
New Trade Case on Imports of Certain Chassis and Subassemblies from China

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A new U.S. antidumping (“AD”) and countervailing duty (“CVD”) petition was filed on July 29, 2020, by the Coalition of American Chassis Manufacturers against imports of certain chassis and subassemblies thereof from the People’s Republic of China.

The merchandise covered by this petition includes chassis used in the transportation of typically intermodal cargo containers, whether finished or unfinished and whether assembled or unassembled, and subassemblies thereof. Chassis are comprised of skeleton frames with a locking mechanism to which a container can be secured, running gear assemblies (including axle(s) and suspension(s)), and landing gear assemblies, among other parts. Please see the scope section below for a full review of subject merchandise.

The petition includes AD (less than fair value) and CVD (unfair subsidy) allegations against China. The Department of Commerce (“DOC”) and the International Trade Commission (“ITC”) will conduct the investigations. Within the next 45 days, the ITC will determine if there is a reasonable indication that the imports are injuring the U.S. industry. If the ITC finds that standard is met, then the cases will move to the DOC which will calculate the preliminary AD and CVD duty margins.

The DOC’s preliminary determinations are currently scheduled for October 22, 2020 (CVD) and January 5, 2021 (AD), which are the dates when importers will be required to deposit the calculated duties upon the products’ entry in the U.S. market.

There are strict statutory deadlines associated with these proceedings and affected companies are advised to prepare as soon as possible. If this product is of interest to you, please let us know so that we can provide you with additional information as it becomes available.

The following are key facts about this trade case:

Petitioners: Coalitions of American Chassis Manufacturers (comprised of the Cheetah Chassis Corporation, Hercules Enterprises, LLC, Pitts Enterprises, Inc., Pratt Industries, Inc., and Stoughton Trailers, LLC)

Foreign Producers/Exporters and US Importers: Please contact us for a listing of individual companies named in the petition.

AD and CVD margins: Petitioners have alleged the following AD and CVD margins:

- China: a calculated AD margin of 211.49 percent ad valorem and a CVD margin above de minimus.

Merchandise covered by the scope of the case:

The merchandise covered by this investigation are chassis and subassemblies thereof, whether finished or unfinished, whether assembled or unassembled, whether coated or uncoated, regardless of the number of axles, designed primarily for use in the carriage of containers, or other payloads (including self-supporting payloads) that can be attached by twist locks, slide pins or similar attachment devices, for road, marine roll-on/roll-off (RORO) and/or rail transport. Chassis are typically but are not limited to, rectangular framed trailers with a suspension and axle system, wheels and tires, brakes, a lighting and electrical system, a coupling for towing behind a truck tractor, and a locking system or systems to secure the shipping container or containers attached to the chassis.

Subject merchandise includes, but is not limited to, the following subassemblies:

- Chassis frames, or sections of chassis frames, including kingpins or kingpin assemblies, bolsters consisting of transverse beams with locking or support mechanisms, goosenecks, drop assemblies, extension mechanisms and/or rear impact guards;
- Running gear assemblies or axle assemblies for connection to the chassis frame, whether fixed in nature or capable of sliding fore and aft or lifting up and lowering down, which may or may not include suspension(s) (mechanical or pneumatic), wheel-end components, slack adjusters, axles, brake chambers, locking pins, and tires and wheels;
- Landing gear (legs) or landing gear assemblies, for connection to the chassis frame, capable of supporting the chassis when it is not engaged to a tractor; and
- Assemblies and/or components that connect to the chassis frame or a section of the chassis frame, such as, but not limited to, pintle hooks or B-trains (which include a fifth wheel), which are capable of connecting a chassis to a converter dolly or another chassis.

Importation of any of these subassemblies, whether assembled or unassembled, constitutes an unfinished chassis for purposes of this investigation.

Subject merchandise also includes chassis, whether finished or unfinished, entered with or for further assembly with components such as but not limited to: hub and drum assemblies, brake assemblies (either drum or disc), axles, brake chambers, suspensions and suspension components, wheel-end components, landing gear legs, spoke or disc wheels, tires, brake control systems, electrical harnesses and lighting systems.

Processing of finished and unfinished chassis and components such as trimming, cutting, grinding, notching, punching, drilling, painting, coating, staining,

finishing, assembly, or any other processing either in the country of manufacture of the in-scope product or in a third-country does not remove the product from the scope. Inclusion of other components not identified as comprising the finished or unfinished chassis does not remove the product from the scope.

This scope excludes dry van trailers, refrigerated trailers, and flatbed trailers.

The finished and unfinished chassis subject to this investigation are typically classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheadings 8716.39.0090 and 8716.90.5060. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

If you have any questions regarding the content of this alert, please contact Mark Ludwikowski (mludwikowski@clarkhill.com; 202-640-6680), Kevin Williams (kwilliams@clarkhill.com; 312-985-5907); William Sjoberg (wsjoberg@clarkhill.com; 202-772-0924), Courtney Gayle Taylor (cgtaylor@clarkhill.com; 202-552-2350); Dennis Devaney (ddevaney@clarkhill.com); or another member of Clark Hill's International Trade Business Unit.