

Diamond Sawblades Manufacturers' Coalition Applauds CBP's Measures to Address Evasion of Duties on Chinese Imports

June 28, 2017

Washington, DC—The U.S. Customs and Border Protection (CBP) announced yesterday interim measures against Diamond Tools Technology (DTT) of Indianapolis, IN, under the Enforce and Protect Act (EAPA). CBP, which is part of the U.S. Department of Homeland Security (DHS), has been investigating whether DTT evaded the antidumping duty (AD) order on diamond sawblades from the People's Republic of China.

On March 22, 2017, CBP initiated the investigation under EAPA as the result of an evasion allegation by the Diamond Sawblades Manufacturers' Coalition (DSMC), an ad hoc coalition of U.S. manufacturers. According to CBP, and following its preliminary investigation, which included a site visit, there is a "reasonable suspicion" that DTT imported into the United States merchandise subject to the AD order on diamond sawblades from China through evasion. As a result, CBP has determined that interim measures are warranted.

Accordingly, merchandise from Thailand entered as not subject to the AD order will now be rate-adjusted to reflect that they are, indeed, subject to the order on diamond sawblades from China, and that cash deposits are owed on these entries. In addition, all entry documents and duties will now be required *before* the merchandise will be released by CBP (i.e., "live entry"). Other measures include, but are not limited to, suspending liquidation of any merchandise that entered on or after March 22, 2017, and for any entries that have been liquidated, CBP will, to the extent possible, reliquidate those entries at the adjusted rate.

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Practice Areas

Antidumping and Countervailing Duties/
Trade Remedy Cases
Customs Law and Compliance
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"This is a substantial development for the U.S. diamond sawblades industry. It is all the more significant because the EAPA law has been used successfully only once before," said Daniel B. Pickard, a partner in Wiley Rein LLP's International Trade Practice and counsel to the DSMC. Mr. Pickard also indicated that the domestic producers would continue their efforts to ensure that the antidumping order is fully enforced.

The Wiley Rein team representing the DSMC in this case also includes International Trade partner Maureen E. Thorson and associate Stephanie M. Bell.

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