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PRESS RELEASE

USITC Makes Affirmative Preliminary Determination in Case Against Unfairly Traded Imports of Low-Speed Personal Transportation Vehicles from China

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Washington, DC – In a victory for U.S. producers of golf cars, low speed vehicles, personal transportation vehicles, and lightweight utility vehicles (collectively, LSPTVs), the U.S. International Trade Commission (Commission) today found that there is a reasonable indication that imports from China are materially injuring the U.S. LSPTV industry.

The Commission's vote comes in response to petitions filed on June 20, 2024 by the American Personal Transportation Vehicle Manufacturers Coalition, a coalition of leading U.S. manufacturers of LSPTVs, namely Club Car, LLC and Textron Specialized Vehicles Inc., which manufactures E-Z-GO® and Cushman® vehicles. The cases allege that unfairly dumped and subsidized imports of Chinese LSPTVs are injuring the domestic industry and threaten the industry with further injury.

"U.S. producers of LSPTVs and their employees are suffering as a result of dumped and subsidized imports from China," said Robert E. DeFrancesco, lead counsel to the Coalition and a partner in the International Trade Practice at Wiley Rein LLP. "Today's vote by the Commission takes the domestic industry one step closer to restoring a level playing field in the U.S. industry and their workers."

"Fair competition is essential for customers to continue benefiting from our industry's commitment to safety, quality, and innovation in golf cars," said Mark Wagner, president and CEO of Club Car, LLC.

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"The Commission's ruling is critical, as ensuring a level playing field for all is more important than inaction. We agree with and appreciate their commitment to pursuing what is right. This is why we've engaged in this effort."

"Today's finding is an important step in protecting the careers of thousands of people who design, build, sell and service the high-quality, safe and reliable American-made vehicles that our industry produces," said Rob Scholl, president and CEO of Textron Specialized Vehicles Inc. "We will continue to fight for our industry, our employees, and ultimately, the consumer."

On July 10, 2024, the U.S. Department of Commerce (Commerce) announced the initiation of antidumping (AD) and countervailing duty (CVD) investigations into imports of LSPTVs from China. Commerce is examining at least 48 subsidy programs, including tax breaks, grants, and discounted inputs provided by the Government of China to Chinese LSPTVs producers such as steel, aluminum, and lithium batteries. In addition, the dumping margins for Chinese LSPTV imports are alleged to be as high as 478.09%.

The Commission's affirmative preliminary injury determination paves the way for Commerce to move forward with its investigations. Unless extended, Commerce is expected to issue its preliminary CVD determination in September 2024 and its preliminary AD determination in December 2024. If Commerce also reaches affirmative preliminary determinations in these cases, provisional AD and CVD duties will be collected from importers based on the preliminary margins calculated.

If both agencies ultimately reach affirmative final determinations, AD and CVD orders on LSPTVs from China will be issued, imposing duties on the unfairly traded imports for a minimum of five years. Duty evasion, absorption, and circumvention are strictly illegal.

The Wiley team representing the Coalition also includes partners Derick G. Holt and Greta M. Peisch, associates Theodore P. Brackemyre, Jacob Garten, Stephen A. Morrison, and Patrick Griffo, and international trade analysts Amy E. Sherman and Benjamin A. Luberda.

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