



# News Release

(703) 442-8850 □ (800) 781-4443 □ fax 703 790-08458 □ Web site [www.usapple.org](http://www.usapple.org)  
8233 Old Courthouse Road, Suite 200 □ Vienna, VA 22182-3816 USA

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**For more information, contact:**  
Shannon Schaffer, [sschaffer@usapple.org](mailto:sschaffer@usapple.org)

## **Apple Industry Prevails in Extending Concentrate Antidumping Order** *Unanimous Vote Extends Duties Five More Years*

Vienna, VA – The U.S. International Trade Commission (ITC) voted today to maintain the current antidumping order on imports of Chinese non-frozen apple juice concentrate to avoid further injury to the domestic apple industry. In a unanimous vote this afternoon, the ITC Commissioners voted to prevent a return of the predatory pricing practices of the 1990s which harmed the domestic concentrate industry. The decision is the last step in the process to extend the current antidumping order for five years. The U.S. Apple Association (USApple) submitted substantive comments in support of the extension.

“We are gratified that both the ITC and the U.S. Department of Commerce agreed with the need to continue the antidumping orders and its associated duties,” said USApple President and CEO Nancy Foster. “In addition to keeping a fair market available for the remaining U.S. concentrate producers, today’s ruling will support all U.S. apple growers in maintaining a market for juice apples.”

In 2000, the ITC and Commerce agreed that certain Chinese concentrate producers were selling non-frozen apple juice concentrate in the United States at prices below the cost of production. At that point, duties ranging from 3 percent to almost 52 percent were assessed on certain Chinese producers, though some concentrate producers qualified to ship product into the United States with no duties.

By law, antidumping orders must be reviewed every five years to ensure that the order is still necessary and appropriate. This process, known as a “sunset review” requires the Commerce Department to issue a finding that the unfair pricing practices would continue or begin again if the order were revoked, and the ITC must agree that the domestic industry would suffer economic harm from the continued pricing practices.

USApple argued that there was significant evidence that Chinese concentrate producers would return to unfair pricing without the protection of the order. The Commerce Department

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announced last week that it agreed with USApple, and determined the dumping of non-frozen apple juice concentrate from China would be likely if the antidumping order were revoked.

USApple submitted information to the ITC outlining the significant economic harm that had already been done to the domestic concentrate industry by the predatory pricing. At least six “domestic apple juice concentrate firms that have either gone out of business or closed plants because of the impact of significantly increased imports of Chinese apple juice concentrate and the resulting low apple juice concentrate prices in the United States,” USApple told the ITC in comments filed this summer. “The domestic industry has suffered serious harm and deterioration as demonstrated by these plant closings.”

Ending the antidumping duty would add further pressure on the U.S. apple industry by increasing imports and lowering prices. “Removal of the order would have encouraged some Chinese concentrate firms to offer lower prices in the U.S. market hoping to attract new customers, while others could attempt to defend their market share by driving the prices even lower,” explained Foster. “Because apple juice concentrate is a commodity with little quality difference between suppliers, the only way to gain market share is through price reductions.”

Today’s ITC victory and the positive early decision by the Commerce Department will help make sure domestic concentrate producers and, in fact, the entire apple industry has some protection again such unfair pricing practices.