanges, and steel caps; safety climbing cables; ladders; and steel templates.
- Steel Electric Substation Poles, or segments of such poles, that meet the American Society of Civil Engineers (ASCE) - Manuals and Reports on Engineering Practice No. 113. The exclusion for steel electric substation poles also encompasses the following components thereof: substation dead end poles; substation bus stands; substation mast poles, arms, and cross-arms; steel brackets, steel flanges, and steel caps; pole bases; safety climbing cables; ladders; and steel templates.
- Steel Electric Distribution Poles, or segments of such poles, that meet (1) American Society of Civil Engineers (ASCE) – Design of Steel Transmission Pole Structures, ASCE/SEI 48, (2) USDA RUS bulletin 1724E-204 Guide specification for steel single pole and H-frame structures, or (3) ANSI 05.1 height and class requirements for steel poles. The exclusion for steel electric distribution poles also encompasses the following components thereof: distribution arms and cross-arms; pole bases; angles that do not exceed 8” x 8” x 0.75”; steel vangs, steel brackets, steel flanges, and steel caps; safety climbing cables; ladders; and steel templates.
- Steel Traffic Signal Poles, Steel Roadway Lighting Poles, Steel Parking Lot Lighting Poles, and Steel Sports Lighting Poles, or segments of such poles, that meet (1) the American Association of State Highway and Transportation Officials (AASHTO) – Specifications for Structural Supports for Highway Signs, Luminaires, and Traffic Signals, (2) any state or local derivatives of the AASHTO highway sign, luminaries, and traffic signals requirements, or (3) American National Standard Institute (ANSI) C136 - American National Standard for Roadway and Area Lighting Equipment standards. The exclusion for steel traffic signal poles, steel roadway lighting poles, steel parking lot lighting poles, and steel sports lighting poles also encompasses the following components thereof: luminaire arms; hand hole rims; hand hole covers; base plates that connect to either the shaft or the arms; mast arm clamps ; mast arm tie rods; transformer base boxes; formed full base covers that hide anchor bolts; step lugs; internal cable guides; lighting cross arms; lighting service platforms; angles that do not exceed 8” x 8” x 0.75”; stainless steel hand hole door hinges and wind restraints; steel brackets, steel flanges, and steel caps; safety climbing cables; ladders; and steel templates.

- Communication Poles, or segments of such poles, that meet (1) Telecommunications Industry Association (TIA) ANSI/TIA-222 Structural Standards for Steel Antenna Towers and Antenna Supporting Structures, or (2) American Association of State Highway and Transportation Officials (AASHTO) – Specifications for Structural Supports for Highway Signs, Luminaires, and Traffic Signals. The exclusion for communication poles also encompasses the following components thereof: luminaire arms; hand hole rims; hand hole covers; base plate that connects the pole to the foundation or arm to the pole; safety climbing cables; ladders; service ground platforms; step lugs; pole steps; steel brackets, steel flanges, and steel caps; angles that do not exceed 8” x 8” x 0.75”, coax, and safety brackets; subcomponent kits for antenna mounts weighing 80 lbs. or less; service platforms; ice bridges; stainless steel hand hole door hinges and wind restraints; and steel templates.
- OEM Round or Polygonal Tapered Steel Poles, segments or shaft components of such poles, that meet the (1) ASCE 48 or AASHTO, (2) ANSI/TIA 222, (3) ANSI 05.1, (4) RUS bulletin 1724E-204, or (5) RUS bulletin 1724E-214. The exclusion for OEM round or polygonal tapered steel poles also encompasses the following components thereof: subcomponent kits for antenna mounts weighing 80 lbs. or less; mounts and platforms; steel brackets, steel flanges, and steel caps; angles that do not exceed 8” x 8” x 0.75”; bridge kits; safety climbing cables; ladders; and steel templates.

The inclusion or attachment of one or more of the above-referenced steel poles in a structure containing fabricated structural steel (FSS) does not remove the FSS from the scope of the investigations. No language included in this exclusion should be read or understood to have applicability to any other aspect of this scope or to have applicability to or to exclude any product, part, or component other than those specifically identified in the exclusion.

9. Also excluded from the scope of these investigations are Shuttering, Formworks, Propping and Shoring and parts and accessories thereof that comply with ANSI/ASSE A10.9 –Safety Requirements for Concrete and Masonry Work and ACI-347 – Recommended Practice for Concrete Formwork. For Shoring and propping made from tube, the outside diameter of the tubing covered by this exclusion ranges from 48mm to 250mm. For Shuttering and Formworks, the panel sizes covered by this exclusion range from 25mm X 600mm to 3000mm X 3000mm.

The products subject to the investigations are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings: 7308.90.3000, 7308.90.6000, and 7308.90.9590.

The products subject to the investigations may also enter under the following HTSUS subheadings: 7216.91.0010, 7216.91.0090, 7216.99.0010, 7216.99.0090, 7222.40.6000, 7228.70.6000, 7301.10.0000, 7301.20.1000, 7301.20.5000, 7308.40.0000, 7308.90.9530, and 9406.90.0030.

