



OTTAWA, April 12, 2019

STATEMENT OF REASONS

Concerning an expiry review determination under
paragraph 76.03(7)(a) of the *Special Import Measures Act*
regarding

THE DUMPING AND SUBSIDIZING OF
CERTAIN THERMOELECTRIC CONTAINERS FROM CHINA

DECISION

On March 29, 2019, pursuant to paragraph 76.03(7)(a) of the *Special Import Measures Act*, the Canada Border Services Agency determined that the expiry of the Canadian International Trade Tribunal's order made on December 9, 2013, in Expiry Review No. RR-2012-004, continuing, without amendment, its finding made on December 11, 2008, in Inquiry No. NQ-2008-002:

- i. is likely to result in the continuation or resumption of dumping of certain thermoelectric containers originating in or exported from China; and
- ii. is likely to result in the continuation or resumption of subsidizing of certain thermoelectric containers originating in or exported from China.

Cet *Énoncé des motifs* est également disponible en français.
This *Statement of Reasons* is also available in French.

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EXECUTIVE SUMMARY

[1] On October 30, 2018, the Canadian International Trade Tribunal (CITT), pursuant to subsection 76.03(3) of the *Special Import Measures Act* (SIMA), initiated an expiry review of its order made on December 9, 2013, in Expiry Review No. RR-2012-004, continuing, without amendment, its finding made on December 11, 2008, in Inquiry No. NQ-2008-002, concerning the dumping and subsidizing of certain thermoelectric containers that provide cooling and/or warming with the use of a passive heat sink and a thermoelectric module, excluding liquid dispensers (certain thermoelectric containers), originating in or exported from China.

[2] As a result of the CITT's notice of expiry review, the Canada Border Services Agency (CBSA), on October 31, 2018, initiated an investigation to determine, pursuant to paragraph 76.03(7)(a) of SIMA, whether the expiry of the order is likely to result in the continuation or resumption of dumping and/or subsidizing of the subject goods.

[3] The CBSA received one response to its Canadian Producer Expiry Review Questionnaire (ERQ) from Koolatron Corporation.¹ The submission made by the Canadian producer included information supporting its position that continued or resumed dumping and subsidizing of certain thermoelectric containers from China is likely if the CITT's order is rescinded.

[4] The CBSA received responses to its importer ERQ from the following Canadian importers of thermoelectric containers: Marrin Consulting Inc.,² Volvo Car Canada Ltd.,³ SpencerGear Promotional Products,⁴ Spectrum Brands Canada,⁵ Donald Choi Canada Ltd.,⁶ Wayfair LLC,⁷ and Navistar Canada ULC.⁸ These importers vary in level of trade from distributors to end users. None of the importers expressed an opinion on the likelihood of continued or resumed dumping and/or subsidizing of subject goods if the CITT's order is rescinded.

[5] The CBSA received a response to the Exporter ERQ from MTM Recognition Corporation which is based in the United States (U.S.) and sources thermoelectric containers from China.⁹ The supplier in China did not respond to the Exporter ERQ. The exporter in the U.S. did not express an opinion on the likelihood of continued or resumed dumping and/or subsidizing of subject goods if the CITT's order is rescinded.

[6] The CBSA did not receive a response to the Foreign Government ERQ from the Government of China (GOC).

¹ Exhibits 25 (NC) & 26 (PRO) - Response to producer ERQ from Koolatron Corporation

² Exhibits 13 (NC) – Response to importer ERQ from Marrin Consulting Inc

³ Exhibits 14 (PRO) & 15 (NC) – Response to importer ERQ from Volvo Car Canada Ltd.

⁴ Exhibits 16 (NC) – Response to importer ERQ from SpencerGear Promotional Products

⁵ Exhibits 19 (NC) – Response to importer ERQ from Spectrum Brands Canada

⁶ Exhibits 20 (NC) – Response to importer ERQ from Donald Choi Canada LTD

⁷ Exhibits 21 (PRO) & 22 (NC) – Response to importer ERQ from Wayfair LLC

⁸ Exhibits 23 (PRO) & 24 (NC) – Response to importer ERQ from Navistar Canada ULC

⁹ Exhibits 17 (PRO) & 18 (NC) – Response to importer ERQ from MTM Recognition Corporation

[7] In addition to responding to the ERQ, Koolatron Corporation submitted a case brief.¹⁰ The case brief submitted by the Canadian producer included arguments supporting its position that continued or resumed dumping and subsidizing of certain thermoelectric containers from China is likely if the CITT's order is rescinded. No other case briefs from any party were received by the CBSA.

[8] Information on the administrative record in respect of: the dumping of the goods while the order has been in effect; the potential for a Chinese producer to produce the goods in a facility that is currently used to produce other goods; the capacity for thermoelectric container production in China; the competitive retail environment in Canada; the increasing export orientation of Chinese producers; the substitution of other products; and the numerous measures, including current anti-dumping measures concerning Chinese consumer products, in other jurisdictions, indicates a likelihood of continued or resumed dumping into Canada of certain thermoelectric containers, originating in or exported from China should the CITT's order be rescinded.

[9] In addition, information on the administrative record in respect of: the continued availability of subsidy programs for exporters of thermoelectric containers in China; the fact that subsidized goods were imported during the POR; the volume of subsidized goods imported during the POR; the sustained interest in the Canadian market by Chinese exporters as evidenced by the volumes of subsidized goods exported during the POR; the GOC provision of subsidies to its manufacturers; and the countervailing measures against Chinese consumer products in Canada and other jurisdictions, indicates a likelihood of continued or resumed subsidizing of certain thermoelectric containers originating in or exported from China should the CITT's order be rescinded.

[10] For the foregoing reasons, the CBSA, having considered the information on the administrative record, made a determination under paragraph 76.03(7)(a) of SIMA that:

- i. the expiry of the order in respect of the dumping of certain thermoelectric containers originating in or exported from China is likely to result in the continuation or resumption of dumping of the goods into Canada; and
- ii. the expiry of the order in respect of the subsidizing of certain thermoelectric containers originating in or exported from China is likely to result in the continuation or resumption of subsidizing of the goods exported to Canada.

BACKGROUND

[11] On May 15, 2008, following a complaint filed by Koolatron Corporation of Brantford, Ontario, the CBSA initiated investigations, pursuant to subsection 31(1) of SIMA, respecting the dumping and subsidizing of certain thermoelectric containers from China.

