

Trade Remedy Alert

Akin Gump
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New Antidumping Duty Petition on Acrylonitrile-Butadiene Rubber From France, Mexico, and South Korea

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Introduction

On June 30, 2021, domestic producers filed a petition with the U.S. Department of Commerce (DOC) and the U.S. International Trade Commission (ITC), seeking antidumping (AD) duties on imports of Acrylonitrile-Butadiene Rubber from France, Mexico and South Korea. The product is a non-latex type of synthetic rubber polymer used in the oil and gas, construction, industrial equipment and automotive industries.

Petitioner, Zeon Chemicals L.P. and Zeon GP, LLC, is the sole domestic producer with manufacturing facilities in Louisville, Kentucky, Hattiesburg, Mississippi, and Bayport, Texas.

Under U.S. law, a domestic industry can petition the government to initiate an AD investigation into the pricing of an imported product to determine whether it is sold in the United States at less than fair value (i.e., “dumped”). Additional duties can be imposed if DOC determines that imported goods are “dumped” and if the ITC also determines that the domestic industry is materially injured or threatened with such injury by reason of subject imports.

If DOC makes an affirmative determination that products are being dumped into the United States, U.S. importers will be required to post cash deposits in the amount of the AD duties for all entries after publication of DOC’s preliminary decision. The AD rates can change in the final DOC determinations, especially if foreign producers participate fully in the investigations.

Scope

The product covered by this investigation is commonly referred to as acrylonitrile butadiene rubber or nitrile rubber (NBR). NBR is a synthetic rubber produced by the emulsion polymerization of butadiene and acrylonitrile with or without the incorporation of a third component selected from methacrylic acid or isoprene. NBR is sold in bale, slab, crumb, powder, pellet, particulate and liquid form. NBR in the latex form (Harmonized Tariff Schedule of the United States (HTSUS) at subheading 4002.51.00)

Contact Information

For questions about this update, please contact **Spencer S. Griffith, Bernd G. Janzen, Matthew R. Nicely, Yujin K. McNamara, or any of the lawyers in our trade remedies practice.**

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is excluded from the scope of this investigation. Also excluded from the scope of this investigation are: (a) NBR containing additives (e.g., nitrile rubber further compounded with fillers, reinforcement agents, vulcanization agents, etc.; by example, products classified under HTSUS subheading 4005); (b) NBR containing rubber processing chemicals and NBR containing other materials used for further processing beyond the polymerization process; and (c) hydrogenated NBR (commonly referred to as HNBR) produced by subsequent dissolution and hydrogenation of NBR. The merchandise subject to this investigation is classified in the HTSUS at subheading 4002.59.00. Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Foreign Producers and Exporters of Subject Merchandise

The petition identified the following foreign producers of the subject merchandise:

- France – Arlanxeo Emulsion Rubber France
- Mexico – INSA (Dynasol Group)
- South Korea – Kumho Petrochemical and LG Chemical, Ltd.

U.S. Importers of Subject Merchandise

A list of U.S. importers, as identified in the petition, is provided in [Attachment 1](#).

Alleged Margins of Dumping

Petitioner alleges the following dumping margins:

- France: 72.27%
- Mexico: 97.00%
- South Korea: 110.31%

DOC generally assigns duties at these alleged dumping rates to exporters that fail to cooperate with the investigation.

Potential Trade Impact

According to official U.S. import statistics, a total of \$52.3 million of the subject merchandise was imported into the United States in 2020.

- France: \$28,200,660
- Mexico: \$10,892,764
- South Korea: \$13,196,775

Estimated Schedule of Investigations

6/30/2021	Petition filed.
8/14/2021	ITC preliminary injury determination.
12/7/2021	DOC preliminary AD determinations, if not extended.
1/26/2022	DOC preliminary AD determinations, if fully extended.
6/17/2022	DOC final AD determinations, if both preliminary and final determinations are fully extended.

8/8/2022

ITC final injury determination, if DOC's determinations are fully extended.

8/15/2022

AD orders published.

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