New Trade Case on Imports of Standard Steel Welded Wire Mesh from Mexico

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A new U.S. antidumping ("AD") and countervailing duty ("CVD") petition was filed on June 30, 2020, by Insteel Industries Inc., Mid South Wire Company, National Wire LLC, Oklahoma Steel & Wire Co., and Wire Mesh Corp. against imports of standard steel welded wire mesh from Mexico.

The merchandise covered by this Petition is standard steel welded wire mesh, which may also be referred to as welded wire fabric, welded wire cloth, or welded wire reinforcement. Wire mesh is a metal wire screen made from low carbon steel wire rods that are drawn or rolled to a uniform size and formed into a sheet or roll of uniformly-sized grids that are welded at the intersections of the parallel and perpendicular wires. Please see the scope section below for a full review of the subject merchandise.

The petition includes AD (less than fair value) and CVD (unfair subsidy) allegations against Mexico. 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 September 23, 2020 (CVD) and December 7, 2020 (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: Insteel Industries Inc., Mid South Wire Company, National Wire LLC, Oklahoma Steel & Wire Co., and Wire Mesh Corp.

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

Alleged AD and CVD margins: Petitioner has alleged the following AD and CVD margins:

- Mexico: calculated AD margins ranging from 55.90 to 160.02 percent and a CVD margin above de minimus

Merchandise covered by the scope of the case:

The scope of this investigation covers uncoated standard welded steel reinforcement wire mesh ("Standard Welded Wire Mesh") produced from smooth or deformed wire. Subject Standard Welded Wire Mesh is produced in square and rectangular grids of uniformly spaced steel wires that are welded at all intersections. Sizes are specified by combining the spacing of the wires in inches or millimeters and the wire cross-sectional area in hundredths of a square inch or millimeters squared. Subject standard welded wire mesh may be packaged and sold in rolls or in sheets.

Subject standard welded wire mesh is currently produced to ASTM specification A1064/A1064M, which covers carbon-steel wire and welded wire reinforcement, smooth and deformed, for concrete in the following seven styles:

1. 6X6 W1.4/W1.4 or D1.4/D1.4
2. 6X6 W2.1/W2.1 or D2.1/D2.1
3. 6X6 W2.9/W2.9 or D2.9/D2.9
4. 6X6 W4/W4 or D4/D4
5. 6X12 W4/W4 or D4/D4
6. 4X4 W2.9/W2.9 or D2.9/D2.9
7. 4X4 W4/W4 or D4/D4

The first number in the style denotes the spacing between the longitudinal wires and the second number denotes the spacing between the transverse wires. In the first style listed above, for example, "6X6" denotes a grid size of six inches by six inches. "W" denotes the use of smooth wire, and "D" denotes the use of deformed wire in making the mesh. The number following the W or D denotes the cross-sectional area of the transverse and longitudinal wires in hundredths of a square inch (i.e., W1.4 or D1.4 is .014 square inches).

Smooth wire is wire that has a uniform cross-sectional diameter throughout the length of the wire.

Deformed wire is wire with indentations or raised transverse ribs, which results in wire that does not have a uniform cross-sectional diameter throughout the length of the wire.

Rolls of Subject standard welded wire mesh are currently produced in the following styles and actual width and length combinations:

- Style: 6X6 W1.4/W1.4 or D1.4/D1.4 (i.e., 10 gauge)
  - Roll Sizes:
    - 5' X 50'
    - 5' X 150'
    - 6' X 150'
    - 5' X 200'
    - 7' X 200'
    - 7.5' X 200'
- Style: 6X6 W2.1/W2.1 or D2.1/D2.1 (i.e., 8 gauge)
  - Roll Sizes:
    - 5' X 150'
- Style: 6X6 W2.9/W2.9 or D2.9/D2.9 (i.e., 6 gauge)
  - Roll Sizes:
    - 5' X 150'
    - 7' X 200'

All rolled standard welded wire mesh is included in scope regardless of length.