[12] On November 10, 2008, the CBSA made final determinations of dumping and subsidizing, in accordance with section 41 of SIMA, in respect of certain thermoelectric containers from China.

¹⁰ Exhibits 31 (PRO) & 32 (NC) – Case Briefs Filed on Behalf of Koolatron Corporation

[13] On December 11, 2008, pursuant to subsection 43(1) of SIMA, the CITT found that the dumping and subsidizing of certain thermoelectric containers from China had caused injury to the Canadian domestic industry.

[14] On November 25, 2010, the CBSA concluded a re-investigation to update the normal values, export prices, and amounts of subsidy in respect of certain thermoelectric containers from China.

[15] On March 1, 2012, the CBSA concluded a re-investigation to update the normal values, export prices, and amounts of subsidy in respect of certain thermoelectric containers from China.

[16] On December 9, 2013, the CITT determined that the expiry of its finding would cause material injury to the domestic industry. Therefore, the CITT continued its finding made in Inquiry No. NQ-2008-002.

[17] On July 30, 2014, the CBSA concluded a re-investigation to update the normal values, export prices, and amounts of subsidy in respect of certain thermoelectric containers from China.

[18] On September 10, 2018, pursuant to subsection 76.03(2) of SIMA, the CITT issued a notice concerning the expiry of its order, which was scheduled to occur on December 8, 2018. Based on the information filed during the expiry process, the CITT decided that a review of the order was warranted.

[19] On October 30, 2018, the CITT initiated an expiry review of its order pursuant to subsection 76.03(3) of SIMA.

[20] On October 31, 2018, the CBSA commenced an expiry review investigation to determine whether the expiry of the order is likely to result in continued or resumed dumping and/or subsidizing of the subject goods.

PRODUCT DEFINITION

[21] The goods subject to the order under review are defined as:

“Thermoelectric containers that provide cooling and/or warming with the use of a passive heat sink and a thermoelectric module, excluding liquid dispensers, originating in or exported from the People’s Republic of China.”

Additional Product Information

[22] Thermoelectric containers rely on a principle called the Peltier effect to pump heat electronically, without the use of compressors, coils and gases. The Peltier effect dictates that if a direct current (DC) passes through an electrical junction formed of dissimilar metals, heat will flow towards or away from the junction, depending on the direction of the DC flow in the junction. To achieve a practical level of heat pumping capability, multiple junctions are bonded together to form thermoelectric modules.

[23] Thermoelectric containers can, therefore, be used to either cool or warm the interior air volume of the container, relative to the temperature gradient with the ambient air.

[24] The thermoelectric containers operate using a DC power cord, a battery or a 120-volt alternative current (AC) power adapter.

[25] Although the interior is normally made of plastic, the exterior can either be made of plastic, metal, a combination of plastic and metal or of a soft-shell that covers the plastic interior. The containers have a lid or door that is composed of plastic, metal, glass or a combination of these materials.

[26] Thermoelectric containers are generally categorized according to their marketed uses as:

- a. travel coolers and warmers;
- b. home use coolers and warmers;
- c. wine (or display) coolers; and
- d. commercial coolers and warmers.

[27] Due to limitations associated with thermoelectric refrigeration using modules paired to passive heat sinks, the size of containers is generally limited to approximately 100 litres.

[28] The exclusion of liquid dispensers from the definition is intended to exclude such products as water coolers, cream dispensers and milk dispensers.

Production Process

[29] Thermoelectric containers are not manufactured to any industry-wide specification for quality, performance or otherwise.

[30] Thermoelectric containers are composed of an insulated box and a heat pump along with electronics. The box consists of an inner and outer shell with two-part polyurethane foam insulation injected between the inner and outer wall. The shells can be made of plastic, metal, cardboard or fabric.

[31] The plastic shells are manufactured by using either injection moulding, vacuum forming or by using rotationally moulded parts. Metal, fabric and cardboard shells are fabricated, which does not require moulds.

[32] Lids and doors are constructed in a similar manner. Solid plastic and metal lids are comprised of an inner and outer shell, with polyurethane foam sandwiched between the inner and outer shell. For coolers with a clear plastic or glass lid or door, the inner and outer shell is made of either clear plastic or a solid plastic, with part of the plastic lid being cut out and replaced with clear plastic or glass.

[33] The heat pump consists of a heat sink on the outside and a cold plate on the inside of the cooler, which are joined together by an extender block. The thermoelectric module is placed between the heat sink and the extender block. A fan motor (or motors) blows air on the cold plate and the heat sink. Depending on the use of the container, various types of controllers are added.

[34] The production process generally begins with the inner and outer shell being treated with electro treatment. The inner and outer shell are then assembled and conveyed through a heat tunnel to a foam insulation station. Two-part polyurethane is injected between the shells that are then placed in foaming fixtures. The inner and outer shell containing the foam are held in these fixtures for up to six minutes, while the two-part polyurethane foam expands through a chemical reaction. Once the foamed boxes and lids are removed from the foaming fixtures they are placed on the main production line.

[35] The assembly of the heat pump consists of a heat sink, a thermoelectric module and an extender block. In order to reduce heat receptivity, silicon grease is applied on all surfaces which are in contact with each other. The thermoelectric module is generally a small device (of matchbook size) made-up of a number of pairs of bismuth telluride crystals sandwiched between ceramic plates. In order to obtain proper contacts, without breaking the ceramic, the thermoelectric module is carefully sandwiched between the heat sink and cold plate. The heat pump is assembled and placed on the outside of the box and on the inside a cold plate is attached to the extender block. As the box travels down the main assembly line, a fan motor is added and wired, fan blades on the inside and outside are attached, a cold plate shroud is fitted and finally lids and latches are installed.

[36] Thermoelectric containers require no special packaging or approvals. They are easily distributed by national retailers and wholesalers. They are generally sold fully assembled and ready to use, packaged in protective boxes for shipping and ease of palletizing.

CLASSIFICATION OF IMPORTS

[37] The subject goods are usually classified under the following tariff classification numbers:

8418.61.00.00
8418.50.10.00
8418.50.29.00
8418.69.90.90
8418.99.90.90

[38] The subject goods may also be imported under the following tariff classification numbers:

8418.29.00.00
8418.69.90.80

[39] This listing of tariff classification numbers is for convenience of reference only. The tariff classification numbers provided may include goods that are not subject goods and subject goods may be imported into Canada under tariff classification numbers other than those provided. Refer to the product definition for authoritative details regarding the subject goods.

