



FACT SHEET

Commerce Preliminarily Finds Unfair Dumping of Lightweight Thermal Paper from the People's Republic of China and Germany

- On May 7, the Department of Commerce announced its affirmative preliminary determinations in the antidumping duty investigations of imports of lightweight thermal paper (LWTP), commonly used for printed receipts, from the People's Republic of China and Germany. Dumping occurs when a foreign company sells a product in the United States at less than fair value.
- Commerce preliminarily determined that producers/exporters from China and Germany have sold LWTP in the United States at 2.30 and 132.95 percent, and 6.49 percent less than fair value, respectively.
- As a result of these preliminary determinations, Commerce will instruct U.S. Customs and Border Protection to collect a cash deposit or bond based on these preliminary rates. The cash deposit rate for Guangdong Guanhao Hi-Tech Co., Ltd., will be adjusted for an export subsidy found in the preliminary determination in the companion countervailing duty China investigation.
- The petitioner for these investigations is Appleton Papers, Inc. (WI).
- The merchandise covered by these investigations is a paper coated with chemicals that will react to form images when exposed to heat. LWTP is typically, but not exclusively, used for point-of-sale applications, such as printing receipts and coupons.
- LWTP is currently classifiable under the Harmonized Tariff Schedule of the United States (HTSUS) subheadings 4811.90.8040, 4811.90.9090, 3703.10.60, 4811.59.20, 4820.10.20, and 4823.40.00. These HTSUS item numbers are basket categories, covering not only LWTP, but also other types of thermal paper and non-thermal paper. While HTSUS subheadings are provided for convenience and customs purposes, Commerce's written description of the scope of these investigations is final and conclusive.
- In 2007, imports of LTWP from China were valued at an estimated \$56.7 million; imports from Germany were valued at an estimated \$147.3 million.

NEXT STEPS

- Commerce is scheduled to issue its final determinations in these investigations in September 2008.
- If Commerce makes affirmative final determinations, and the U.S. International Trade Commission (ITC) makes affirmative final determinations that imports from China and/or Germany materially injure, or threaten material injury to, the domestic industry, Commerce will issue antidumping orders.

Preliminary Dumping Margins:

| COUNTRY | EXPORTER | PRODUCER | MARGIN |
|---------|--|---------------------------------------|---------|
| CHINA | Shanghai Hanhong Paper Co., Ltd. | Shanghai Hanhong Paper Co., Ltd. | 132.95% |
| | Guangdong Guanhao High-Tech Co., Ltd. | Guangdong Guanhao High-Tech Co., Ltd. | 2.30% |
| | China-Wide Entity | | 132.95% |
| GERMANY | Papierfabrik August Koehler AG and Koehler America, Inc. | | 6.49% |
| | All Others | | 6.49% |

Case Calendar:

| EVENT | DATE |
|--------------------------------|--------------------|
| Petitions Filed | September 19, 2007 |
| DOC Initiation Date | October 29, 2007 |
| ITC Preliminary Determination | November 27, 2007 |
| DOC Preliminary Determinations | May 6, 2008 |
| DOC Final Determinations | September 25, 2008 |
| ITC Final Determination* | November 10, 2008 |
| Issuance of Orders** | November 17, 2008 |

* This will take place only in the event of a final affirmative determination by Commerce.

** This will take place only in the event of final affirmative determinations by both Commerce and the ITC.

Import Statistics:

| CHINA | 2005 | 2006 | 2007 |
|----------------|-------------|-------------|-------------|
| Volume (kg) | 81,578,543 | 35,369,028 | 23,684,293 |
| Value (\$US) | 90,599,287 | 65,077,520 | 56,723,437 |
| GERMANY | | | |
| | 2005 | 2006 | 2007 |
| Volume (kg) | 75,964,105 | 79,225,873 | 76,513,513 |
| Value (\$US) | 143,833,288 | 148,630,069 | 147,309,450 |

Source: ITC DataWeb. The following HTSUS subheadings were used: 4811.90.80.00, 4811.90.90.90, 4811.90.80.40, 4811.90.90.00, 4811.59.20, and 4823.40.00. Note: The HTSUS subheading 4811.90.80.40 did not exist until January 2007. Before January 2007, the appropriate HTSUS subheading was 4811.90.80.00. Also, subheading 4811.90.90.90 did not exist until July 2005. Before July 2005, the appropriate subheading was 4811.90.90.00. HTSUS 4820.10.20.00 and 3703.10.60.00 were not included because the volume was in units and could not be converted to kilograms. These HTSUS subheadings are basket categories, covering not only subject merchandise, but also other types of thermal paper and non-thermal paper.