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May 28, 2020

Petition Summary – Certain Walk-Behind Lawn Mowers from the People’s Republic of China and the Socialist Republic of Vietnam

I. INTRODUCTION

On May 26, 2020, Petitioner MTD Products, Inc. filed a petition for the imposition of antidumping duties on certain walk-behind lawn mowers from the People’s Republic of China and the Socialist Republic of Vietnam and countervailing duties on certain walk-behind lawn mowers from the People’s Republic of China.

II. SCOPE OF THE INVESTIGATION

The merchandise covered by this investigation consists of certain walk-behind lawn mowers powered by an internal combustion engine which are rotary-powered grass cutting machines. The scope of the investigation covers certain walk-behind lawn mowers, whether self-propelled or non-self-propelled, whether finished or unfinished, whether assembled or unassembled, whether containing any additional features that provide for functions in addition to mowing.

Walk-behind lawn mowers within the scope of this investigation are only those powered by an internal combustion engine with a power rating of less than 3.7 kilowatts (kw). These internal combustion engines are typically spark ignition, single or multiple cylinder, air cooled, internal combustion engines with vertical power take off shafts with a maximum displacement of 196cc. Walk-behind lawn mowers covered by this scope typically must be certified and comply with the Consumer Products Safety Commission (CPSC) Safety Standard for Walk-Behind Power Lawn Mowers under the 16 CFR Part 1205. However, lawn mowers that meet the physical descriptions above, but are not certified under 16 CFR Part 1205 remain subject to the scope of this proceeding.

The internal combustion engines of the lawn mowers covered by this scope typically must comply with and be certified under Environmental Protection Agency (EPA) air pollution controls title 40, chapter I, subchapter U, part 1054 of the Code of Federal Regulations standards for small

non-road spark-ignition engines and equipment. However, lawn mowers that meet the physical descriptions above but that do not have engines certified under 40 CFR Part 1054 or other parts of subchapter U remain subject to the scope of this proceeding.

For purposes of this investigation, an unfinished and/or unassembled lawn mower means at a minimum, a sub-assembly comprised of the following components: an engine and a cutting deck shell. A cutting deck shell is the portion of the lawn mower—typically of aluminum or steel—that houses and protects a user from a rotating blade. Importation of these components together, whether assembled or unassembled, and whether or not accompanied by additional components such as a handle, blade(s), grass catching bag, or wheel(s) constitute an unfinished lawn mower for purposes of this investigation. The inclusion of any other components not identified as comprising the unfinished lawn mower subassembly in a third country does not remove the engine from the scope. A lawn mower is within the scope of this investigation regardless of the origin of its engine.

Specifically excluded from the scope of this investigation are electric-powered walk-behind lawn mowers which are lawn mowers primarily powered by an electric motor. Electric-powered walk-behind lawn mowers are typically classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheading: 8433.11.0010.

III. U.S. TARIFF CLASSIFICATION

Walk-behind lawn mowers subject to this Petition are generally classified under 8433.11.0050 of the Harmonized Tariff Schedule of the United States (“HTSUS”). The HTSUS subheading encompasses gas non-riding lawn mowers with power ratings less than 3.7 kw. The subject merchandise entered as engines or parts of walk-behind mowers may be classifiable under the following additional Chapter 84 subheadings: 8433.90.10.10, 8433.90.10.90 and 8407.90.1010.

IV. PETITIONERS

MTD Products, Inc.

<https://www.mtdproducts.com/>

MTD is the largest domestic manufacturer of powered outdoor lawn and garden equipment for residential and commercial use. It has been a market leader in the development and production of walk-behind lawn mowers in the U.S. and has been in existence for the last 90 years, with major manufacturing facilities and over 3,000 employees located in Willard, Ohio, Martin, Tennessee, and Tupelo, Mississippi. MTD’s products are sold at major consumer retail outlets across the country. MTD’s products are also both sold and serviced by over 1,300 locally owned independent dealers, the types of small businesses that are vital to the U.S. economy. Walk-behind lawn mowers, which are described in more detail in the sections below, are gas-powered with engines under 3.7 kilowatts (“kw”) in power rating.

V. NAMED PRODUCERS/EXPORTERS

Please contact our office for a list of Chinese and Vietnamese Producers and Exporters of Walk-Behind Lawn Mowers.

VI. NAMED IMPORTERS

Please contact our office for a list U.S. Importers of the Subject Merchandise.

VII. ALLEGED DUMPING MARGIN

People's Republic of China: 245.47 to 416%
Socialist Republic of Vietnam: 285.10 to 416%

VIII. ALLEGED SUBSIDIES

People's Republic of China:

- Interest payment subsidies for exports;
- Income tax reductions for export-oriented enterprises;
- Provision of Electricity for Export Oriented Companies;
- Export loans from Chinese state-owned banks;
- Export credit insurance; and
- Export seller's credit and export buyer's credit to encourage Chinese exports.

IX. IMPORTS OF SUBJECT MERCHANDISE

Volume and Values of Subject Imports					
China	2017	2018	2019	Q1 2019	Q1 2020
Quantities (Units)	5,236	9,502	214,546	37,638	271,169
Values (Customs Value)	1,279,746	2,374,222	24,555,406	4,711,825	32,049,576

Volume and Values of Subject Imports					
Vietnam	2017	2018	2019	Q1 2019	Q1 2020
Quantities (Units)	0	0	1,711	0	50,533
Values (Customs Value)	0	0	135,090	0	4,830,361

Volume and Values of Non-subject Imports					
All Other Countries	2017	2018	2019	Q1 2019	Q1 2020
Quantities (kgs)	745,440	720,382	741,155	303,033	327,782
Values (Customs Value)	163,918,381	158,601,083	170,861,362	69,578,266	78,192,752

If you have questions regarding how this investigation may impact future imports of scope merchandise or whether a particular product is within the scope of the investigation, please contact one of our attorneys.