

ITC Issues Unanimous Affirmative Final Determination In Antidumping Duty Case Against Large Power Transformers From Korea

August 14, 2012

The U.S. International Trade Commission today issued an affirmative final determination that dumped imports of liquid dielectric large power transformers (“LPTs”) from South Korea are causing injury to the domestic LPT industry. The ITC Commissioners voted five to zero to grant relief to the domestic LPT industry from the dumping by Korean producers. This was the final step in the antidumping duty investigation, and follows the July 3, 2012 determination by the U.S. Department of Commerce (“Commerce”) that Korean LPT producers were dumping LPTs in the United States at average dumping margins of 22 percent. The Commission will report its injury determination to Commerce by August 24, 2012, and Commerce will then publish the antidumping duty order.

Large power transformers are components used extensively in high voltage electrical power transmission systems to transfer power by electromagnetic induction between circuits at the same frequency, usually with changed values of voltage and current. The petitioners are represented in these actions by partners [R. Alan Luberda](#) and [Kathleen W. Cannon](#), in the International Trade practice at Kelley Drye & Warren LLP.

The U.S. Transformer Fair Trade Coalition, an *ad hoc* coalition of domestic transformer producers, filed the trade action on July 14, 2011, in response to a dramatic spike in volume of dumped imports of LPTs from South Korea over the past three years that has injured domestic LPT producers. The petitioners in the coalition are ABB Inc. of Cary, North Carolina, Delta Star, Inc. of Lynchburg, Virginia, and Pennsylvania Transformer Technology, Inc. of Canonsburg, Pennsylvania.

“We have maintained throughout this case that the huge volume of imports of large power transformers from Korea has been injuring the domestic industry with aggressive, dumped prices. The domestic industry is extremely pleased that the Commission agreed and that the Korean producers will now be subject to the discipline of an antidumping duty order,” commented Alan Luberda, the domestic industry’s lead trade counsel.

The ITC will transmit its determination to Commerce by August 24, 2012, and Commerce will issue its antidumping duty order shortly thereafter. Importers of LPTs from Korea will continue to be required to deposit estimated antidumping duties at the time of entry into the United States of 14.95 percent for LPTs produced by Hyundai Heavy Industries, 29.04 percent for those produced by Hyosung Corporation and 22 percent for all other Korean producers. The antidumping duty order will remain in place for a minimum period of five years and may be renewed in five-year increments.

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