

# Commerce Department Issues Preliminary Antidumping Determinations on Wood Mouldings and Millwork Products from China and Brazil

## DUMPING DUTIES OF 40% TO 360% IMPOSED ON CHINESE IMPORTS

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Washington, DC – Today, the U.S. Department of Commerce preliminarily found that Chinese producers have sold wood mouldings and millwork products into the United States at less than fair value, in violation of international trade rules. As a result, Commerce has imposed preliminary antidumping duties on Chinese imports at rates ranging from 40.30 percent to 359.16 percent, with most Chinese companies facing an antidumping rate of 79.40 percent. Commerce issued a negative preliminary finding in the companion antidumping duty investigation on wood mouldings and millwork products from Brazil. The Coalition of American Millwork Producers, which filed these trade cases, commends the Commerce Department for its hard work on these investigations thus far and urges the agency to reconsider its preliminary determination on injurious Brazilian imports.

Today's determination establishes the preliminary duty margins for China in the antidumping duty portion of the investigation. Following the publication of the determination in the Federal Register, Commerce will instruct U.S. Customs and Border Protection to begin suspending liquidation and collect preliminary antidumping duties (in the form of cash deposits) on entries of wood mouldings and millwork products from China. These duties will be added to the preliminary subsidy duties already in place on Chinese imports, which currently range from 13.61 percent to 245.34 percent.

"Today's preliminary finding of unfair and illegal dumping by Chinese producers is another key step in remedying the harm caused by these imports of wood mouldings and millwork products," said Tim Brightbill, partner in Wiley's International Trade Practice, and trade counsel to the Coalition. "However, the result in the Brazil investigation is unexpected and disappointing, and is not reflective of realities in the marketplace. U.S. wood mouldings and millwork products producers urge the Commerce Department to look further at the unfair trading behavior of imports from Brazil – the largest source of imports into the United States during the relevant

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## Practice Areas

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period. The industry looks forward to comprehensive relief when final determinations on Brazil and China are announced in the coming months.”

The decisions announced today are preliminary rulings only. For China, duty rates may increase in the final determination and, for Brazil, Commerce may make an affirmative final determination. The final determinations are currently expected in October 2020 but may be extended. As a reminder, duties are assessed on the importer of record of the merchandise. Duty evasion, absorption, and circumvention are illegal and closely monitored by U.S. Customs and Border Protection, in conjunction with the Commerce Department.

The antidumping and countervailing duty cases were filed on behalf of the Coalition of American Millwork Producers (CAMP), an alliance of large and small wood moulding and millwork producers from across the United States. CAMP is committed to addressing the unfair trade practices of China and Brazil, including dumping and subsidizing of wood mouldings and millwork products sold into the United States.