

## **FOR IMMEDIATE RELEASE**

### **ITC VOTES TO IMPOSE ANTIDUMPING AND COUNTERVAILING DUTY ORDERS ON ALUMINUM EXTRUSIONS FROM CHINA**

**Washington, DC (April 28, 2011)** -- This release is issued by King & Spalding: On April 28, 2011, the U.S. International Trade Commission, by a vote of 6-0, reached an affirmative determination that dumped and subsidized imports of aluminum extrusions from China are a cause of material injury to the domestic aluminum extrusion industry. This affirmative determination clears the way for the imposition of antidumping duty and countervailing duty orders on or about May 20, 2011. The orders will remain in effect for at least five years, until May 2016.

The ITC also determined, by a vote of 4-2, that there is a separate industry producing “finished heat sinks,” and that this industry is not materially injured or threatened with material injury by reason of imports from China. Thus, the orders will exclude “finished heat sinks,” although it is unclear at this time how the excluded product will be defined.

The petition in this case was filed on March 31, 2010 by the Aluminum Extrusions Fair Trade Committee, a coalition of U.S. producers of aluminum extrusions accounting for a substantial majority of U.S. production, and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (“United Steelworkers”), which represents approximately 2,000 workers at aluminum extrusion plants across the country.

Dumped and subsidized imports from China surged into the United States in 2009, increasing their market share from 8 to almost 20 percent during a time of declining demand. Imports were able to capture market share only by underselling U.S. producers by substantial margins. As a result, the industry suffered declines in production, shipments, employment, and profitability that did not begin to improve until after the petition was filed and preliminary duties were imposed in September 2010. Today’s decision means that the preliminary relief will be made final and will be in place for at least five years.

The chairman of the Committee, Duncan Crowdis, the President of Bonnell Aluminum, Newnan, Georgia, stated: “We are extremely pleased that the ITC agreed with our position and that orders will be imposed to level the playing field for U.S. producers and their employees. Unfair trade has hurt our industry, but the orders will enable domestic producers to recover lost business and compete under fair conditions going forward. While we are disappointed by the

negative determination with respect to finished heat sinks, overall this is a very strong outcome for the industry.”

Stephen A. Jones, of King & Spalding, lead counsel to the Committee, stated: “This is an important decision for U.S. aluminum extrusion producers, which saw unfair imports from China decimate their markets during the past several years. The industry has ample capacity to meet the needs of U.S. purchasers and a motivated workforce that is second to none in the world. Fair trade resulting from these orders will ensure that domestic producers and their employees are able to survive, grow, and prosper.”

Imports of aluminum extrusions from China will be subject to the following duties, as determined by the Department of Commerce in decisions published in the *Federal Register* on April 4, 2011:

**Antidumping Duties**

<u>Producer/Exporter</u>	<u>Dumping Margin</u>
Guang Ya Group, New Zhongya, Xinya	33.28%
Separate Rate Companies	32.79%
All Others	33.28%

**Countervailing Duties**

<u>Producer/Exporter</u>	<u>Subsidy Rate</u>
Guang Ya Companies	9.94%
Zhongya Companies	8.02%
All Others	374.15%

Thus, as of the date of publication of the orders in the *Federal Register*, U.S. importers of aluminum extrusions from China will be required to pay combined antidumping and countervailing duty cash deposits of 41.30% up to 407.43% of the value of the imports at the time of entry after the antidumping and countervailing duty orders are imposed.

Regarding the imposition of cash deposits on imports of aluminum extrusions from China, Jones added: “Given the magnitude of the relief that will now be imposed, we understand that there are likely to be attempts to illegally circumvent the orders. Thus, while the Committee is very pleased with this result, we understand the continuing need for vigilance, and we intend to work closely with trade enforcement authorities to report suspected illegal activity and to ensure that this hard-won relief is not nullified or diminished by illegal circumvention.”

**For Further Information, Contact:**

Stephen A. Jones, Esq.  
King & Spalding  
(202) 626-2950