
Hughes Hubbard & Reed

New Antidumping and Countervailing Duty Petitions on Ceramic Tile Products from China

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April 11, 2019 – On April 10, 2019, the Coalition for Fair Trade in Ceramic Tile filed a petition with the U.S. Department of Commerce (“DOC”) and the U.S. International Trade Commission (“ITC”) to impose antidumping (“AD”) and countervailing (“CVD”) duties on imports of ceramic tile from the People’s Republic of China. The coalition includes American Wonder Porcelain, Crossville, Inc., Dal-Tile Corporation, Del Conca USA, Inc., Florida Tile, Inc., Florim USA, Landmark Ceramics, and StonePeak Ceramics.

Under U.S. law, a domestic industry can petition the government to initiate an AD investigation into the pricing of an imported product to determine whether it is sold in the United States at less than fair value (i.e., “dumped”). A domestic industry can also petition for the initiation of a CVD investigation of alleged subsidization of foreign producers by a foreign government. Additional duties can be imposed if DOC determines that imported goods are “dumped” and/or subsidized and if the ITC also determines that the domestic industry is materially injured or threatened with such injury by reason of subject imports.

If the ITC and DOC make preliminary affirmative determinations, U.S. importers will be required to post cash deposits in the amount of the AD and/or CVD duties for all entries on or after the date DOC’s preliminary determination is published in the Federal Register. The preliminary AD/CVD rates can change in the final DOC determination, especially if foreign producers and their governments participate fully in the investigations.

Scope

The products covered by these investigations include ceramic tile, regardless of the percent water absorption, including porcelain tile (0.5% or less water absorption), vitreous tile (over 0.5% to 3% water absorption), semi-vitreous tile (over 3% to 7% water absorption), and non-vitreous tile (over 7% water absorption). Subject merchandise includes glazed and unglazed ceramic flooring and wall tile, countertop tile, paving tile, hearth tile,

porcelain tile, mosaic cubes, finishing tile, and the like, whether or not the tile is on a backing. A more detailed description of the scope is provided in [Attachment 1](#).

Foreign Producers and Exporters of Subject Merchandise

[Attachment 2](#) provides a list of foreign producers of the subject merchandise, as identified by the petitioner.

U.S. Importers of Subject Merchandise

[Attachment 3](#) provides a list of U.S. importers of the subject merchandise as identified by the petitioner.

Alleged Margins of Dumping/Subsidization

Petitioner alleges dumping margins of 178.22% to 428.58%.

DOC generally assigns duties at these alleged dumping rates to exporters that fail to cooperate with the investigation.

No specific subsidy rates are included in the petition.

Potential Trade Impact

According to official U.S. import statistics, \$626 million (697 million ft²) of ceramic tile was imported from China in 2018.

Estimated Schedule of Investigations

4/10/2019 – Petition filed

5/28/2019 – ITC preliminary injury determination

6/14/2019 – DOC preliminary CVD determination, if not postponed

8/18/2019 – DOC preliminary CVD determination, if fully postponed

8/28/2019 – DOC preliminary AD determination, if not postponed

10/17/2019 – DOC preliminary AD determination, if fully postponed

3/7/2020 – DOC final AD and CVD determinations, if both preliminary and final determinations are fully postponed

5/5/2020 – ITC final injury determination, if DOC's determinations are fully postponed

5/12/2020 – AD/CVD orders published

If you have any questions about the petitions, please contact the experienced attorneys in HHR's international trade group.

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