



Ottawa, November 1, 2006

MEMORANDUM D15-2-42

In Brief

FOOTWEAR ORIGINATING IN OR EXPORTED FROM THE PEOPLE'S REPUBLIC OF CHINA

Application of anti-dumping duty

1. This Memorandum is to advise that the Canada Border Services Agency administers four orders/findings of the Canadian International Trade Tribunal respecting the dumping of certain footwear originating in or exported from the People's Republic of China.
2. The Memorandum is divided into nineteen sections under "Guidelines and General Information."
3. A description of the goods is provided.
4. Additional information concerning interest owing is provided in Customs Notice CN-450, *Legislative Changes With Respect to Interest on Anti-dumping, Countervailing, or Provisional Duties Levied Under the Special Import Measures Act (SIMA) and Resulting Proposed Regulatory Changes in Support of Those Legislative Changes*.
5. Information regarding the normal value of subject goods and anti-dumping duties is provided.
6. This memorandum replaces and supersedes Memorandum D15-2-42 dated September 27, 2005.



Printed in Canada



Ottawa, November 1, 2006

MEMORANDUM D15-2-42

FOOTWEAR ORIGINATING IN OR EXPORTED FROM THE PEOPLE'S REPUBLIC OF CHINA

1. This memorandum is to advise that the Canada Border Services Agency administers three orders/findings of the Canadian International Trade Tribunal (Tribunal) respecting the dumping of certain footwear originating in or exported from the People's Republic of China (China).

2. The Tribunal has issued the following orders/findings regarding the dumping of certain Chinese footwear:

Products	Date of Order/Finding
Waterproof rubber footwear	October 18, 2002
Waterproof footwear and bottoms of plastic or rubber	December 7, 2005
Leather footwear with metal toe caps	December 27, 2001 **

3. The amount of the anti-dumping duty is equal to a percentage of the freight-on-board (FOB) selling price of the subject goods to the importer in Canada. These percentages are as follows:

Products	Percentage of FOB Price
Waterproof rubber footwear	74%
Waterproof footwear and bottoms of plastic or rubber	49%*
Leather footwear with metal toe caps	39.4% **

Waterproof Rubber Footwear

4. Waterproof rubber footwear is constructed wholly or in part of rubber, including thermoplastic rubber (TPR), worn over the foot or shoe, with or without liners, linings, fasteners or safety features. The range of rubber footwear can be categorized into the following groups:

(a) Low rubbers of light or heavy construction, which may have such features as nylon vamp, net lining and stretchable rubber;

(b) Overshoes 6 to 10 inches (15 to 25 centimetres) in height, which may include zippers, straps, buckles, nylon tops, fleece or net linings, etc.; and

(c) All-rubber boots of various heights. This latter group comprises red-sole rubber boots, city boots, rain boots, riding boots, hunting and fishing boots, and hip and chest waders.

5. Excluded from the finding are:

(a) riding boots;

(b) snowmobile boots;

(c) rubber-bottom, leather-top boots;

(d) safety footwear, defined as footwear which meets safety standards established by the Canadian Standards Association; and

(e) steel-studded over-the-shoe rubbers (on August 18, 2005, the Tribunal concluded an interim review of its October 18, 2002 order to exclude this product.)

Waterproof Footwear and Bottoms of Plastic or Rubber

6. The distinctive feature of waterproof footwear is that both the sole portion and a portion of the upper, sufficient to give waterproof protection to the foot, are incorporated into a single component, which may be made of rubber or plastic.

7. The subject goods include waterproof plastic footwear made from plastic resins by injection moulding or other processes. The term "plastic" includes polyvinyl chloride (PVC) and other plastics. PVC is the plastic most commonly used in this class of footwear. In other styles, such as duck shoes or winter boots, a boat-like (or shell-like) waterproof bottom may have trimmings, attachments, liners, cuffs or tops (also referred to as "uppers") of nylon or other materials.

8. The subject goods also include certain styles of waterproof rubber footwear. The term "rubber" refers to natural and synthetic rubber, including TPR. Rubber-bottom footwear with leather tops, waterproof rubber riding boots and waterproof rubber safety shoes are also included.

