

ITC Blocks Tariffs On Japanese Chlorine, OKs China Duties

By **Alex Lawson**

Law360, New York (October 10, 2014, 6:50 PM ET) -- The U.S. International Trade Commission on Thursday voted against imposing remedial tariffs on imports of chlorine compounds used in swimming pools and household cleaners from Japan after finding no threat to U.S. producers, but did approve a separate set of duties for Chinese imports.

In a 5-1 vote, the commissioners determined that shipments of chlorinated isocyanurates from Japanese companies Nankai Chemical Co. Ltd. and Shikoku Chemicals Corp. were not injuring or threatening domestic competitors even though the U.S. Department of Commerce had already ruled that the companies were selling their products at unfairly low rates.

Commerce's anti-dumping duty margins were steep —151.8 percent for Nankai and 60.65 percent for Shikoku — but those margins can only be applied with an affirmative injury ruling from the ITC.

“As a result of the [ITC's] negative determination, no anti-dumping duty order will be issued on imports of these products from Japan,” the commission said in a statement.

The commissioners did find a threat of injury to U.S. businesses from the Chinese imports, which Commerce found to be benefiting from illegal government subsidies, opening the door for countervailing duties on imports from Hebei Jiheng Chemicals Co. Ltd. and Juancheng Kangtai Chemical Co., as well as other Chinese producers.

Only the ITC's votes have been made public thus far, with a report containing the commissioners' views and justifications for their votes slated for publication on Nov. 11, the ITC said.

The ITC's ruling closes the book on the investigations, which were launched over a year ago in response to petitions from domestic producers Occidental Chemical Corp. and Clearon Corp., which alleged that their business was being ravaged by chlorinated isocyanurates brought in from China, which allegedly subsidized them, and Japan, whose sellers purportedly sold them at predatory prices.

Attorneys for the parties declined to comment on the decision Friday.

Occidental and Clearon are represented by James R. Cannon Jr. and Jonathan M. Zielinski of Cassidy Levy Kent LLP.

In the Japanese case, Nankai is represented by V. James Adduci II, Louis S. Mastriani, Deanna Tanner

Okun, William C. Sjoberg, Emi Ito Ortiz and Asha Allam of Adduci Mastriani & Schaumberg LLP. Shikoku is represented by Bernd G. Janzen, Valerie A. Slater, Phyllis L. Derrick, Nazak Nikakhtar and Henry Almond of Akin Gump Strauss Hauer & Feld LLP.

In the Chinese case, Hibeijiheng is represented by Lizbeth R. Levinson and Ronald M. Wisla of Kutak Rock LLP. Kangtai is represented by Gregory S. Menegaz, J. Kevin Horgan and Judith Holdsworth of deKieffer & Horgan PLLC. The Chinese government is represented by Francis J. Sailer, Bruce M. Mitchell and Andrew T. Schutz of Grunfeld Desiderio Lebowitz Silverman & Klestadt LLP.

The investigations are Chlorinated Isocyanurates From Japan and China, case numbers 701-TA-501 and 731-TA-1226, before the U.S. International Trade Commission.

--Editing by Andrew Park.

All Content © 2003-2014, Portfolio Media, Inc.