

Commerce Department Rules That Chinese and Vietnamese Producers Shipped Dumped and Subsidized Wind Towers to U.S.

December 18, 2012

The U.S. Department of Commerce today issued its final results in the antidumping (AD) and countervailing duty (CVD) investigation of Chinese producers of utility scale wind towers and its final results in the antidumping investigation of Vietnamese producers of utility scale wind towers. In its final results, Commerce found that Chinese producers dumped towers in the United States at rates of between 44.99% to 70.63% and these same producers received countervailable subsidies from the government of China at rates of between 21.86% and 34.81%. Commerce also found that Vietnamese producers dumped wind towers in the United States at rates of between 51.50% to 58.49%.

The case was brought on December 29, 2011, by the Wind Tower Trade Coalition (WTTTC), a coalition of U.S. producers of utility scale wind towers. The case covers utility scale wind towers with a minimum height of 50 meters that are designed to support turbines with generating capacities in excess of 100 kilowatts. The case alleges that unfairly dumped and subsidized wind towers from China and Vietnam are materially injuring the U.S. wind tower industry.

“These final results are an important step in remedying the material injury already suffered by the U.S. industry and will force the Chinese and Vietnamese producers to compete fairly,” said Alan H. Price, partner in Wiley Rein’s International Trade Practice and lead counsel to the WTTTC.

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Practice Areas

International Trade
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Today's determination by Commerce establishes the final AD and CVD margins in the investigations. Following the publication of Commerce's final determination in the *Federal Register*, and an affirmative material injury determination by the U.S. International Trade Commission, Commerce will instruct U.S. Customs and Border Protection (CBP) to begin collecting cash deposits on entries of utility scale wind towers at the AD and CVD rates determined.

"Over the last two years, in a period of peak demand, the U.S. industry should have been profitable," Mr. Price said. "Instead, due to the surge in dumped and subsidized imports, the industry lost market share and saw its profits collapse."

"While competing against dumped and subsidized towers has been difficult for the U.S. industry, these difficulties are compounded by the fact that some of the major Chinese producers are controlled directly by the Central Government," Mr. Price added.