

TRADE ALERT: New U.S. Action Against Aluminum Lithographic Printing Plates From China and Japan

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On September 28, 2023, [Eastman Kodak](#) filed antidumping (AD) and countervailing duty (CVD) petitions against aluminum lithographic printing plates from China claimed to be (a) dumped – i.e., sold into the United States at less than fair normal value prices and (b) government subsidized; and just an antidumping petition against Japan.

For non-market economies like China, normal value is a constructed cost plus deemed reasonable profit based on surrogate values in a market economy deemed of comparable level of economic development as China. For market economies like Japan, normal value is home market or third-country price, or actual cost plus reasonable profit.

Offsetting U.S. AD/CVD import duties are imposed if (a) the U.S. Department of Commerce (DOC) finds dumping or subsidies based on responses to DOC questionnaires (and verification audit thereof) by the accused foreign exporters/producers, and (b) the U.S. International Trade Commission (ITC) finds that there is material injury (or threat thereof) by reason of the dumped or subsidized imports to a U.S. industry.

The petition alleges dumping margins of 107.64% for China and 23.52% for Japan. Petitioner seeks antidumping import duties of that amount. No specific subsidy margin/import duty is alleged.

The most immediate upcoming deadlines in this investigation are the ITC preliminary injury investigation, as follows:

- October 2, 2023: ITC questionnaires issued
- October 12, 2023: questionnaire responses due (short extension possible).
- October 19, 2023: ITC preliminary staff conference (witness testimony)
- October 24, 2023: written comments to ITC
- November 9, 2023: ITC preliminary injury decision.

See again the ITC web site

<https://ids.usitc.gov/case/8144/investigation/8462> for all details of this ITC investigation. All above and below dates can be delayed by the U.S. government shutting down over the budget dispute.

Generally, the ITC finds sufficient indicia of injury to a U.S. industry from the accused imports at this preliminary stage to continue the AD/CVD investigation (i.e., not end it). If so, then the investigation moves to DOC.

The ITC threshold to find injury at this preliminary stage is low. Still, participation in ITC preliminary injury investigation can lay the factual foundation for a later final negative ITC injury decision, ending the case, which happens around 30%-50% of the time (varies over time). It is critical not to make statements in the rushed ITC preliminary injury stage that hurt at the final stage. Some AD/CVD petitions on their face indicate might be ITC injury issues, themselves giving hope for a negative ITC injury decision.

This petition does not.

The DOC preliminary CVD subsidy decision (here, just for China) is December 22, 2023. But this date is generally extended about 65 days (here to about February 25, 2024) if an investigated exporter satisfactorily fully participates at DOC by accurately answering DOC questionnaires as to the extent (if any) of subsidies and survives a rigorous DOC verification audit thereof. Then the exporter can get a subsidy CVD import duty margin based on its actual extent of received subsidies (if any). In contrast, failure to so participate results in a prohibitively high, adverse DOC CVD import duty.

The DOC preliminary AD decision is March 6, 2024. But this date too is generally extended about 50 days (here to April 25, 2024) if an investigated exporter satisfactorily participates at DOC, fully and accurately answering DOC questionnaires as to the extent (if any) of dumping and (later) a rigorous DOC verification audit thereof. If so, the exporter gets a dumping margin based on its actual extent of dumping (if any), and not the petitioner claimed dumping margins. In contrast, failure to so participate generally results in the highest petitioner alleged dumping margin.

AD and CVD import duty liability generally begins as to imports at the time of the DOC preliminary AD or CVD decision. But it can be retroactive 90 days before then. The earliest theoretical date for retroactive antidumping duties is **December 7, 2023**; and for CVD is **October 18, 2023**. Retroactivity cannot be earlier than 20 days after petition filing. Retroactivity is to address certain 15% or more import surges seeking to avoid AD/CVD. But all the conditions to so find are generally, but not always, not found – e.g., the ITC must find that retroactivity is necessary to avoid the AD/CVD remedy being undermined, which generally (but not always) the ITC does

not find.

DOC generally issues dumping and subsidy questionnaires to the two largest exporters to the United States from each accused country, to determine their AD/CVD margin. All other exporters from a particular country usually get an AD/CVD margin based on the DOC findings as to the two largest exporters from that country.

The date of the DOC final CVD and AD decisions is September 7, 2024 if all deadlines are fully extended (which is common).

The date of the ITC final injury decision is October 22, 2024 if all deadlines are fully extended (which, again, is common).

ADDENDUM: SCOPE OF THE INVESTIGATION

The merchandise covered by these investigations is aluminum lithographic printing plates. Aluminum lithographic printing plates consist of a flat substrate containing at least 90 percent aluminum. The aluminum-containing substrate is generally treated using a mechanical, electrochemical, or chemical graining process, which is followed by one or more anodizing treatments that form a hydrophilic layer on the aluminum-containing substrate. An image-recording, oleophilic layer that is sensitive to light, including but not limited to ultra-violet, visible, or infrared, is dispersed in a polymeric binder material that is applied on top of the hydrophilic layer, generally on one side of the aluminum lithographic printing plate. The oleophilic light-sensitive layer is capable of capturing an image that is transferred onto the plate by either light or heat. The image applied to an aluminum lithographic printing plate facilitates the plate's use in offset printing processes to produce materials such

as newspapers, magazines, books, yearbooks, coupons, packaging, and other printed materials. Aluminum lithographic printing plates within the scope of these investigations include all aluminum lithographic printing plates, irrespective of the dimensions or thickness of the underlying aluminum substrate, whether the plate requires processing after an image is applied to the plate, whether the plate is ready to be mounted to a press and used in printing operations immediately after an image is applied to the plate, or whether the plate has been exposed to light or heat to create an image on the plate or remains unexposed and is free of any image.

Subject merchandise also includes aluminum lithographic printing plates produced from an aluminum sheet coil that has been coated with a light-sensitive image-recording layer in a subject country and that is subsequently unwound and cut to the final dimensions to produce a finished plate in a third country (including the United States), or exposed to light or heat to create an image on the plate in a third country (including the United States).

Excluded from the scope of these investigations are lithographic printing plates manufactured using a substrate produced from a material other than aluminum, such as rubber or plastic.

Aluminum lithographic printing plates are currently classifiable under HTSUS subheadings 3701.30.0000 and 3701.99.6060. Further, merchandise that falls within the scope of these investigations may also be entered into the United States under HTSUS subheadings 3701.99.3000 and 8442.50.1000. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of these investigations is dispositive.

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