



FACT SHEET

Commerce Preliminarily Finds Dumping of Imports of Diethyl Terephthalate from Korea

- On January 27, 2017, the Department of Commerce (Commerce) announced its affirmative preliminary determination in the antidumping duty (AD) investigation of imports of diethyl terephthalate (DOTP) from Korea.
- The AD law provides U.S. businesses and workers with a transparent, quasi-judicial, and internationally accepted mechanism to seek relief from the market-distorting effects caused by injurious dumping of imports into the United States, establishing an opportunity to compete on a level playing field.
- For the purpose of an AD investigation, dumping occurs when a foreign company sells a product in the United States at less than its fair value.
- Commerce preliminarily found that dumping has occurred by mandatory respondents Aekyung Petrochemical Co., Ltd. (AKP) and LG Chem Ltd. (LG Chem) at preliminary dumping margins of 3.96 percent and 5.75 percent, respectively. Commerce assigned the preliminary margin of 4.47 percent to all other producers/exporters of DOTP from Korea.
- As a result of the preliminary affirmative determination, Commerce will instruct U.S. Customs and Border Protection (CBP) to collect cash deposits based on these preliminary rates.
- The petitioner for this investigation is Eastman Chemical Company (TN).
- The merchandise covered by this investigation is diethyl terephthalate (DOTP), regardless of form. DOTP that has been blended with other products is included within this scope when such blends include constituent parts that have not been chemically reacted with each other to produce a different product. For such blends, only the DOTP component of the mixture is covered by the scope of this investigation.

DOTP that is otherwise subject to this investigation is not excluded when commingled with DOTP from sources not subject to this investigation. Commingled refers to the mixing of subject and non-subject DOTP. Only the subject component of such commingled products is covered by the scope of the investigation.

DOTP has the general chemical formulation $C_6H_4(C_8H_{17}COO)_2$ and a chemical name of “bis (2-ethylhexyl) terephthalate” and has a Chemical Abstract Service (CAS) registry number of 6422-86-2. Regardless of the label, all DOTP is covered by this investigation.

Subject merchandise is currently classified under subheading 2917.39.2000 of the Harmonized Tariff Schedule of the United States (HTSUS). Subject merchandise may also enter under subheadings 2917.39.7000 or 3812.20.1000 of the HTSUS. While the CAS registry number and HTSUS

classification are provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.

- In 2015, imports of DOTP from Korea were valued at an estimated \$31.2 million.

NEXT STEPS

- Commerce is scheduled to announce its final determination on or about June 13, 2017.
- If Commerce makes an affirmative final determination, and the U.S. International Trade Commission (ITC) makes an affirmative final determination that imports of DOTP from Korea materially injure, or threaten material injury to, the domestic industry, Commerce will issue an AD order. If either Commerce's or the ITC's final determinations are negative, no AD order will be issued. The ITC is scheduled to make its final injury determination in July 2017.

PRELIMINARY DUMPING MARGINS:

COUNTRY	EXPORTER/PRODUCER	DUMPING RATES
Korea	Aekyung Petrochemical Co., Ltd. (AKP)	3.96%
	LG Chem Ltd. (LG Chem)	5.75%
	All Others	4.47%

CASE CALENDAR:

EVENT	AD INVESTIGATION
Petition Filed	June 30, 2016
DOC Initiation Date	July 20, 2016
ITC Preliminary Determination	August 15, 2016†
DOC Preliminary Determination	January 26, 2017
DOC Final Determination	June 12, 2017†
ITC Final Determination*	July 25, 2017
Issuance of Order**	August 01, 2017

NOTE: Commerce's preliminary and final determination deadlines are governed by statute. For AD investigations, the deadlines are set forth in sections 733(b) and 735(a) of the Tariff Act of 1930, as amended (the Act). These deadlines may be extended under certain circumstances.

†Where the deadline falls on a weekend or holiday, the appropriate date is the next business day.

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

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

IMPORT STATISTICS:

KOREA	2013	2014	2015
Volume (metric tons)	11,200	17,600	25,800
Value (USD)	19,949,000	29,087,000	31,219,000

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS 2917.39.2000). This HTSUS subheading is a basket category and may cover both subject and non-subject merchandise. Imports of DOTP may also enter under HTSUS 2917.39.7000 and 3812.20.1000. These HTSUS subheadings may cover a significant amount of non-subject merchandise and therefore have been excluded for purposes of reporting import statistics.