



UNITED STATES DEPARTMENT OF COMMERCE
The Secretary of Commerce
Washington, D.C. 20230

August 14, 2017

The Honorable Kevin McCarthy
Majority Leader
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Leader:

My thanks for your letter to the Department of Commerce regarding the administrative review of the antidumping duty (AD) order on imports of garlic from China. I understand the importance of this matter to you and your constituents, and I appreciate the opportunity to address your concerns.

On June 7, 2017, the Department issued its final determination in the 21st administrative review of garlic from China. In that review, the Department relied, in part, on information submitted by the California garlic industry to find that mandatory respondent Qingdao Tiantaixing Foods Co., Ltd. and its Chinese affiliates (QTF-entity) were allowing other Chinese exporters to take advantage of its low AD cash deposit rate when exporting to the United States. Relying upon adverse facts available, we applied an AD rate of \$4.71 per kilogram to all fresh garlic funneled through the QTF-entity. The Department's findings are explained in detail in its determination, which can be found at <https://access.trade.gov/>.

In addition, as explained in the Department's determination, we thoroughly examined the extensive information on the record with respect to whether, as your letter stated, the QTF-entity was "abusing U.S. AD laws and regulations" in order to retaliate against the California garlic industry and rival Chinese garlic exporters. Specifically, it was alleged that the QTF-entity created the New Mexico Garlic Growers Coalition (New Mexico Growers) simply to request reviews of two rival Chinese garlic exporters. Our analysis of record information indicated that the New Mexico Growers and other parties identified by the California garlic industry had made a series of material misrepresentations with respect to critical information on the record of our review. As a result, we determined that all information submitted by the New Mexico Growers was unusable, thereby invalidating its review request. Absent a valid review request, we rescinded our review of the two Chinese garlic exporters at issue.

I assure you that the Administration is committed to vigorously enforcing our trade remedy laws and addressing unfair trade practices that impact American workers and companies. We will continue to employ all of the tools provided under the law to take swift action against harmful trade practices that put American companies at a disadvantage. If you have any

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questions, please contact me or Michael Platt, Assistant Secretary for Legislative and Intergovernmental Affairs, at (202) 482-3663.

Sincerely,

A handwritten signature in cursive script that reads "Wilbur Ross". The signature is written in dark ink and is positioned above the printed name.

Wilbur Ross