
New Trade Case on Imports of Twist Ties from China

By Courtney G. Taylor, William C. Sjoberg, R. Kevin Williams, Mark R. Ludwikowski / Jun 29, 2020

A new U.S. antidumping (“AD”) and countervailing duty (“CVD”) petition was filed on June 26, 2020, by Bedford Industries, Inc. against imports of twist ties from China.

The merchandise covered by this Petition includes certain twist ties, which are thin, bendable ties for closing containers, such as bags, bundle items, or identifying objects. Twist ties are used in a variety of applications and industries, including the closure of plastic food bags, bread bags, dry cleaning bags, and garbage bags. Industry segments include produce ties, industrial ties, and dry cleaning ties or cut ties. Twist ties are used for bakery items, retail goods, garden supplies, and the hospitality industry. Vegetable twist ties are used for packaging vegetables. Vegetable names, codes, and descriptions can be printed on the products. Garden twist ties are used to tie plants. Please see the scope section below for a full review of the subject merchandise.

The petition includes AD (less than fair value) allegations 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 September 21, 2020 (CVD) and December 3, 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: Bedford Industries, Inc.

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:

- China: calculated AD margin of 67.92 percent and a CVD margin above de minimus

Merchandise covered by the scope of the case:

The merchandise covered by these investigations consists of twist ties, which are thin, bendable ties for closing containers, such as bags, bundle items, or identifying objects. A twist tie is comprised of one or more metal wires encased in a covering material, which allows the tie to retain its shape and bind against itself. The metal wire in a twist tie is typically stainless or galvanized steel and typically measures between the gauges of 19 (.0410” diameter) and 31 (.0132”) (American Standard Wire Gauge). A twist tie usually has a width between .075” and 1” in the cross-machine direction (width of the tie – measurement perpendicular with the wire); a thickness between .015” and .045” over the wire or other metal; and a thickness between .002” and .020” in areas without wire or other metal. Twist ties are commonly available individually in pre-cut lengths (“singles”), wound in large spools to be cut later by machine or hand, or in perforated sheets of spooled or single twist ties that are later slit by machine or by hand (“gangs”).

The covering material of a twist tie may be paper (metallic or plain), plastic, or polyethylene, and can be dyed in a variety of colors with or without printing. A twist tie may have the same covering material on both sides or one side of paper and one side of plastic. When comprised of two sides of paper, the paper material is bound together with an adhesive or plastic. A twist tie also may have a tag or label attached to it or a pre-applied adhesive attached to it.

The scope includes ties used for television cable, computer cords, other appliances, and household ties, all of which are manufactured by Petitioner. Twist ties without metal wire also are covered in the scope. An all-plastic tie contains a plastic core as well as a plastic covering (the wing) over the core, just like paper and/or plastic in a metal tie. The scope does not include products with wire and plastic material (e.g., pipe cleaners used in craft activities, wire-bristle brushes), or plastic “zip” ties.

Twist ties are imported into the United States under Harmonized Tariff System of the United States (“HTSUS”) subheadings 8309.90.0000 and 5609.00.3000. Subject merchandise may also enter under HTSUS subheadings 3906.90.2000, 3920.51.5000, 3923.90.0080, 3926.90.9990, 4811.59.6000, 4821.10.4000, 4821.90.2000, and 4823.90.8600. These HTSUS subheadings are provided for reference only. The written description of the scope of the investigations 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.