The HTSUS subheadings above are provided for convenience and customs purposes only. The written description of the scope of the investigations is dispositive.

- In 2018, imports of FSS from Canada, China, and Mexico were valued at an estimated \$722.5 million, \$897.5 million, and \$622.4 million, respectively.
- The Preliminary Decision Memoranda are on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and to all parties in the Central Records Unit, Room B8024 of the main Department of Commerce building. Please refer to case number A-122-864 for Canada, A-570-102 for China, and A-201-850 for Mexico.

NEXT STEPS:

- Commerce is scheduled to announce its final determinations on or about January 24, 2020.
- If Commerce makes affirmative final determinations, and the U.S. International Trade Commission (ITC) makes affirmative final determinations that imports of certain fabricated structural steel from Canada, China, and/or Mexico materially injure, or threaten material injury to, the domestic industry, Commerce will issue AD orders. If either Commerce or the ITC issues negative final determinations, no AD orders will be issued. The ITC is scheduled to make its final injury determinations approximately 45 days after Commerce issues its final determinations, if affirmative.

PRELIMINARY DUMPING RATES:

| COUNTRY | EXPORTER/PRODUCER | DUMPING RATES |
|---------|--------------------------------------|------------------------------|
| Canada | Canatal Industries, Inc. | 0.00% |
| | Les Constructions Beauce-Atlas, Inc. | 0.69% <i>(de minimis)</i> |

| COUNTRY | EXPORTER/PRODUCER | DUMPING RATES | CASH DEPOSIT RATES** |
|---------|--|---------------|----------------------|
| China | Jinhuan Construction Group Co., Ltd. | 57.86% | 47.32% |
| | Modern Heavy Industries (Taicang) Co., Ltd. | 0.00% | 0.00% |
| | Wison (Nantong) Heavy Industry Co., Ltd. / Wison Offshore & Marine (Hong Kong) Limited | 52.09% | 41.55% |
| | Separate Rate Companies* | 55.76% | 45.22% |
| | China-Wide | 141.38% | 130.84% |

*See the *Federal Register* notice for a list of the companies receiving a separate rate.

**Rates are adjusted for export subsidies

| COUNTRY | EXPORTER/PRODUCER | DUMPING RATES | CASH DEPOSIT RATES** |
|---------|--|---------------|----------------------|
| Mexico | Building Systems de Mexico, S.A. de C.V. | 10.58% | Not Applicable |
| | Corey S.A. de C.V. / Industrias Recal S.A. de C.V. | 0.00% | Not Applicable |
| | Acero Tecnologia, S.A. de C.V.* | 30.58% | 16.96% |

| | | | |
|--|--|---------------|---------------|
| | Construcciones Industriales Tapia S.A. de C.V.* | 30.58% | 16.96% |
| | Estructuras Metalicas la Popular S.A. de C.V./MSCI* | 30.58% | 16.96% |
| | Operadora CICSA, S.A. de C.V. Swecomex - Guadalajara* | 30.58% | 16.96% |
| | All Others | 10.58% | 0.00% |

*Non-responsive companies

**Rates are adjusted for export subsidies

CASE CALENDAR:

| EVENT | AD INVESTIGATIONS |
|---------------------------------------|--------------------------|
| Petitions Filed | February 4, 2019 |
| DOC Initiation Date | February 25, 2019 |
| ITC Preliminary Determinations | March 20, 2019 |
| DOC Preliminary Determinations | September 3, 2019 |
| DOC Final Determinations | January 23, 2020 |
| ITC Final Determinations** | March 9, 2020 |
| Issuance of Orders*** | March 16, 2020 |

NOTE: Commerce preliminary and final determination deadlines are governed by statute. For AD investigations, the deadlines are set forth in sections 733(b) and 735(a)(1) of the Tariff Act of 1930, as amended. These deadlines may be extended under certain circumstances.

**This will take place only in the event of affirmative final determinations from Commerce.

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IMPORT STATISTICS:

| Canada | 2016 | 2017 | 2018 |
|-------------------------------|-------------|-------------|-------------|
| Quantity (metric tons) | 206,625 | 213,941 | 234,553 |
| Value (USD) | 627,851,379 | 658,169,181 | 722,495,797 |

| China | 2016 | 2017 | 2018 |
|-------------------------------|-------------|-------------|-------------|
| Quantity (metric tons) | 432,563 | 446,039 | 421,383 |
| Value (USD) | 827,497,434 | 836,433,509 | 897,465,241 |

| Mexico | 2016 | 2017 | 2018 |
|-------------------------------|-------------|-------------|-------------|
| Quantity (metric tons) | 203,593 | 200,212 | 290,007 |
| Value (USD) | 401,291,103 | 406,417,533 | 622,388,317 |

Source: U.S. Census Bureau, accessed through Global Trade Atlas (Harmonized Tariff Schedule of the United States (HTSUS) 7308.90.3000, 7308.90.6000, and 7308.90.9590)