

New Antidumping and Countervailing Duty Petitions on Steel Wheels and Parts from China

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On August 8, 2018, Dexter Wheel Division of Americana Development, Inc., (“petitioner”), filed antidumping (AD) and countervailing duty (CVD) petitions on imports of certain steel wheels 12 to 16.5 inches in diameter (and parts thereof) from China. The domestic industry consists of two domestic producers of these wheels and parts – the petitioner and American Wheel Corporation.

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 the supply of certain steel wheels and parts.

Scope

The scope of this investigation is certain on-the-road steel wheels, and components

thereof, for tubeless tires with a nominal wheel diameter of 12 inches to 16.5 inches, regardless of width. Certain on-the-road steel wheels with a wheel diameter of 12 inches to 16.5 inches within the scope are generally for road and highway trailers and other towable equipment, including, *inter alia*, utility trailers, cargo trailers, horse trailers, boat trailers and recreational trailers. Rims may be entered separately and sold to towable mobile home customers where the rim will be mounted to the wheel hub without a disc. The standard widths of certain on-the-road steel wheels are 4 inches, 4.5 inches, 5 inches, 5.5 inches, 6 inches, and 6.5 inches, but all certain on-the-road steel wheels, regardless of width, are covered by the scope.

The scope includes rims and discs for certain on-the-road steel wheels, whether imported as an assembly, unassembled, or separately. The scope includes certain on-the-road steel wheels regardless of steel composition, whether cladded or not cladded, whether finished or not finished, and whether coated or uncoated. The scope also includes certain on-the-road steel wheels with discs in either a “hub-piloted” or “stud-piloted” mounting configuration, though the stud-piloted configuration is most common in the size range covered.

All on-the-road wheels sold in the United States must meet Standard 110 or 120 of the National Highway Traffic Safety Administration’s (NHTSA) Federal Motor Vehicle Safety Standards, which requires a rim marking, such as the “DOT” symbol, indicating compliance with applicable motor vehicle standards. See 49 C.F.R. § 571.110 and § 571.120. The scope includes certain on-the-road steel wheels imported with or without NHTSA’s required markings.

Certain on-the-road steel wheels imported as an assembly with a tire mounted on the wheel and/or with a valve stem or rims imported as an assembly with a tire mounted on the rim and/or with a valve stem are included in the scope of this investigation. However, if the steel wheels or rims are imported as an assembly with a tire mounted on the wheel or rim and/or with a valve stem attached, the tire and/or valve stem is not covered by the scope.

Excluded from this scope are the following: Steel wheels for tube-type tires; such tires use multi piece rims, which are two-piece and three-piece assemblies and require the use of an inner tube. Also excluded from this scope are aluminum wheels and certain on-the-road steel wheels that are coated with chrome. Steel wheels that do not meet Standard 110 or 120 of the NHTSA’s requirements are excluded from the scope.

Certain on-the-road steel wheels subject to this investigation are properly classifiable under the following category of the Harmonized Tariff Schedule of the United States (HTSUS): 8716.90.5035 which covers the exact product covered by the scope whether entered as an assembled wheel or in components. Wheels entered with a tire mounted on them are believed entered under HTSUS 8716.90.50.59 (Trailers and semi-trailers; other vehicles, not mechanically propelled, parts, wheels, other, wheels with other tires) (a category that will be broader than what is covered by the scope). While the HTSUS subheading is provided for convenience and customs purposes, the written description of the subject merchandise is dispositive.

Alleged Dumping Margins

The petitioners allege a 95.46 percent dumping margin of the U.S. imports by value during the period of June 2017 through June 2018.

Estimated Schedule of Investigations

- August 8, 2018 - Petition is filed
- August 28, 2018 - DOC initiates investigation
- August 29, 2018 - ITC staff conference
- September 24, 2018 - Deadline for ITC preliminary injury determinations
- November 1, 2018 - Deadline for DOC preliminary CVD determination, if not postponed
- January 7, 2019 - Deadline for DOC preliminary CVD determination, if fully postponed
- January 15, 2019 - Deadline for DOC preliminary AD determination, if not postponed
- March 6, 2019 - Deadline for DOC preliminary AD determination, if fully postponed
- July 19, 2019 - Deadline for DOC final AD and CVD determinations, if both preliminary and final AD determination deadlines are fully postponed
- September 3, 2019 - Deadline for ITC final injury determinations, assuming fully postponed DOC deadlines

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