

Memorandum D15-2-59

Certain Mattress Innerspring Units Originating In or Exported From the People's Republic of China

In Brief

1. This memo has been updated from the previous version to change the applicable classification numbers due to changes in the Harmonized Commodity Description and Coding System, and to add the decision of the Canadian International Trade Tribunal, pursuant to subsection 76.03(5) of the <u>Special Import Measures Act</u> (SIMA), not to initiate an expiry review.

2. The additional section has been added and the issuing office has been updated.

This memorandum refers to the application of anti-dumping duty, pursuant to section 3 of SIMA, on imports of certain mattress innerspring units originating in or exported from the People's Republic of China. The duty is applied as a result of the finding of the <u>Canadian International Trade Tribunal</u> (CITT), pursuant to subsection 43(1) of SIMA, that the dumping of the aforementioned goods caused injury to the domestic industry.

Guidelines and General Information

1. The subject goods are defined as:

"Mattress innerspring units, with or without edgeguards, used in the manufacture of innerspring mattresses, originating in or exported from the People's Republic of China."

2. Innersprings comprise the basic core used in the production of mattresses. While there are other technologies used for the core of a mattress, such as foam or air, steel wire innersprings remain the dominant mattress core in most markets around the world. A mattress innerspring is comprised of coils attached with wires (helicals). The top and bottom of the innerspring are framed with border rods, and side support is provided with flat springs called edgeguards that are clipped to the border rods. Certain innersprings have individual steel wire coils wrapped in a fabric pocket, and these pockets are glued together to produce the innerspring unit.

3. There are four basic styles of innersprings:

(a) Bonnell or Open coil – This is the oldest design and still the most popular in the mattress industry. The coil has an hourglass shape that tapers towards the middle of the coil, and each coil is attached to adjacent coils with helicals (or wire spirals).

(b) Offset coil – This is similar to the Bonnell, but has a squared/flat head (top and bottom) and is more cylindrical in shape.

(c) Pocket or Marshall coil – This is a cylindrical steel wire coil, with each individual coil enclosed in its own fabric pocket. The individual coils are then glued together to form the shape of the innerspring unit.

(d) Continuous coil – Continuous coils have irregular shapes, but each row of coils or a lattice work of coils is made from a single piece of wire, with each row attached by helicals to another row.

4. The basic mattress innerspring mattress sizes are: single (or "twin"), double, queen and king, though there are a wide range of variations available, including, extra long, different thicknesses or heights of coils, different coil count/wire gauge combinations, and other custom specifications.



5. The dates of the proceedings and findings concerning this case are as follows:

Action	Date
Initiation of Investigation	April 27, 2009
Preliminary Determination	July 27, 2009
Final Determination	October 26, 2009
CITT Finding	November 24, 2009
CITT Order to Not Initiate Expiry Review	March 12, 2014
Expiry of CITT Finding	November 23, 2014

6. On March 12, 2014, pursuant to subsection 76.03(5) of SIMA, the CITT issued an order that it would not initiate an expiry review of its finding made on November 24, 2009, concerning the subject goods. As a result, the finding will expire on November 23, 2014, and anti-dumping duties will not apply to imports of subject goods released by the Canada Border Services Agency (CBSA) after that date.

7. The subject goods are usually classified under the following 10-digit Harmonized System (HS) classification numbers:

9404.10.00.00 9404.29.00.00 7320.20.00.10 7320.20.00.90

Note: This listing of HS numbers is for convenience of reference only. Refer to the product definition for authoritative details regarding the subject goods.

8. The list of HS classification numbers typically used to classify the subject goods has changed. HS classification number 7320.20.90.10, which appeared in the previous Memorandum D15-2-59, was removed from the *Customs Tariff* on March 30, 2012. On the same date, HS classification number 7320.20.00.90 was added to the *Customs Tariff* and may be used to classify the subject goods. On December 4, 2013, at the conclusion of the most recent re-investigation of normal values and export prices, the CBSA determined that HS classification number 7320.20.00.10 may also be used to classify subject goods.

9. The liability for anti-dumping duty results from the proceedings conducted under SIMA and from the finding of the CITT. Information regarding the normal value of the subject goods in question and the amount of anti-dumping duty payable should be obtained from the exporter. Related information may be made available to importers on a need-to-know basis in accordance with the provisions of <u>Memorandum D14-1-2</u>, <u>Disclosure of</u> <u>Normal Values, Export Prices, and Amounts of Subsidy Established Under the Special Import Measures Act to Importers</u>.

10. For importations of the subject goods originating in or exported from the People's Republic of China, for which the exporter has not been issued specific normal values, the anti-dumping duty is 147.4% taken as a percent of the export price, as determined under section 24, 25 or 29 of SIMA.

Additional Information

11. For more information, within Canada call the Border Information Service at **1-800-461-9999**. From outside Canada call 204-983-3500 or 506-636-5064. Long distance charges will apply. Agents are available Monday to Friday (08:00 – 16:00 local time/except holidays). TTY is also available within Canada: **1-866-335-3237**.

References		
Issuing Office	Trade and Anti-dumping Programs Directorate	
Headquarters File	4214-24	
Legislative References	Special Import Measures Act, section 3	
Other References	<u>D14-1-2</u>	
Superseded Memorandum D	D15-2-59 dated December 22, 2010	