



FACT SHEET

Commerce Initiates Antidumping Duty (AD) and Countervailing Duty (CVD) Investigations of Multilayered Wood Flooring from the People's Republic of China

- On November 10, 2010, the Department of Commerce (Commerce) initiated AD and CVD investigations on imports of multilayered wood flooring from the People's Republic of China (China).
- For the purpose of AD investigations, dumping occurs when a foreign company sells a product in the United States at less than normal value. For the purpose of CVD investigations, subsidies are financial assistance from foreign governments that benefit the production, manufacture, or exportation of goods.
- The petitioner for these investigations is: The Coalition for American Hardwood Parity, an *ad hoc* association of U.S. manufacturers of multilayered wood flooring, with the following member companies: Anderson Hardwood Floors, LLC (SC), Award Hardwood Floors (WI), Baker's Creek Wood Floors, Inc. (MS), From the Forest (WI), Howell Hardwood Flooring (AL), Mannington Mills, Inc. (NJ), Nydree Flooring (VA), and Shaw Industries Group, Inc. (GA).
- The merchandise covered by these investigations is multilayered wood flooring, composed of an assembly of two or more layers or plies of wood veneers in combination with a core. The core may be composed of hardwood or softwood veneer, particleboard, medium-density fiberboard, high density fiberboard, stone and/or plastic composite, or strips of lumber placed edge-to-edge. Multilayered wood flooring is typically manufactured with a "tongue-and-groove" construction. These products are generally used as the floor in residential or commercial building, as well as in schools, showrooms, gymnasiums and other constructions.
- Imports of the subject merchandise are provided for under the following categories of the Harmonized Tariff Schedule of the United States (HTSUS): 4412.31.0520; 4412.31.0540; 4412.31.0560; 4412.31.2510; 4412.31.2520; 4412.31.4040; 4412.31.4050; 4412.31.4060; 4412.31.4070; 4412.31.5125; 4412.31.5135; 4412.31.5155; 4412.31.5165; 4412.31.3175; 4412.31.6000; 4412.31.9100; 4412.32.0520; 4412.32.0540; 4412.32.0560; 4412.32.2510; 4412.32.2520; 4412.32.3125; 4412.32.3135; 4412.32.3155; 4412.32.3165; 4412.32.3175; 4412.32.3185; 4412.32.5600; 4412.39.1000; 4412.39.3000; 4412.39.4011; 4412.39.4012; 4412.39.4019; 4412.39.4031; 4412.39.4032; 4412.39.4039; 4412.39.4051; 4412.39.4052; 4412.39.4059; 4412.39.4061; 4412.39.4062; 4412.39.4069; 4412.39.5010; 4412.39.5030; 4412.39.5050; 4412.94.1030; 4412.94.1050; 4412.94.3105; 4412.94.3111; 4412.94.3121; 4412.94.3131; 4412.94.3141; 4412.94.3160; 4412.94.3171; 4412.94.4100; 4412.94.5100; 4412.94.6000; 4412.94.7000; 4412.94.8000; 4412.94.9000; 4412.94.9500; 4412.99.0600; 4412.99.1020; 4412.99.1030; 4412.99.1040; 4412.99.3110; 4412.99.3120; 4412.99.3130; 4412.99.3140; 4412.99.3150; 4412.99.3160; 4412.99.3170; 4412.99.4100; 4412.99.5100; 4412.99.5710; 4412.99.6000; 4412.99.7000; 4412.99.8000; 4412.99.9000; 4412.99.9500; 4418.71.2000; 4418.71.9000; 4418.72.2000; and 4418.72.9500. In addition, imports of subject merchandise may enter the U.S. under the following HTSUS subheadings: 4409.10.0500;

4409.10.2000; 4409.29.0515; 4409.29.0525; 4409.29.0535; 4409.29.0545; 4409.29.0555; 4409.29.0565; 4409.29.2530; 4409.29.2550; 4409.29.2560; 4418.71.1000; 4418.79.0000; and 4418.90.4605. While HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope in these proceedings is dispositive.

- From 2007 to 2009, imports of multilayered wood flooring from China increased 76 percent by quantity. In 2009 imports of multilayered wood flooring were valued at an estimated \$119.7 million.

NEXT STEPS

- The U.S. International Trade Commission (ITC) is scheduled to make its preliminary injury determination on or about December 6, 2010.
- If the ITC determines that there is a reasonable indication that imports from China are materially injuring, or threatening material injury to, the domestic industry, the investigations will continue, and Commerce will be scheduled to make its CVD preliminary determination in January 2011 and its AD preliminary determination in March 2011.

Alleged Dumping Margins:

| COUNTRY | MARGIN |
|---------|-------------------------|
| CHINA | 194.49 – 280.60 percent |

Estimated Subsidy Rate:

| COUNTRY | SUBSIDY RATE |
|---------|-------------------------|
| CHINA | Above <i>de minimis</i> |

* *de minimis* = less than 1% for developed countries, less than 2% for developing countries.

CASE CALENDAR:

| EVENT | AD INVESTIGATION | CVD INVESTIGATION |
|----------------------------------|-------------------|-------------------|
| Petitions Filed | October 21, 2010 | October 21, 2010 |
| DOC Initiation Date | November 10, 2010 | November 10, 2010 |
| ITC Preliminary Determination* | December 6, 2010 | December 6, 2010 |
| DOC Preliminary Determinations** | March 30, 2011 | January 14, 2011 |
| DOC Final Determinations** | June 13, 2011 | March 30, 2011 |
| ITC Final Determination*** | July 28, 2011 | May 16, 2011 |
| Issuance of Orders**** | August 4, 2011 | May 23, 2011 |

* If the ITC makes a negative preliminary determination of injury, the investigations are terminated.

**These deadlines may be extended under the governing statute.

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

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

IMPORT STATISTICS:

| CHINA | 2007 | 2008 | 2009 |
|------------------------|------------|-------------|-------------|
| Quantity (square feet) | 40,398,000 | 89,032,000 | 71,182,000 |
| Value (US\$) | 73,000,000 | 148,000,000 | 119,700,000 |

Source: *Wood Flooring*, Catalina Report CR064 (December 2009, published by Catalina Research, Inc., Boca Raton, FL), at 64. See Volume I of the Petitions, at 16-23 and Exhibit I-9. U.S. Bureau of Census data was not used to gather this trade data due to changes to the HTS categories in 2009 that make the data less reliable for historical trend purposes. The value includes cost, insurance, and freight.