

Instruction E/009/CS002/001

New Zealand Customs Instructions

Hog Bristle Paintbrushes from China

Date: April 2009

1. Introduction

These Customs instructions replace all previous instructions concerning hog bristle paintbrushes from China. Any queries concerning these instructions should be directed to the Trade Rules, Remedies and Tariffs Group of the Ministry of Economic Development (MED). Contact details are given at the end of these instructions.

Anti-dumping duties were first imposed on these goods on 31 May 1988. The levels of duty were reassessed on 2 April 1992, 29 October 1997, 14 July 2003 and 16 March 2009 following the completion of reviews of the anti-dumping duties.

2. Goods Subject to Anti-Dumping Duties

2.1 Description

The goods subject to anti-dumping duty are described as:

*Hog bristle paintbrushes for household or industrial use**

* Note: This description includes hog bristle paintbrush heads

Please refer to the General Notes section of these instructions for further information concerning the description of goods.

2.2 Country/Countries of Origin

The country of origin of the subject goods is The People's Republic of China.

3. Anti-Dumping Duties

3.1 Description

The anti-dumping duties have been imposed in the form of reference prices, where anti-dumping duty is payable only when the export price is lower than the reference price. The amount of anti-dumping duty payable is the difference between the two prices.

The reference prices are in the form of Normal Value (Value for Duty Equivalent) amounts (referred to as NV(VFDE) amounts) in Chinese Renminbi (CNY). NV(VFDE) amounts have been set for complete paintbrushes and paintbrush heads, according to the category and size of paintbrush or paintbrush head.

3.2 Method

The amount of anti-dumping duty payable is the amount by which the NV(VFDE) amount exceeds the New Zealand value for duty when the goods are entered for home consumption. Both the Free-on-Board (FOB) invoiced amounts and NV(VFDE) amounts should be converted into NZ dollars at the Customs exchange rate at the date of import. These goods are normally invoiced on an FOB basis; where this is not the case please see the General Notes section below.

The following steps should be used to calculate the amount of anti-dumping duty payable on import of hog bristle paintbrushes from China.

Step 1

Identify the brush size in millimetres (mm). This should be shown on the invoice and is also normally stamped on the ferrule. Note that the size of the brush is determined by its width.

Step 2

Calculate the volume of bristle of the paintbrush. The bristle volume is calculated by measuring (in mm):

- The width of bristle (taken at the top of the ferrule).
- The depth of the bristle at the top of the ferrule.
- The length of the bristle from the top of the ferrule to the tip of the brush.

The cubic volume of bristle in mm^3 is then calculated by multiplying width x depth x length as shown in the table below.

Table 3.1	
Width of bristle	25mm
Depth of bristle	9mm
Length of bristle	47mm
Bristle Volume	$25 \times 9 \times 47 = 10,575\text{mm}^3$

Step 3

Identify the appropriate size and group of the paintbrush or paintbrush head from the table below.

For complete paintbrushes and paintbrush heads of sizes other than those specified in the table below, the cubic volume of bristle for each of the three groups for that size shall be calculated in accordance with the proportion that such a size represents of the nearest size listed in the table (see example 2).

Table 3.2: Range of Cubic Volume of Bristle (mm³)			
Size	Group 1	Group 2	Group 3
(mm)	Industrial	Handyman	Tradesman
25	0 - 11,500	11,501 - 15,000	>15,000
38	0- 20,000	20,001 - 25,000	>25,000
50	0 - 33,500	33,501 - 36,000	>36,000
63	0 - 38,000	38,001 - 44,000	>44,000
75	0 - 45,000	45,001 - 55,000	>55,000
100	0 - 65,000	65,001 - 90,000	>90,000

Step 4

Identify the appropriate NV(VFDE) amount according to the size and group of the paintbrush or paintbrush head from tables 3.3 or 3.4 below.

For complete paintbrushes and paintbrush heads of sizes other than those specified in Tables 3.3 or 3.4, the NV(VFDE) amounts for a different size shall be calculated in accordance with the proportion that such a size represents of the nearest size listed in the Table (see example 2).

Table 3.3: NV(VFDE) Amounts - Complete Paintbrushes (CNY) (per unit)			
Size	Group 1	Group 2	Group 3
(mm)	Industrial	Handyman	Tradesman
25	5.73	5.73	5.85
38	8.06	8.18	8.29
50	12.04	12.40	12.40
63	14.96	15.43	15.55
75	17.77	18.11	18.46
100	24.19	24.43	25.25

Size	Group 1	Group 2	Group 3
(mm)	Industrial	Handyman	Tradesman
25	4.07	4.07	4.15
38	5.72	5.81	5.89
50	8.55	8.80	8.80
63	10.62	10.96	11.04
75	12.62	12.86	13.11
100	17.18	17.34	17.93

Step 5

Convert the FOB (VFD) and (NV(VFDE) amounts per brush to NZD.

Deduct the VFD per brush from the NV(VFDE) amount. If the result is a negative amount, no anti-dumping duty is payable. If the result is a positive amount, multiply this by the number of units imported to calculate the amount of anti-dumping duty payable on the imported paintbrushes.

