
Hughes Hubbard & Reed

U.S. Companies File New Antidumping and Countervailing Duty Petitions on Imports of Certain Glass Containers from China

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September 26, 2019 – On September 25, 2019, the American Glass Packaging Coalition, comprised of Anchor Glass Container Corporation in Tampa, Florida and Ardagh Glass Inc. in Chicago, Illinois filed antidumping (“AD”) and countervailing (“CVD”) petitions with the U.S. Department of Commerce (“DOC”) and the U.S. International Trade Commission (“ITC”) against certain glass containers from China.

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:

Certain glass containers with a nominal capacity of 0.059 liters (2.0 fluid ounces) to 4.0 liters (135.256 fluid ounces) and an opening or mouth with a nominal outer diameter of 14 millimeters to 120 millimeters. The scope includes glass jars, bottles, flasks and similar containers; with or without their closures; whether clear or colored; and with or without design or functional enhancements (including, but not limited to, handles, embossing, labeling, or etching).

The following products are excluded from the investigation:

1. Glass containers made of borosilicate glass, meeting United States Pharmacopeia requirements for Type 1 pharmaceutical containers;
2. Glass containers produced by 'free blown' method or otherwise without the use of a mold (i.e., without 'mold seams', 'joint marks', or 'parting lines '); and
3. Glass containers without a 'finish' (i.e., the section of a container at the opening including the lip and ring or collar, threaded or otherwise compatible with a type of closure , including but not limited to a lid, cap, or cork). Glass containers subject to this investigation are specified within the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 7010.90.5009, 7010.90.5019, 7010.90.5029, 7010.90.5039, 7010.90.5049, 7010.90.5055, 7010.90.5005, 7010.90.5015, 7010.90.5025, 7010.90.5035, and 7010.90.5045.

Foreign Producers and Exporters of Subject Merchandise

Attachment 1 provides a list of foreign producers of the subject merchandise that were identified by the Petitioner.

U.S. Importers of Subject Merchandise

Attachment 2 provides a list of U.S. importers of the subject merchandise that were identified by the Petitioner.

Alleged Margins of Dumping/Subsidization

Petitioner alleges dumping margins of 264.13% to 499.40%.

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

No specific subsidy margins are included in the petition, as is typical.

Potential Trade Impact

According to the petitions, subject imports from China totaled over \$450 million in 2018 (14,232 gross in quantity) and over \$215 million (or 6,100 gross in quantity) from January to June 2019.

Estimated Schedule of Investigations

9/25/2019 – Petition filed

11/9/2019 – ITC preliminary injury determination

11/29/2019 – DOC preliminary CVD determination, if not postponed

2/2/2020 – DOC preliminary CVD determination, if fully postponed

2/12/2020 – DOC preliminary AD determination, if not postponed

4/2/2020 – DOC preliminary AD determination, if fully postponed

8/22/2020 – DOC final AD and CVD determinations, if both preliminary and final determinations are fully postponed

10/13/2020 – ITC final injury determination, if DOC's determinations are fully postponed

10/27/2020 – 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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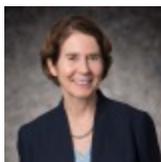
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