

## **Executive summary of the**

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**Request for to initiate an investigation into  
dumped and injurious imports of pins and staples  
from the People's Republic of China**

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submitted by BEITEN BURKHARDT  
on behalf of the EU producers of pins and staples

## 1. The product concerned and the like product

The product subject to this investigation is staples, whether or not in strips or in coils, hog rings, whether or not in strips, brad nails in strips, and pins in strips; of steel wire, whether or not coated, of aluminium alloy wire, or of stainless steel wire; designed for joining or holding together materials or objects ('the product under investigation'), currently falling under CN codes ex 7317 00 20, ex 7317 00 60, ex 7317 00 80, ex 7326 20 00, ex 7616 10 00, 8305 20 00 and ex 8308 10 00 (TARIC codes 7317 00 20 40, 7317 00 60 40, 7317 00 80 40, 7326 20 00 40, 7616 10 00 40 and 8308 10 00 40). Nails in coils are excluded from the product under investigation.

All forms of the product concerned are manufactured using the following basic materials and processes:

- Raw materials: Wire (galvanized, coppered or bright steel wire, aluminium alloy wire, stainless steel wire), glue, cartons and boxes. Most manufacturers are not backwards integrated and buy wire band as raw material.
- Processes: Bending, stamping, packing, etc.

The use of the product is a primary means for joining or holding materials or objects together, in packaging, upholstery and the like.

Even if it is sold in different forms, the product concerned has one unique function and thus purpose or use. All product forms are one single product.

## 2. Applicable Common Nomenclature and customs duties

The products concerned are normally declared under the following CN codes: ex 7317 00 20, ex 7317 00 60, ex 7317 00 80, ex 7326 20 00, ex 7616 10 00, ex 8308 10 00 and 8305 20 00.

The largest volumes are imported under the tariff headings 8305 20 00 and ex 7317 00 60.

The EU customs duty rates *ad valorem* concerning imports of the product concerned originating in China are as follows: ex 7317 00 20, nil, ex 7317 00 60, nil, ex 7317 00 80, nil, ex 7326 20 00, 2.7 percent, ex 7616 10 00 six percent, 8305 20 00, 2.7 percent and ex 8308 10 00, 2.7 percent.

### 3. **Executive summary**

The European industry manufacturing pins and staples respectfully requests in line with Article 5 of Council Regulation No 2016/1036 on protection against dumped imports from countries not members of the European Union ("**Basic Regulation**") that an anti-dumping investigation be initiated into imports of pins and staples from the People's Republic of China ("**the PRC**" or "**China**").

Imports of the product concerned originating in China are dumped. The comparisons between the constructed normal value and the Chinese export prices to the European Union in significant dumping margins.

The increase in imports in volume of the product concerned at significant dumping margins have caused substantial adverse effects on the volume sold by the EU industry, the level of prices charged, the financial situation, investment and the employment of the EU industry.

Profitability is now at the bottom and the dumped imports prevent any recovery. A reasonable businessperson will raise prices when costs increase in order to retain the profitability of the company. Here, the EU industry's profitability decreased in four years from double digit figures to one percent. The reason is that the industry cannot raise prices as a result of price pressure from dumped Chinese imports.

The import data show an impressive growth of Chinese imports of the product concerned. In the last four years alone, they grew by 16 percentage points. The gains in market share of the dumped imports have accelerated in the last year, when the imports of pins and staples from the PRC into the EU increased by an imposing nine percentage points as Eurostat data show. Over the same period, the market share of the EU industry decreased by five percent and the complainants also lost some market share. Imports from other third countries have lost import and market shares.

It is in the Union's interest to swiftly act against dumped injurious exports.

### 4. **Dumping**

The dumping calculations established on the basis of the constructed value and Chinese export prices and/or offers from Chinese producers, adjusted to the same level, show evidence of substantial dumping margins. In 2019, the dumping margins have increased.

Given that there exist significant distortions in the People's Republic of China for the product concerned, a constructed normal value had to be established on the basis of undistorted factors in an appropriate representative country with a similar level of economic development as the exporting country. The normal value and export prices were compared on an ex-works basis. The calculated dumping margins are substantial.

## **5. Injury**

Imports of the product concerned from China have increased overall in absolute and relative terms; they have resulted in significantly higher Chinese import and market shares.

The increase in imports in volume of the product concerned at significant dumping margins is having a materially negative impact on the EU industry, resulting in material injury. The dumped imports have caused substantial adverse effects on the volume sold by the EU industry, the level of prices charged, the financial situation, investment and the employment of the EU industry. Historically large producers have left the market or reduced their production and converted to importing rather than manufacturing the product concerned.

## **6. Interested parties**

### **6.1. EU producers and applicants**

ATROM IMPEX srl  
Bizon Int. Sp. z.o.o.  
Ergo Staples  
Grupodesa  
Omer SpA  
Velo srl

### **6.2. Known importers**

PROFIX RD, s.r.o.  
Ottensen A/S  
Novatex Romania  
PHU BORA  
Romeo Maestri & figli s.p.a.  
Corgrap  
Joh. Friedrich Behrens AG  
Kamet-Akes

Sofagraf SAS

### **6.3. Main known users**

Wilhelm Jockenhöfer GmbH & Co. KG  
Martyna SA  
Gala Collezione Sp. z o. o.  
“LIBRO” Marek Liberacki  
Mebloexpo  
SITS Sp. z o.o.  
POLIPOL MEBLE Polska Sp. z o.o. sp. k.

### **6.4. Chinese exporting producers**

Shaoxing Tiger Nail Co., Ltd  
KY Pneumatic nail Co., Limited  
PROTECH INDUSTRY LIMITED  
Mingguang Ruifeng Hdwe Prod Co., Ltd  
Guangdong MEITE Mechanical Co. Ltd  
Unicorn  
Zhejiang Chaoyue Hardware and chemical Co., Ltd  
SHAOXING FEIDA NAIL INDUSTRY CO.,LTD  
ZheJiang Best Nail Industrial Co., Ltd.  
ZHONGSHAN JINWEILONG HARDWARE & MACHINERY FACTORY  
Shaoxing City Huili Hardware Co., LTD.  
Shaoxing Qianjiang Pin Industry Co., Ltd. (7#)  
J-Mart Fasteners Co. Ltd.  
Trader Tianjin SUNCOSUN Import & Export Co Ltd