* Two exporters (Mudanjiang Baiyue Shoe-Making Co. Ltd. and Fuzhou Light Industry Import and Export Co. Ltd.) have obtained specific normal values. As a result, the applicable anti-dumping duty may differ from the specified percentage above.

** The finding will expire on December 26, 2006. The imposition of anti-dumping duties on all subject imports that are dumped will cease on that day.

9. Moulded clogs also fall under the definition of the subject goods. Such goods are typically made from plastic or rubber and may be open or closed at the heel, depending on the design of the sole.

10. In addition, waterproof bottoms of plastic or rubber are included in the definition of the subject goods. A waterproof bottom is normally a boat-like component, which is intended for incorporation in finished waterproof footwear.

11. The following goods are excluded from the finding:

- (a) ski-boots and skating boots;
- (b) all footwear subject to the order of certain waterproof rubber footwear;
- (c) fully waterproof PVC injection-moulded footwear consisting of a one-piece construction where the entire surface, other than the sole portion, is coated with an adhesive and flocked with small particles of suede, suede dust, or suede powder, whether or not trimmed with other materials and however fastened; and
- (d) women's waterproof footwear consisting of a PVC or polyurethane injection-moulded sole of non-boat-like construction and a polyurethane or nylon upper that is treated and affixed to the sole in a manner that makes the boot fully waterproof, whether or not trimmed with other materials and however fastened.

12. A review of the normal value and export price of the goods covered by this finding was concluded on May 11, 2005. As a result, two exporters, Mudanjiang Baiyue Shoe-Making Co. Ltd. and Fuzhou Light Industry Import and Export Co. Ltd., have been provided with normal values for specific models as well as a methodology for calculating the normal value for new models.

Leather Footwear with Metal Toe Caps

13. This category refers to leather safety footwear incorporating metal toe caps to protect the foot from falling objects. The upper, which is made of leather, is defined as that part of the shoe or boot above the sole. Where the upper is composed of more than one material, the classification is determined by the constituent material that has the greatest external surface area (excluding accessories and reinforcements such as eyelets and hooks).

14. The soles of safety footwear are made predominantly of plastic or rubber, but may be made of other materials or combinations of materials. The scope of the safety footwear subject to this finding is unrestricted as to the materials of the sole.

15. The subject goods may be equipped with steel sole plates and/or other protective components in addition to metal toe caps.

16. The following goods are excluded from the finding:

- (a) Athletic-style and hiking-style leather safety shoes of cement construction. For greater clarity, "shoes" are defined as footwear worn below the ankle, and "cement construction" refers to a process where the outsole is cemented to the bottom of a lasted upper; and
- (b) Leather boots with metal toe caps and rubber outsoles, for use in motorcycle riding, incorporating zippers or buckles and a commonly recognized motorcycle brand name affixed permanently.

17. The finding will expire on December 26, 2006.

18. Please refer to the following memoranda for more information on each order/finding:

Products	Memorandum
Waterproof Rubber Footwear	D15-1-89
Certain Waterproof Footwear and Bottoms of Plastic or Rubber	D15-2-35
Leather Footwear with Metal Toe Caps	D15-2-39

19. Any questions concerning this memorandum should be directed to:

Anti-dumping and Countervailing Program
Trade Programs Directorate
Canada Border Services Agency
100 Metcalfe Street, 10th Floor
Ottawa ON K1A 0L8

Contact: Robert Cousineau
Telephone: 613-954-7183
Facsimile: 613-941-2612
E-mail: Robert.Cousineau@cbsa-asfc.gc.ca

Contact: Patricia Brooks
Telephone: 613-954-7358
Facsimile: 613-941-2612
E-mail: Patricia.Brooks@cbsa-asfc.gc.ca

REFERENCES

<p>ISSUING OFFICE – Anti-dumping and Countervailing Program</p>	<p>HEADQUARTERS FILE – 4261-105</p>
<p>LEGISLATIVE REFERENCES – <i>Special Import Measures Act</i>, section 3</p>	<p>OTHER REFERENCES – N/A</p>
<p>SUPERSEDED MEMORANDA “D” – D15-2-42, September 27, 2005</p>	

Services provided by the Canada Border Services Agency are available in both official languages.

