



FACT SHEET

Commerce Preliminarily Finds Dumping of Imports of Chlorinated Isocyanurates from Japan

- On April 15, 2014, the Department of Commerce (Commerce) announced its affirmative preliminary determination in the antidumping duty (AD) investigation of imports of chlorinated isocyanurates from Japan.
- The AD law provides U.S. businesses and workers with a transparent and internationally approved 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 a product in the United States at less than its fair value.
- Commerce preliminarily determined that chlorinated isocyanurates from Japan have been sold in the United States at dumping margins ranging from 54.79 percent to 109.56 percent.
- Mandatory respondents Nankai Chemical Co., Ltd. and Shikoku Chemicals Corporation received preliminary dumping margins of 109.56 percent and 54.79 percent, respectively. All other producers/exporters in Japan received a preliminary dumping margin of 63.71 percent.
- As a result of the preliminary affirmative determination, Commerce will instruct U.S. Customs and Border Protection to require cash deposits based on these preliminary rates.
- The petitioners for this investigation are Clearon Corporation (WV) and Occidental Chemical Corporation (TX).
- The merchandise covered by the scope of this investigation is chlorinated isocyanurates. Chlorinated isocyanurates are derivatives of cyanuric acid, described as chlorinated s-triazine triones. There are three primary chemical compositions of chlorinated isocyanurates: (1) trichloroisocyanuric acid (TCCA) ($\text{Cl}_3(\text{NCO})_3$), (2) sodium dichloroisocyanurate (dihydrate) ($\text{NaCl}_2(\text{NCO})_3 \times 2\text{H}_2\text{O}$), and (3) sodium dichloroisocyanurate (anhydrous) ($\text{NaCl}_2(\text{NCO})_3$). Chlorinated isocyanurates are available in powder, granular and solid (e.g., tablet or stick) forms. Chlorinated isocyanurates are currently classifiable under subheadings 2933.69.6015, 2933.69.6021, 2933.69.6050, 3808.50.4000, 3808.94.5000, and 3808.99.9500 of the Harmonized Tariff Schedule of the United States (HTSUS). The tariff classification 2933.69.6015 covers sodium dichloroisocyanurates (anhydrous and dihydrate forms) and trichloroisocyanuric acid. The tariff classifications 2933.69.6021 and 2933.69.6050 represent basket categories that include chlorinated isocyanurates and other compounds including an unfused triazine ring. The tariff classifications 3808.50.4000, 3808.94.5000 and 3808.99.9500 cover disinfectants that include chlorinated isocyanurates. The HTSUS subheadings are provided for convenience and customs purposes. The written description of the scope of this investigation is dispositive.
- In 2013, imports of chlorinated isocyanurates from Japan were valued at an estimated \$50.4 million.

NEXT STEPS

- Commerce is scheduled to announce its final determination on or about August 28, 2014. This deadline has been fully extended.
- If Commerce makes an affirmative final determination, and the U.S. International Trade Commission (ITC) makes an affirmative final determination that imports of chlorinated isocyanurates from Japan materially injure, or threaten material injury to, the domestic industry, Commerce will issue an AD order. If either Commerce's or the ITC's final determination is negative, an AD order will not be issued. The ITC is scheduled to make its final injury determination in October 2014.

PRELIMINARY DUMPING MARGINS:

COUNTRY	EXPORTER/PRODUCER	DUMPING MARGINS
Japan	Nankai Chemical Co., Ltd.	109.56%
	Shikoku Chemicals Corporation	54.79%
	All Others	63.71%

CASE CALENDAR:

EVENT	DATE
Petitions Filed	August 29, 2013
DOC Initiation Date	September 18, 2013
ITC Preliminary Determination	October 31, 2013
DOC Preliminary Determination [^]	April 14, 2014
DOC Final Determination	August 27, 2014
ITC Final Determination*	October 14, 2014 [†]
Issuance of Order**	October 21, 2014

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) of the Tariff Act of 1930, as amended. These deadlines may be extended under certain circumstances.

[^] As explained in the Memorandum for the Record from Paul Piquado, Assistant Secretary for Enforcement and Compliance, "Deadlines Affected by the Shutdown of the Federal Government" (October 18, 2013), Commerce exercised its discretion to toll deadlines for the duration of the closure of the Federal Government from October 1, through October 16, 2013. Therefore, the deadlines in this investigation have been extended by 16 days.

[†]Where the deadline falls on a weekend/holiday, the appropriate date is the next business day.

*This will take place only in the event of a final affirmative determination by Commerce.

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

IMPORT STATISTICS:

JAPAN	2011	2012	2013
Volume (metric tons)	20,600	21,300	20,900
Value (USD)	60,095,000	57,741,000	50,360,000

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS 2933.69.6015, 2933.69.6021, 2933.69.6050, 3808.94.5000, and 3808.99.9500). Some HTSUS subheadings are basket categories and may cover both subject and non-subject merchandise.