

U.S. Department of Commerce Makes Affirmative Final Determination That Chassis from China Are Dumped at Rates of 188.05%

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Washington, DC – U.S. intermodal container chassis producers have won another key victory in their efforts to obtain relief from unfairly dumped and subsidized imports of intermodal container chassis from China. On May 12, 2021, the U.S. Department of Commerce publicly released its final determination that Chinese intermodal container chassis producers were selling chassis in the United States at prices far less than fair value, and Chinese imports were assessed a dumping rate of 188.05%. When combined with the subsidy rate Commerce previously found, the total final duty rate will be 221.37%. These duties will enable U.S. producers to once again compete in a fairly traded market.

Commerce's antidumping investigation began following the filing of a petition on July 30, 2020, by the Coalition of American Chassis Manufacturers, a coalition of five leading U.S. manufacturers of chassis. The petitions alleged that unfairly dumped and subsidized imports of Chinese chassis are injuring the domestic industry.

"The U.S. chassis industry was on the verge of elimination after years of unfairly traded imports, primarily from Chinese government-owned producer CIMC," said Robert E. DeFrancesco, counsel to the Coalition and a partner in the International Trade Practice at Wiley. "If that were allowed to happen, the United States would have become completely dependent on a Chinese state-owned monopolist to supply all of its chassis needs, much as it is now for its shipping containers."

Related Professionals

Robert E. DeFrancesco, III
Partner
202.719.7473
rdefrancesco@wiley.law
Laura El-Sabaawi
Partner
202.719.7042
lel-sabaawi@wiley.law

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“With the antidumping measures in place, U.S. producers who have suffered significant injury will be able to compete on a level playing field, ramp up unused capacity, hire new workers, and continue their overall recovery,” Mr. DeFrancesco added.

The domestic industry is already seeing the positive effects of the trade remedy measures. Prior to this case, U.S. producers across the country were forced to idle their facilities and lay off thousands of employees, devastating families and communities across the country. Since the filing of the case and the guarantee of meaningful trade relief, U.S. producers report rapidly ramping up production and employment. Based on information provided to the International Trade Commission, U.S. producers anticipate being able to more than triple production by the end of this year, with further increases in 2022. Increasing production and reliable orders at fair prices will allow the domestic industry to provide hundreds of new, well-paying jobs in communities across the country without the threat of unfairly traded Chinese imports forcing additional rounds of layoffs.

Once issued, the antidumping order will remain in effect for a minimum of five years, and there is an opportunity each year for duty rates to increase, retroactively, through the annual administrative review process. The Coalition will now turn its attention to monitoring for any signs of duty evasion, absorption, and circumvention by foreign producers and imports, all of which are strictly illegal.