PERIOD OF REVIEW

[40] The period of review (POR) for the CBSA's expiry review investigation is January 1, 2015, to September 30, 2018.

CANADIAN INDUSTRY

[41] Koolatron Corporation of Brantford, Ontario and MTL Technologies, Inc. of Chambly, Quebec are the two known producers of thermoelectric containers in Canada, with Koolatron Corporation accounting for the vast majority of total domestic production of these goods in Canada. MTL Technologies, Inc. also produces thermoelectric containers in small quantities.

Koolatron Corporation

[42] A response to the Canadian Producer ERQ for the thermoelectric containers expiry review investigation was received from Koolatron Corporation (Koolatron). Koolatron produces like goods ranging from 1 to 70 litres of internal volume capacity. They produce like goods marketed to travel-use, home-use, wine/display and commercial uses.

[43] Koolatron, a privately held company, started in the business of thermoelectric cooling and warming in 1976. Koolatron's current manufacturing facilities for the production of the like goods are located in Brantford, Ontario.

[44] In addition to producing and selling the like goods, Koolatron is also a manufacturer of various other products as well as an importer and reseller of consumer products for which it has obtained distributor licenses.

[45] Koolatron accounts for the vast majority of total domestic production of thermoelectric containers in Canada and for purposes of this expiry review investigation, is considered representative of the entire Canadian industry.¹¹

MTL Technologies, Inc.

[46] The only other known Canadian producer is MTL Technologies, Inc., located in Chambly, Quebec. MTL Technologies, Inc. did not provide a response to the ERQ nor did it file a case brief or reply submission. MTL Technologies, Inc. is a niche producer dealing in small volumes of customized retail display coolers.¹²

¹¹ RR -2012-04 – *Statement of Reasons* - <http://www.cbsa-asfc.gc.ca/sima-lmsi/er-rre/rr2012-004/rr2012-004-e12-de-eng.html>

¹² RR -2012-04 – *Statement of Reasons* - <http://www.cbsa-asfc.gc.ca/sima-lmsi/er-rre/rr2012-004/rr2012-004-e12-de-eng.html>

CANADIAN MARKET

[47] The imports of certain thermoelectric containers from China and all other countries during the POR are presented in **Table 1** and **Table 2** below. The CBSA cannot release specific quantitative data respecting the value and volume of Canadian production of certain thermoelectric containers sold for domestic consumption as it would lead to the disclosure of confidential information.

Table 1
Total Imports for the POR
(Value in CAD)¹³

Value (CAD)					
Source	2015	2016	2017	2017 (Jan 1 – Sept 30)	2018 (Jan. 1 – Sept 30)
	Value	Value	Value	Value	Value
Total Imports China	3,048,701	2,745,961	3,066,515	2,822,483	2,726,339
All Other Countries	3,352,642	2,733,631	3,195,212	2,589,612	2,753,213
Total Imports	6,401,343	5,479,592	6,261,727	5,412,095	5,479,552

Table 2
Total Imports for the POR
(Quantity in Units)¹⁴

Qty (Units)					
Source	2015	2016	2017	2017 (Jan 1 – Sept 30)	2018 (Jan. 1 – Sept 30)
	Qty	Qty	Qty	Qty	Qty
Total Imports China	40,234	45,484	30,511	28,896	32,259
All Other Countries	39,951	34,223	32,513	27,253	30,489
Total-Imports	80,185	79,707	63,024	56,149	62,748

¹³ Exhibit 28 (NC) – Updated CBSA Import and Compliance Statistics for the Period of Review

¹⁴ Exhibit 28 (NC) – Updated CBSA Import and Compliance Statistics for the Period of Review

Canadian Production

[48] Koolatron's share of the apparent Canadian market, in terms of value and quantity, increased from 2015 through 2018.

[49] Koolatron noted that thermoelectric containers are considered to be a seasonal product, with portable containers being sold mainly in the summer months while wine coolers are mainly sold during the holiday season.¹⁵

Imports – Subject Country

[50] During the POR, the share of the apparent Canadian market from subject goods, in terms of value and quantity, decreased from 2015 through 2017, but has increased in the first nine months of 2018 compared to the same period in 2017.

Imports – Other Countries

[51] During the POR, the share of the apparent Canadian market from thermoelectric containers from other countries (e.g. non-named countries), in terms of value and quantity, decreased from 2015 through 2017, but has increased in the first nine months of 2018 compared to the same period in 2017.

ENFORCEMENT DATA

[52] As shown in **Table 3** below, the total amount of anti-dumping and countervailing duties assessed on imports of subject goods from China during the POR was \$1,012,773, consisting of \$727,195 in anti-dumping duty and \$285,578 in countervailing duty. As a percentage of the total value for duty, the anti-dumping and countervailing duties assessed during the POR were equal to 6.3% and 2.5%, respectively.

Table 3

Enforcement Data – Imports of Subject Goods from China
Quantity, and Anti-dumping and Countervailing Duties Collected during the POR¹⁶
(Volume in Units and Duties in CAD)*

	2015	2016	2017	2017 (Jan. to Sept.)	2018 (Jan. to Sept.)
Quantity	40,234	45,484	30,511	28,896	32,259
AD Duty*	\$131,500	\$242,357	\$237,462	\$161,007	\$115,876
CV Duty*	\$44,912	\$194,510	\$18,505	\$8,366	\$27,651
Total Duties	\$176,412	\$436,867	\$255,967	\$169,373	\$143,527

*AD Duty = Anti-dumping Duty; CV Duty = Countervailing Duty

¹⁵ Exhibit 25 (NC) - Response to producer ERQ from Koolatron Corporation, Question 33

¹⁶ Exhibit 28 (NC) – Updated CBSA Import and Compliance Statistics for the Period of Review

[53] It should be noted that during the period for which the order has been in place, although several Chinese exporters sold subject goods to Canada, only one Chinese exporter, Mobicool International, Ltd./Mobicool Shenzhen Co. Ltd. (Mobicool), now named Dometic Asia Co., Ltd./Dometic Shenzhen Electronics Co., Ltd. (Dometic), had specific normal values, export prices and amounts of subsidy established.¹⁷

PARTIES TO THE PROCEEDINGS

[54] On October 31, 2018, a notice concerning the CBSA's initiation of the expiry review investigation was sent to all known Canadian producers, potential importers and exporters of thermoelectric containers, as well as to the GOC. All of these parties were also sent an ERQ.

