

# International Trade Commission Makes Affirmative Final Determination in Trade Case on Chassis and Subassemblies from China

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*Washington, DC* - In a victory for U.S. intermodal container chassis producers, the U.S. International Trade Commission today made an affirmative final determination in the countervailing duty investigation on chassis and subassemblies from China. The Commission found that U.S. producers have been materially injured by unfairly traded imports of Chinese chassis, paving the way for the imposition of trade remedy orders.

The Commission's determination follows July 30, 2020 petitions filed by the Coalition of American Chassis Manufacturers, a coalition of five leading U.S. manufacturers of chassis: Cheetah Chassis Corporation, Hercules Enterprises, LLC, Pitts Enterprises, Inc., Pratt Industries, Inc., and Stoughton Trailers, LLC. The petitions alleged that unfairly dumped and subsidized imports of Chinese chassis are injuring the domestic industry.

"Today's vote by the Commission ensures that the domestic industry will finally be able to compete in a fairly traded market," said Robert E. DeFrancesco, counsel to the Coalition and a partner in the International Trade Practice at Wiley. "This is a significant victory for U.S. chassis producers and the hundreds of people displaced from U.S. chassis manufacturing jobs who have suffered significant injury as a result of unfairly traded imports from China. The Commission's determination paves the way for the domestic industry to continue its recovery in what will now be a level playing field in the U.S. chassis market."

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The Commerce Department has already determined that Chinese chassis producers were being unfairly subsidized at a rate of 44.32%. A countervailing duty order will now be issued, imposing duties at this level on Chinese chassis and subassemblies for a minimum of five years.

In the concurrent antidumping duty investigation, Commerce also preliminarily determined that Chinese producers were dumping chassis and subassemblies into the United States at a margin of 188.05%. Commerce is expected to issue its final antidumping duty determination on May 11, 2021.

Once issued, AD/CVD orders 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, transshipment or circumvention by foreign producers and importers, all of which are strictly illegal.