

New Antidumping and Countervailing Duty Petitions on Certain Walk-Behind Lawn Mowers and Parts Thereof From China and Vietnam

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MTD Products, Inc. (petitioner), on May 26, 2020, filed antidumping (AD) and countervailing duty (CVD) petitions on imports of certain walk-behind lawn mowers and parts thereof from China and an AD petition on imports of certain walk-behind lawn mowers and parts thereof from Vietnam. The petitioner identifies four other U.S. producers that are not petitioners. Additionally, the petitioner identified 60 U.S. importers and 46 Chinese and Vietnamese producers of certain walk-behind lawn mowers and parts thereof.

The U.S. AD law imposes special tariffs to counteract imports that are sold in the United States at less than “normal value.” The U.S. CVD law imposes special tariffs to counteract imports that are sold in the United States with the benefit of foreign government subsidies. For AD/CVD duties to be imposed, the U.S. government must determine not only that dumping and/or subsidies are occurring, but also that there is “material injury” (or threat thereof) by reason of the dumped and/or subsidized imports. Importers are liable for any potential AD/CVD duties imposed. In addition, these investigations could impact purchasers by increasing prices and/or decreasing supply of certain walk-behind lawn mowers and parts thereof.

Scope

Per the petition:

“The merchandise covered by this investigation consists of certain walk-behind lawn mowers powered by an internal combustion engine which are rotary-powered grass cutting machines. The scope of the investigation covers certain walk-behind lawn mowers, whether self-propelled or non-self-propelled, whether finished or unfinished, whether assembled or unassembled, whether containing any additional features that provide for functions in addition to mowing.

Walk-behind lawn mowers within the scope of this investigation are only those powered by an internal combustion engine with a power rating of less than 3.7 kilowatts (kw). These internal combustion

engines are typically spark ignition, single or multiple cylinder, air cooled, internal combustion engines with vertical power take off shafts with a maximum displacement of 196cc. Walk-behind lawn mowers covered by this scope typically must be certified and comply with the Consumer Products Safety Commission (CPSC) Safety Standard For Walk-Behind Power Lawn Mowers under the 16 CFR Part 1205. However, lawn mowers that meet the physical descriptions above, but are not certified under 16 CFR Part 1205 remain subject to the scope of this proceeding.

The internal combustion engines of the lawn mowers covered by this scope typically must comply with and be certified under Environmental Protection Agency (EPA) air pollution controls title 40, chapter I, subchapter U, part 1054 of the Code of Federal Regulations standards for small non-road spark-ignition engines and equipment. However, lawn mowers that meet the physical descriptions above but that do not have engines certified under 40 CFR Part 1054 or other parts of subchapter U remain subject to the scope of this proceeding.

For purposes of this investigation, an unfinished and/or unassembled lawn mower means at a minimum, a sub-assembly comprised of the following components: an engine and a cutting deck shell. A cutting deck shell is the portion of the lawn mower — typically of aluminum or steel — that houses and protects a user from a rotating blade. Importation of these components together, whether assembled or unassembled, and whether or not accompanied by additional components such as a handle, blade(s), grass catching bag, or wheel(s) constitute an unfinished lawn mower for purposes of this investigation. The inclusion of any other components not identified as comprising the unfinished lawn mower subassembly in a third-country does not remove the engine from the scope. A lawn mower is within the scope of this investigation regardless of the origin of its engine.

Specifically excluded from the scope of this investigation are electric-powered walk-behind lawn mowers which are lawn mowers primarily powered by an electric motor. Electric-powered walk-behind lawn mowers are typically classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheading: 8433.11.0010. The lawn mowers subject to this investigation are typically at subheading: 8433.11.0050. Lawn mowers subject to this investigation may also enter under HTSUS 8433.90.10.10, 8433.90.10.90 and 8407.90.1010. The HTSUS subheadings are provided for convenience and customs purposes only, and the written description of the merchandise under investigation is dispositive.”

Estimated Dumping Margins

The petitioner has alleged the following dumping margins:

- China: 245.47% to 313.58%
- Vietnam: 285.10% to 416.00%

Estimated Schedule of Investigations

- May 26, 2020 – Petition is filed
- June 15, 2020 – The U.S. Department of Commerce (DOC) initiates investigation
- June 16, 2020 – U.S. International Trade Commission (ITC) staff conference

- July 10, 2020 – Deadline for ITC preliminary injury determinations
- August 19, 2020 – Deadline for DOC preliminary CVD determination, if not postponed
- October 23, 2020 – Deadline for DOC preliminary CVD determination, if fully postponed
- November 2, 2020 – Deadline for DOC preliminary AD determination, if not postponed
- December 22, 2020 – Deadline for DOC preliminary AD determination, if fully postponed
- May 6, 2021 – Deadline for DOC final AD and CVD determinations, if both preliminary and final determinations are fully postponed
- June 21, 2021 – Deadline for ITC final injury determinations, assuming fully postponed DOC deadlines

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