[55] The ERQs requested information needed to consider the expiry review factors, as found in subsection 37.2(1) of the *Special Import Measures Regulations* (SIMR), relevant to this expiry review investigation.

[56] The CBSA received one response to its Canadian Producer ERQ from Koolatron.¹⁸ The submission made by the Canadian producer included information supporting its position that continued or resumed dumping and subsidizing of certain thermoelectric containers from China is likely if the CITT's order is rescinded.

[57] The CBSA received responses to its ERQ from the following Canadian importers of thermoelectric containers: Marrin Consulting Inc.,¹⁹ Volvo Car Canada Ltd.,²⁰ SpencerGear Promotional Products,²¹ Spectrum Brands Canada,²² Donald Choi Canada Ltd.,²³ Wayfair LLC,²⁴ and Navistar Canada ULC.²⁵ These importers vary in level of trade from distributors to end users. None of the importers expressed an opinion on the likelihood of continued or resumed dumping and/or subsidizing of subject goods if the CITT's order is rescinded.

[58] The CBSA received a response to the Exporter ERQ from MTM Recognition Corporation which is based in the U.S. and sources its thermoelectric containers from China.²⁶ The supplier in China did not respond to the Exporter ERQ. The exporter in the U.S. did not express an opinion on the likelihood of continued or resumed dumping and/or subsidizing of subject goods if the CITT's order is rescinded.

[59] The GOC did not provide a response to the CBSA's ERQ nor did it submit a case brief or a reply submission.

¹⁷ Exhibit 30 (NC) - CBSA Research Articles, Notice of Conclusion of Re-investigation

¹⁸ Exhibits 25 (NC) & 26 (PRO) - Response to producer ERQ from Koolatron Corporation

¹⁹ Exhibits 13 (NC) – Response to importer ERQ from Marrin Consulting Inc

²⁰ Exhibits 14 (PRO) & 15 (NC) – Response to importer ERQ from Volvo Car Canada Ltd.

²¹ Exhibits 16 (NC) – Response to importer ERQ from SpencerGear Promotional Products

²² Exhibits 19 (NC) – Response to importer ERQ from Spectrum Brands Canada

²³ Exhibits 20 (NC) – Response to importer ERQ from Donald Choi Canada LTD

²⁴ Exhibits 21 (PRO) & 22 (NC) – Response to importer ERQ from Wayfair LLC

²⁵ Exhibits 23 (PRO) & 24 (NC) – Response to importer ERQ from Navistar Canada ULC

²⁶ Exhibits 17 (PRO) & 18 (NC) – Response to exporter ERQ from MTM Recognition Corporation

[60] A case brief was received from counsel on behalf of Koolatron Corporation. No additional case briefs or reply submissions were received from any party.

INFORMATION CONSIDERED BY THE CBSA

Administrative Record

[61] The information considered by the CBSA for purposes of this expiry review investigation is contained on the administrative record. The administrative record includes the exhibits listed on the CBSA's Exhibit Listing, which is comprised of the CITT's administrative record relating to the initiation of the expiry review, CBSA exhibits and information submitted by interested persons, including information which they feel is relevant to the decision as to whether dumping and/or subsidizing is likely to continue or resume, if the order is rescinded. This information may consist of expert analyst reports, excerpts from trade magazines and newspapers, orders and findings issued by authorities of Canada or of a country other than Canada, documents from international trade organizations such as the World Trade Organization and responses to the ERQs submitted by domestic producers, importers, exporters and foreign governments.

[62] For purposes of an expiry review investigation, the CBSA sets a date after which no new information submitted by interested parties may be placed on the administrative record or considered as part of the CBSA's investigation. This is referred to as the closing of the record date. This allows participants time to prepare their case briefs and reply submissions based on the information that is on the administrative record as of the date the record closed. For this expiry review investigation, the record closed on January 7, 2019.

POSITION OF THE PARTIES – DUMPING

Party Contending that Continued or Resumed Dumping is Likely

[63] The participating Canadian producer, Koolatron, made representations in its ERQ response and in its case brief supporting its position that dumping of certain thermoelectric containers from China is likely to continue or resume should the CITT's order expire. Therefore, the company argued that the anti-dumping measures should remain in place.

[64] The main factors identified by the Canadian producer can be summarized as follows:

- the Chinese excess capacity and export orientation;
- a growing domestic market resulting in additional exports to Canada;
- the weakening economy in China;
- the U.S. trade tariffs on China;
- the competitive retail environment in Canada; and
- the other measures in force.

Chinese Excess Capacity and Export Orientation

[65] The Canadian producer alleges that the scale of Chinese production and exports is a significant factor supporting the likelihood of renewed dumping of imports and that Chinese companies routinely advertise their goods to export markets.²⁷

[66] The Canadian producer provided evidence in the form of the websites of two thermoelectric container producers in China, Ningbo Iceberg Electric Appliance Co., Ltd. and Guangdong Fuxin Electronic Technology Co., Ltd. These producers have an excess capacity of 210,000 units. Furthermore, the Canadian producer also alleges that the capacity of these two companies is many times over that of the Canadian market. The websites also indicate that 25% and 38.86% of their current production, respectively, are exported to North America.²⁸

A Growing Domestic Market Resulting in Additional Exports to Canada

[67] The Canadian producer provided information indicating that a growing wine market in China is having a profound effect on manufacturing capacity growth. Increased wine consumption in China has led to increasing demand for thermoelectric containers. Growth in demand led to growth in manufacturing capacity and the growing domestic market has appeared to increase the range and quantity of thermoelectric containers available for export.²⁹

[68] The producer provided evidence in support of the allegation by referencing the CITT's Reasons in RR-2012-004, research articles, and price lists of wine and travel coolers in China.³⁰

Weakening Economy in China

[69] The Canadian producer argued that Chinese domestic consumption is facing a slowdown due to a number of factors, namely signs of a softening domestic demand and a fall in the renminbi's value against the U.S. dollar.³¹

[70] For this factor, the Canadian producer referenced a report published by *The Economist*. The report indicated that a greater threat to the economy is moderating domestic demand within China. Specifically, growth in retail sales of consumer goods eased by one percentage, and weaker consumer demand had a significant economic impact as consumption expenditure accounted for almost 60% of China's real GDP growth last year. In the face of newly built capacity and decreasing demand, the report suggested that Chinese government and industry are again focusing on export markets to drive growth. The Canadian producer contends that China's slowing domestic marketplace as well as impediments to the U.S. markets increases the likelihood that dumping will resume, especially in view of the competitive pricing pressures in Canada, as explained below.³²