Sheets of subject standard welded wire mesh are currently produced in the following styles and actual width and length combinations:

- Style: 6X6 W1.4/W1.4 or D1.4/D1.4 (i.e., 10 gauge)
  - Sheet Size:
    - 3'6" X 7'
    - 4' X 7'
    - 4' X 7'6"
    - 5' X 10'
    - 7' X 20'
    - 7'6"X20'
    - 8' X 12'6"
    - 8' X 15'
    - 8' X 20'
- Style: 6X6 W2.1/W2.1 or D2.1/D2.1 (i.e., 8 gauge)
  - Sheet Size:
    - 5' X 10'
    - 7' X 20'
    - 7'6" X 20'
    - 8' X 12'6"
    - 8' X 15'
    - 8' X 20'
- Style: 6X6 W2.9/W2.9 or D2.9/D2.9 (i.e., 6 gauge)
  - Sheet Size:
    - 3'6" X 20'
    - 5' X 10'
    - 7' X 20'
    - 7'6" X 20'
    - 8' X 12'6"
    - 8' X 15'
    - 8' X 20'
- Style: 6X12 W4/W4 or D4/D4 (i.e., 4 gauge)
  - Sheet Size:
    - 8' X 20'
- Style: 4X4 W2.9/W2.9 or D2.9/D2.9 (i.e., 6 gauge)
  - Sheet Size:
    - 5' X 10'
    - 7' X 20'
    - 7'6" X 20'
    - 8' X 12'6"
    - 8' X 12'8"
    - 8' X 15'
    - 8' X 20'

- Style: 4X4 W4/W4 or D4/D4 (i.e., 4 gauge)
  - Sheet Size:
    - 5' X 10'
    - 8' X 12'6"
    - 8' X 12'8"
    - 8' X 15'
    - 8' X 20'

Any product imported, sold, or invoiced in one of these size combinations is within the scope.

ASTM specification A1064/A1064M provides for permissible variations in wire gauges, the spacing between transverse and longitudinal wires, and the length and width combinations. To the extent a roll or sheet of welded wire mesh falls within these permissible variations, it is within this scope.

ASTM specification A1064/A1064M also defines permissible oversteeling, which is the use of a heavier gauge wire with a larger cross-sectional area than nominally specified. It also permits a wire diameter tolerance of ± 0.003 inches for products up to W5/D5 and ± 0.004 for sizes over W5/D5. A producer may oversteel by increasing smooth or deformed wire diameter up to two whole number size increments on Table 1 of A1064. Subject standard welded wire mesh has the following wire diameter ranges, which account for both oversteeling and diameter tolerance:

W/D No.	Maximum Oversteeling No.	Diameter Range (inch)
1.4 (i.e., 10 gauge)	3.4	0.093 to 0.211
2.1 (i.e., 8 gauge)	4.1	0.161 to 0.231
2.9 (i.e., 6 gauge)	4.9	0.189 to 0.253
4.0 (i.e., 4 gauge)	6.0	0.223 to 0.280

To the extent a roll or sheet of welded wire mesh falls within the permissible variations provided above, it is within this scope.

In addition to the tolerances permitted in ASTM specification A1064/A1064M, Standard welded wire mesh within this scope includes combinations where:

1. A width and/or length combination varies by ± one grid size in any direction, i.e., ± 6 inches in length or width where the wire mesh's grid size is “6X6”; and/or
2. The center-to-center spacing between individual wires may vary by up to one quarter of an inch from the nominal grid size specified.

Length is measured from the ends of any wire and width is measured between the center-line of end longitudinal wires.

Additionally, although the subject Standard welded wire mesh typically meets ASTM A1064/A1064M, the failure to include certifications, test reports or other documentation establishing that the product meets this specification does not remove the product from the scope. Standard welded wire mesh made to comparable foreign specifications (e.g., DIN, JIS, etc.) or proprietary specifications is included in the scope.

Excluded from the scope is wire mesh that is galvanized (i.e., coated with zinc) or coated with an epoxy coating. To be excluded as galvanized, the excluded welded wire mesh must have a zinc coating thickness meeting the requirements of ASTM specification A641/A641M. Epoxy coating is a mix of epoxy resin and hardener that can be applied to the surface of steel wire.

Merchandise subject to this investigation is classified under HTSUS categories 7314.20.0000 and 7314.39.0000. While HTSUS subheadings are provided for convenience and Customs purposes, the written description of the scope of this 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); or another member of Clark Hill's International Trade Business Unit.