3.4 Examples

Below is an example of the calculation of the anti-dumping duty applicable to these goods. Note that the invoiced amounts used below are not actual prices and are used for the purposes of the examples only. You have an invoice presented for the importation of hog bristle paintbrushes from China as follows:

Product	Quantity	FOB per Brush
	<i>Units</i>	<i>USD</i>
"Sunny Brushes" (Complete Paintbrushes)		
50mm (x 12mm depth x 57mm long)	200	0.60
"Super Brushes"(Paintbrush Heads)		
88mm (x 14mm depth x 60mm long)	400	0.80

Exchange rates at the date of importation are 1 NZD = 0.58 USD and 1 NZD = 4.80 CNY.

Example 1: "Sunny Brushes 50mm"

Step 1

The size of the paintbrushes is 50mm.

Step 2

The volume of the bristle is 50mm x 12mm x 57mm = 34,200mm³

Step 3

The applicable size is 50mm in Group 2 because bristle volume is between 33,501mm³ and 36,000mm³ in Table 3.2.

Step 4

The applicable reference price is in the complete paintbrush Table 3.3, the 50mm Group 2 = 12.40 CNY.

Step 5

The New Zealand VFD is 0.60/0.58 = 1.03 per brush.

The NV(VFDE) in NZD is 12.40/4.80 = 2.58 NZD per brush.

Anti-dumping duty payable is 2.58 -1.03=1.55NZD per brush.

Total anti-dumping duty payable on the "Sunny Brushes 50mm" is 1.55NZD x 200 = 310.00 NZD.

Example 2: "Super Brushes 88mm"

Step 1

The size of the paintbrushes is 88mm.

Step 2

The volume of the bristle is 88mm X 14mm x 60mm = 73,920mm³.

Step 3

There is no 88mm brush size listed in Table 3.2. The nearest brush size is the 100mm brush. The 88mm brush is 88% of the 100mm brush size, therefore the range of bristle volume for the 88mm brush is 88% of the range of bristle volume for the 100mm as calculated in table 3.6 below.

Table 3.6			
Size	Group 1	Group 2	Group 3
(mm)	Industrial	Handyman	Tradesman
100	0 - 65,000	65,001 - 90,000	>90,000
88	0 - 57,200	57,201 - 79,200	>79,200

The subject brush is within Group 2 because the bristle volume is between 57,201mm³ and 79,200mm³.

Step 4

There is no NV(VFDE) amount for the 88mm brush size in Table 3.4 for paintbrush heads. The nearest brush size is the 100mm brush. The 88mm brush is 88% of the 100mm brush size, therefore the NV(VFDE) amount for the 88mm brush is 88% of the NV(VFDE) amount for the 100mm.

17.34 CNY x 88% = 15.26 CNY.

Step 5

The New Zealand VFD is 0.80/0.58 = 1.38 per brush.

The NV(VFDE) in NZD is 15.26/4.80 = 3.18 NZD per brush.

Anti-dumping duty payable is 3.18 -1.38 = 1.80 NZD per brush.

Total anti-dumping duty payable on the “Super brushes 88mm” is 1.80 NZD x 400 = 720.00 NZD.

4. General Notes

4.1 Customs Alert

A Customs Alert has been put in place for tariff item 9603.40.00 and statistical keys 03B, 04L, 05J, 08C and 11C. This alert has been placed against all significant East Asian countries to check that the country of origin has not been misrepresented to evade duty.

4.2 Goods Description

A paintbrush head consists of bristles contained within a ferrule, i.e., it is essentially a paintbrush but without a handle.

Paintbrushes and paintbrush heads containing a mixture of hog and synthetic bristle are subject to the duty, regardless of the proportion that hog bristle represents of the total quantity of bristle.

A specialised paintbrush known as a “radiator brush” is not subject to anti-dumping duty. A radiator brush has a much longer handle than a normal paintbrush and is bent at an angle at the ferrule and is designed to be used in situations where space is limited or access to surfaces is obstructed. These brushes are normally described on the invoice as radiator brushes.

Paperhanging brushes are not subject to the anti-dumping duty. These brushes are used for smoothing out wallpaper and are usually made in sizes greater than 100mm. The larger sizes (200mm and above) usually do not have an extended handle like a normal paintbrush, the handle being broad (the same width as the brush) and flat. Care should be taken to ensure that brushes described as paperhanging brushes are not in fact paintbrushes, particularly if the brush is 100mm or less in size.

4.3 Invoicing

If the invoice prices are not FOB, the FOB price for individual product lines can be calculated as follows:

Calculate the percentage of the invoice total represented by the product line.

Apply this percentage to the foreign VFD shown on the entry to calculate the FOB applicable to the product line.

4.4 Invoiced Currency

As noted above, in normal circumstances the goods subject to the anti-dumping duties covered by these instructions are invoiced in USD. Therefore the USD invoice should be converted to NZD using the Customs rate of exchange applicable on the date of importation for the purposes of calculating anti-dumping duty. Invoices in other currencies should also be converted to NZD accordingly.

5. FAQ Page

The [Frequently Asked Questions](#) page may provide additional guidance regarding the applicability of the duties.

6. Further Information

Should you have any queries regarding the operation of the anti-dumping duties described in these instructions please contact the Trade Rules, Remedies and Tariffs Group as shown below:

Trade Rules, Remedies and Tariffs General Contacts:

Telephone: 4-472 0030

Facsimile: 4-499 8508

Email: traderem@med.govt.nz

Postal Address: Trade Rules, Remedies and Tariffs Group
Regulatory and Competition Policy
Ministry of Economic Development
PO Box 1473
WELLINGTON

Location: Level 8
33 Bowen St

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