²⁷ Exhibit 25 (NC) - Response to producer ERQ from Koolatron Corporation, page 32

²⁸ Exhibit 25 (NC) - Response to producer ERQ from Koolatron Corporation, page 32

²⁹ Exhibit 25 (NC) - Response to producer ERQ from Koolatron Corporation, page 33

³⁰ Exhibit 25 (NC) - Response to producer ERQ from Koolatron Corporation, page 33

³¹ Exhibit 25 (NC) - Response to producer ERQ from Koolatron Corporation, page 33

³² Exhibit 25 (NC) - Response to producer ERQ from Koolatron Corporation, page 33

U.S. Trade Tariffs on China

[71] The Canadian producer believes that the recently imposed Section 301 Tariffs in the U.S. on products from China suggests that continued or resumed dumping of certain thermoelectric containers into the Canadian market is likely.

[72] In 2018, the U.S. announced the imposition of a two-stage plan to impose a 25% tariff on \$50 billion worth of Chinese imports.³³ With the potential of 25% tariffs hitting thermoelectric containers imported into the U.S. and as the U.S. continues to add new consumer products to its list of applicable goods,³⁴ the Canadian producer believes that some of these goods will be diverted to Canada if the order is rescinded.

Competitive Retail Environment in Canada

[73] Referencing the CITT's reasons in both its 2008 finding and 2013 order, the Canadian producer argued that one of the main drivers of the influx of dumped and subsidized imports was the competitive dynamic that exists among big-box retailers in Canada.³⁵

[74] The CITT found that the market dominance of the mass merchandisers, and in particular the dominance of Canadian Tire "pulls down retail prices generally and, consequently, affects the price at which retailers and importers seek to purchase thermoelectric containers."³⁶

[75] The Canadian producer also argued that, as competitive as the situation was in 2013, the competition between these retailers is likely to intensify in next few years as the market consolidates after the departure of two major players in the retail space for thermoelectric containers.³⁷ Since the issuance of the present order, both Target and Sears have failed in Canada and have withdrawn completely from the market in Canada.

[76] According to the Canadian producer, this new competitive factor in mass merchandizing is expected to seriously affect the remaining big-box retailers, Canadian Tire, Wal-Mart, Costco and Home Depot – the major purchasers of thermoelectric containers in Canada. In addition, these bricks-and-mortar businesses are increasingly being impacted by online retailers such as Amazon.³⁸

³³ Exhibit 25 (NC) - Response to producer ERQ from Koolatron Corporation, page 34

³⁴ Exhibit 32 (NC) - Case Briefs Filed on Behalf of Koolatron Corporation, page 5

³⁵ Exhibit 25 (NC) - Response to producer ERQ from Koolatron Corporation, page 34

³⁶ NQ-2008-002 – *Statement of Reasons* - http://www.citt-tcce.gc.ca/en/dumping/inquiry/findings/archive_nq2i002_e

³⁷ Exhibit 25 (NC) - Response to producer ERQ from Koolatron Corporation, page 34

³⁸ Exhibit 25 (NC) - Response to producer ERQ from Koolatron Corporation, page 34

Other Measures in Force

[77] In its submission, the Canadian producer stated that there are other measures in force in respect of goods similar to thermoelectric containers in Canada, the U.S., and the European Union.³⁹

[78] In Canada, 24 measures regarding products from China exist, while five of them involve consumer products.

[79] As of September 6, 2018, there were 170 anti-dumping or countervailing duty orders in place in the U.S. respecting goods exported from China. Similar to Canada, the U.S. orders increasingly concern the type of consumer products distributed by big-box retailers. These have included cooking ware, axes, hammers, paper, clips, pencils, ironing boards, nails, and kitchen shelving.

Parties Contending that Continued or Resumed Dumping is Unlikely

[80] None of the parties contended that continued or resumed dumping of subject goods from China is unlikely if the order is rescinded.

CONSIDERATION AND ANALYSIS – DUMPING

[81] In making a determination under paragraph 76.03(7)(a) of SIMA whether the expiry of the order is likely to result in the continuation or resumption of dumping of the goods, the CBSA may consider the factors identified in subsection 37.2(1) of the SIMR, as well as any other factors relevant under the circumstances.

[82] Guided by the aforementioned factors and having considered the information on the administrative record, the following list represents a summary of the CBSA's analysis conducted in this expiry review investigation with respect to dumping:

- the dumping of the goods while the order has been in effect;
- the potential for a Chinese producer to produce the goods in a facility that is currently used to produce other goods;
- the capacity for thermoelectric container production in China;
- the competitive retail environment in Canada;
- the increasing export orientation of Chinese producers;
- the substitution of other goods; and
- the numerous measures, including current anti-dumping measures concerning Chinese consumer products, in other jurisdictions.

³⁹ Exhibit 25 (NC) - Response to producer ERQ from Koolatron Corporation, page 36

[83] As mentioned earlier in this document, no Chinese exporters of thermoelectric containers provided a response to the ERQ, nor did they file case briefs or reply submissions. An ERQ response was provided by seven importers of subject goods. However, the importers did not provide an opinion on the likelihood of continued or resumed dumping. Further, no case briefs or reply submissions were received from any of the importers that imported subject goods during the POR.

[84] The CBSA relied on information on the administrative record, including the ERQ response and case brief from the Canadian producer, in assessing the likelihood of continued or resumed dumping should the CITT's order be rescinded.

The Dumping of the Goods while the Order has been in Effect

[85] Respecting all exports of thermoelectric containers to Canada from China during the POR, a total of \$727,195 in anti-dumping duties was assessed.⁴⁰ As was illustrated in **Table 3**, the dumping continued throughout the POR. Due to confidentiality reasons, the anti-dumping duties assessed in respect of the goods of specific exporters cannot be disclosed. However, it is noted that importations from each of the exporters during the POR were assessed anti-dumping duties. This demonstrates that exporters of subject goods in China continue to have a demonstrated interest in the Canadian market. This in turn demonstrates a likelihood of the continuation or resumption of dumping in the absence of the current order and an inability to sell to Canada at undumped prices.

The Potential for a Chinese Producer to Produce the Goods in a Facility that is Currently used to Produce Other Goods

[86] The CBSA notes that there is a Chinese producer who has the potential to produce subject goods in a facility that is currently used to produce other goods.

[87] In August 2018, a manufacturer in China contacted the CBSA in order to obtain specific normal values for certain thermoelectric containers that it intends to produce at a factory that currently does not produce subject goods.⁴¹ This factory has not been used for the purposes of producing subject goods for the Canadian market since the finding in 2008. If these models are produced and sold to the Canadian market, currently these exports would be assessed anti-dumping duty of 37% of the export price upon entering Canada.

[88] Given that the CBSA has not received any ERQ responses from exporters in China, there is no additional information on the administrative record on the potential for other Chinese producers to produce thermoelectric containers at facilities that are currently utilized for the production of other goods.

⁴⁰ Exhibit 28 (NC) – Updated CBSA Import and Compliance Statistics for the Period of Review

⁴¹ Exhibit 29 (PRO) - CBSA Research Articles

The Capacity for Thermoelectric Container Production in China

[89] The CBSA is not able to conduct a thorough analysis of the capacity utilization rates of the producers in China, as there is insufficient information on the administrative record. The Canadian producer, however, did provide information in its ERQ response relating to the annual production capacity of two producers in China.⁴²

[90] As discussed earlier, the Canadian producer provided evidence of capacity in the form of referencing the websites of two thermoelectric container producers in China, Ningbo Iceberg Electric Appliance Co., Ltd. and Guangdong Fuxin Electronic Technology Co., Ltd. These producers have an excess capacity of 210,000 units combined.

[91] In addition, as mentioned earlier, the CBSA received information from a manufacturer during the POR that it intends to produce subject goods at a factory that has not yet produced subject goods. This further demonstrates that there would be additional capacity available to fulfill sales in the Canadian market.

[92] Lastly, the CBSA mailing list⁴³ for this expiry review investigation contains several exporters/potential producers located in China. This, with the other information mentioned, indicates that there is more than enough production capacity for thermoelectric containers in China to supply the entire Canadian market.

The Competitive Retail Environment in Canada

[93] In the Injury Inquiry NQ 2008-02 and the expiry review RR-2013-004, the CITT found that one of the main drivers of the influx of dumped and subsidized imports was the competitive dynamic that existed among big-box retailers in Canada.⁴⁴ The CITT found that the market dominance of the mass merchandisers, and in particular the dominance of Canadian Tire “pulls down retail prices generally and, consequently, affects the price at which retailers and importers seek to purchase thermoelectric containers.”⁴⁵

[94] With the increasing popularity of online shopping in Canada, both offered by traditional brick and mortar companies and online-exclusive retailers, there is additional pressure on Canadian retailers to lower prices. Thermoelectric containers are now more accessible than ever to the average consumer, where products can be purchased online regardless of their origin.⁴⁶

⁴² Exhibit 15 (NC) – Koolatron ERQ response, Exhibit “I”.

⁴³ Exhibit 37 (PRO) – CITT Notice (Appendix A)

⁴⁴ Exhibit 25 (NC) - Response to producer ERQ from Koolatron Corporation

⁴⁵ NQ-2008-002 – *Statement of Reasons* - http://www.citt-tcce.gc.ca/en/dumping/inquiry/findings/archive_nq2i002_e

⁴⁶ Exhibit 30 (NC) - CBSA Research Articles

Increasing Export Orientation of Chinese Producers

[95] The growth of wine sales in China of 132% from 2010 to 2016,⁴⁷ also indicates the potential for new companies to emerge in China who could satisfy domestic demand and also produce and export wine coolers to Canada. Furthermore, it is expected that wine sales in China will increase by an additional 75% by 2019. Currently there are several Chinese producers who offer wine coolers for sale both in the Canadian market and via online retailers.⁴⁸

[96] The growth of the travel cooler segment of thermoelectric containers also poses the potential for additional exports of thermoelectric containers to Canada. In Mobicool/Dometic's 2017 annual report, it highlights that the North America mobile cooling market is an important growth strategy for the company and that it is actively undertaking projects to accelerate that growth.⁴⁹

[97] Also, as mentioned by Koolatron, the websites of two Chinese thermoelectric containers producers with excess capacity indicate that the two companies export 25% and 38.86% of their current production, respectively, to North America.⁵⁰ This demonstrates the export orientation of these Chinese producers.

Substitution of Other Goods

[98] Subsequent to the CITT's order in 2013, importers began to import thermoelectric containers which are not considered to be subject goods since they use gas to help cool goods inside. This is known as thermoelectric containers using heat pipe technology.

[99] Since 2014, the CBSA has received subjectivity requests regarding this product from importers and exporters of thermoelectric containers.⁵¹

[100] It is estimated that sales of thermoelectric containers utilizing heat pipe technology would amount to approximately 10% of the market based on data from **Table 2**. If the CITT's order were rescinded and anti-dumping and countervailing duties were removed from subject thermoelectric containers, it is possible that importers would revert to purchasing significantly more subject thermoelectric containers instead of the thermoelectric containers using heat pipe technology.

⁴⁷ Exhibit 30 (NC) - CBSA Research Articles

⁴⁸ Exhibit 30 (NC) - CBSA Research Articles

⁴⁹ Exhibit 30 (NC) - CBSA Research Articles

⁵⁰ Exhibit 25 (NC) - Response to producer ERQ from Koolatron Corporation, page 32

⁵¹ Exhibit 29 (PRO) - CBSA Research Articles

The Numerous Measures, Including Current Anti-dumping Measures Concerning Chinese Consumer Products, in Other Jurisdictions

[101] Since January 2018, the U.S. has imposed and/or proposed tariffs on several goods from China.⁵² The tariffs cover a variety of different goods, including consumer products, and are planned to affect billions of dollars in trade.

[102] The information on the administrative record also documents a number of anti-dumping measures in Canada involving various consumer products including stainless steel sinks, carbon steel fasteners, photovoltaic modules and laminates, and copper pipe fittings that generally illustrate the continued propensity of Chinese producers to dump consumer products into Canada.⁵³

[103] There are numerous anti-dumping findings in place regarding Chinese consumer products in the U.S. (e.g. cooking ware, axes, hammers, paper, clips, pencils, ironing boards, nails, and kitchen shelving) and the European Union (aluminium foil, ceramic tableware and kitchenware, ceramic tiles, coated fine paper, ironing boards and tapered candles) that generally illustrate the continued propensity of Chinese producers to dump consumer products into foreign markets.⁵⁴

Determination Regarding Likelihood of Continued or Resumed Dumping

[104] Based on the information on the administrative record in respect of: the dumping of the goods while the order has been in effect; the potential for a Chinese producer to produce the goods in a facility that is currently used to produce other goods; the capacity for thermoelectric container production in China; the competitive retail environment in Canada; the increasing export orientation of Chinese producers; the substitution of other products; and the numerous measures, including current anti-dumping measures concerning Chinese consumer products, in other jurisdictions, the CBSA determined that the expiry of the order is likely to result in the continuation or resumption of dumping into Canada of certain thermoelectric containers originating in or exported from China.

POSITION OF THE PARTIES - SUBSIDIZING

Party Contending that Continued or Resumed Subsidizing is Likely

[105] The participating Canadian producer, Koolatron, made limited representations in its ERQ response and in its case brief, supporting its position that the subsidizing of certain thermoelectric containers from China is likely to continue or resume should the CITT's order expire. The Canadian producer argued that the countervailing measures should remain in place.

⁵² Exhibit 30 (NC) - CBSA Research Articles

⁵³ Exhibits 32 (NC) – Case Briefs Filed on Behalf of Koolatron Corporation

⁵⁴ Exhibits 32 (NC) – Case Briefs Filed on Behalf of Koolatron Corporation

[106] The main factors identified by the Canadian producer can be summarized as follows:

- the continued availability of numerous subsidy programs in China;
- countervailing measures in Canada and in other jurisdictions in respect of Chinese consumer products; and
- the effect of export subsidies on the large production capacity and export orientation of Chinese producers.

[107] The Canadian producer stated that in its final determination of subsidizing concerning thermoelectric containers, the CBSA found that the subject goods were subsidized, and in arriving at this determination it found evidence of 38 actionable and potentially actionable programs. In addition, the Canadian producer noted that the CBSA has continued to investigate subsidy programs through subsequent re-investigations.⁵⁵

[108] The Canadian producer also remarked that producers in China have been found to be exporting subsidized consumer products and other products to Canada and other jurisdictions.⁵⁶

[109] The Canadian producer also mentioned that as set out in the arguments concerning the likelihood of the continued or resumed dumping, information on the administrative record indicates that there are many producers of thermoelectric containers in China and that their capacities for production of the subject goods exceeds the Canadian market many times over. This indicates that there is excess capacity which would allow for subsidized thermoelectric containers to be exported to Canada in the absence of an order.⁵⁷

Parties Contending that Continued or Resumed Subsidizing is Unlikely

[110] No case briefs or reply submissions were submitted contending that the subsidizing of thermoelectric containers is not likely to continue or resume if the order is rescinded.

CONSIDERATION AND ANALYSIS – SUBSIDIZING

[111] In making a determination under paragraph 76.03(7)(a) of SIMA as to whether the expiry of the order in respect of goods from China is likely to result in the continuation or resumption of subsidizing of these goods, the CBSA may consider factors identified in subsection 37.2(1) of the SIMR, as well as any other factors relevant in the circumstances.

⁵⁵ Exhibits 32 (NC) – Case Briefs Filed on Behalf of Koolatron Corporation

⁵⁶ Exhibits 32 (NC) – Case Briefs Filed on Behalf of Koolatron Corporation

⁵⁷ Exhibits 32 (NC) – Case Briefs Filed on Behalf of Koolatron Corporation

[112] Guided by the aforementioned factors and having considered the information on the administrative record, the following list represents a summary of the CBSA's analysis conducted in this expiry review investigation with respect to subsidizing:

- the continued availability of subsidy programs for exporters of thermoelectric containers in China;
- the fact that subsidized goods were imported during the POR;
- the volume of subsidized goods imported during the POR;
- the sustained interest in the Canadian market by Chinese exporters as evidenced by the volumes of subsidized goods exported during the POR;
- the GOC provision of subsidies to its manufacturers; and
- the countervailing measures against Chinese consumer products in Canada and other jurisdictions.

[113] As mentioned earlier in this document, no Chinese exporters of thermoelectric containers provided a response to the ERQ, nor did they file case briefs or reply submissions. An ERQ response was provided by seven importers of subject goods. However, the importers did not provide an opinion on the likelihood of continued or resumed subsidizing. Further, no case briefs or reply submissions were received from any of the importers that imported subject goods during the POR. Similarly, the GOC did not provide a response to the ERQ, nor did they provide a case brief or reply submission.

[114] The CBSA relied on information on the administrative record, including the ERQ response and case brief from the Canadian producer, in assessing the likelihood of continued or resumed subsidization should the CITT's order be rescinded.

[115] At the time of the original subsidy investigation in 2008, the CBSA found three actionable subsidy programs that were used by Mobicool/Dometic, the sole cooperative exporter, and 35 additional potentially actionable subsidy programs that were not used by the cooperative exporter.⁵⁸

[116] A list of the programs found actionable that were used by the sole cooperative exporter at the time of the final determination is as follows:

- Program 1: Preferential Tax Policies for Enterprises with Foreign Investment Established in Special Economic Zones (Excluding Shanghai New Pudong Area);
- Program 2: Preferential Tax Policies for Foreign Invested Enterprises and Foreign Enterprises in China and are engaged in production or business operations purchasing domestically produced equipment; and
- Program 3: Government Interest Subsidy of Shenzhen Foreign Trade Development Fund.

⁵⁸ Final Determination – *Statement of Reasons* – Certain Thermoelectric Containers – 2008, Appendix 2.

[117] It was found that 100 percent of the goods exported from China were subsidized. The weighted average amount of subsidy, expressed as a percentage of the export price, was equal to 9.9 percent. The amount of subsidy found for the sole cooperative exporter was 2.17 Renminbi per unit. The amount of subsidy for all other exporters was equal to 53.27 Renminbi per unit, as determined according to a Ministerial specification pursuant to subsection 30.4(2) of SIMA.⁵⁹

[118] Detailed descriptions of the programs and explanations as to why they were regarded as countervailable subsidies are contained in the CBSA's *Statement of Reasons* issued at the final determination.⁶⁰

[119] The GOC did not provide information on the 35 subsidy programs that were not used by the cooperative exporter during the original investigation. Consequently, while they were investigated, the CBSA had limited details to report on those programs at the final determination.

[120] Since the CITT's finding, the CBSA has conducted three re-investigations to update amounts of subsidy for thermoelectric containers, concluding in 2010, 2012 and 2014.

[121] The Request for Information (RFI) sent to exporters at the time of each re-investigation included programs identified at the original investigation, as well as those identified from any other investigation or new source that suggested the program may be applicable to the production of thermoelectric containers.

[122] In each of the three subsidy re-investigations, Mobicool/Dometic was the sole exporter that participated and it was provided with updated amounts of subsidy. Furthermore, the GOC did not participate in any of the re-investigations. Consequently, the CBSA has limited information concerning the details of the subsidy programs that were regarded as countervailable.

[123] The results of the conclusion of the 2014 subsidy re-investigation represent the best information available, which is that subsidy programs continue to be available to producers of thermoelectric containers in China.

⁵⁹ *Ibid*, Appendix 1.

⁶⁰ *Ibid*, Appendix 2, pages 29-76.

[124] A list of the programs found actionable that were used by the sole cooperative exporter at the time of the conclusion of the 2014 re-investigation, including six new programs, are as follows:⁶¹

- Program 167: Development Assistance for High and New Technology Enterprises Registered within Futian District of Shenzhen (Futian S&T Fund)
- Program 168: Encourage Measures of the Hi-tech Products Export
- Program 169: Staff Training Grants - Government of Shenzhen
- Program 171: Shenzhen Pengcheng Waste Reduction Initiative
- Program 176: Preferential Tax Policies for the Research and Development of FIEs
- Program 181: Corporate Income Tax Reduction for New High-Technology Enterprises
- Refund of Individual Income Tax Handling Fee
- Reward of China Communist Party Members Contribution in Enterprise

[125] At the conclusion of the 2014 re-investigation, the amount of subsidy found for the sole cooperative exporter was 0.96 Renminbi per unit.

[126] During the POR, all subject goods have been assessed countervailing duties as evidenced in **Table 3**. Total countervailing duty for all subject goods exported to Canada has amounted to \$285,578.

[127] Chinese producers have continued a presence in the Canadian market while the order has been in effect as evidenced in **Tables 1 & 2**. In addition, there is evidence of numerous promotional price quotes to potential importers from other potential exporters in China showing a continued interest in the market from several exporters.⁶²

[128] As noted in the analysis of likelihood of the continued or resumed dumping, information on the administrative record indicates that there are many producers of thermoelectric containers in China and that their capacities for production of the subject goods exceeds the Canadian market many times over.

[129] There are numerous subsidy measures in place regarding Chinese consumer products in the U.S. (kitchen appliance shelving and racks, lightweight thermal paper, tow-behind lawn groomers and wood flooring) and a measure in the European Union (coated fine paper) that generally illustrate the continued propensity of Chinese producers to export subsidized consumer goods into foreign markets.

⁶¹ Exhibit 30 (NC) - CBSA Research Articles

⁶² Exhibit 26 (NC) - Response to producer ERQ from Koolatron Corporation

[130] Since the CITT's order concerning thermoelectric containers, the CBSA has conducted eight additional subsidy investigations involving China. In each of these cases the CBSA has identified a significant number of potentially actionable subsidy programs including preferential tax policies, and grants involving: development assistance, property tax exemptions, research and development, reimbursement of patent fees and reimbursement of loan interest that may also be available to producers of thermoelectric containers. Detailed descriptions of the programs and explanations as to why they were regarded as countervailable subsidies are contained in the CBSA's *Statement of Reasons* issued at the final determination for each investigation.⁶³ The existence of these other countervailing measures is a further indication that the GOC continues to provide subsidies to its domestic producers and likely will continue to do so in the future.

Determination Regarding Likelihood of Continued or Resumed Subsidizing

[131] Based on the information on the administrative record in respect of: the continued availability of subsidy programs for exporters of thermoelectric containers in China; the fact that subsidized goods were imported during the POR; the volume of subsidized goods imported during the POR; the sustained interest in the Canadian market by Chinese exporters as evidenced by the volumes of subsidized goods exported during the POR; the GOC provision of subsidies to its manufacturers; and the countervailing measures against Chinese consumer products in Canada and other jurisdictions, the CBSA determined that the expiry of the finding is likely to result in the continuation or resumption of subsidizing of certain thermoelectric containers originating in or exported from China.

CONCLUSION

[132] For the purpose of making a determination in this expiry review investigation, the CBSA conducted its analysis within the scope of the factors found under subsection 37.2(1) of the SIMR. Based on the foregoing consideration of pertinent factors and analysis of the information on the administrative record, on March 29, 2019, the CBSA made a determination pursuant to paragraph 76.03(7)(a) of SIMA that the expiry of the CITT's order made on December 9, 2013, in Expiry Review No. RR-2012-004, continuing, without amendment, its finding made on December 11, 2008, in Inquiry No. NQ-2008-002:

- i. in respect of certain thermoelectric containers originating in or exported from China is likely to result in the continuation or resumption of dumping of the goods; and
- ii. in respect of certain thermoelectric containers originating in or exported from China is likely to result in the continuation or resumption of subsidizing of the goods.

⁶³ See CBSA website at: <http://www.cbsa.gc.ca/sima-lmsi/i-e/menu-eng.html>

FUTURE ACTION

[133] On April 1, 2019, the CITT commenced its inquiry to determine whether the expiry of the order with respect to the dumping and subsidizing of certain thermoelectric containers from China is likely to result in injury. The CITT's Expiry Review schedule indicates that it will make its decision by September 5, 2019.

[134] If the CITT determines that the expiry of the order with respect to the goods is likely to result in injury, the CITT will make an order continuing the order in respect of those goods, with or without amendment. If this is the case, the CBSA will continue to levy anti-dumping and/or countervailing duties on dumped and/or subsidized importations of the subject goods.

[135] If the CITT determines that the expiry of the order with respect to the goods is not likely to result in injury, the CITT will make an order rescinding the order in respect of those goods. Anti-dumping and/or countervailing duties would then no longer be levied on importations of the subject goods, and any anti-dumping and/or countervailing duties paid in respect of goods that were released after the date that the order was scheduled to expire will be returned to the importer.

INFORMATION

[136] For further information, please contact the officer listed below:

Mail: SIMA Registry and Disclosure Unit
Trade and Anti-dumping Programs Directorate
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100 Metcalfe Street, 11th floor
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