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Page: 1/3

Committee on Safeguards

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**NOTIFICATION UNDER ARTICLE 12.1(B) OF THE AGREEMENT ON  
SAFEGUARDS ON FINDING A SERIOUS INJURY OR THREAT  
THEREOF CAUSED BY INCREASED IMPORTS**

UNITED STATES

*Large Residential Washers*

The following communication dated 12 October 2017, is being circulated at the request of the Delegation of the United States.

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Pursuant to Article 12.1(b) of the WTO Agreement on Safeguards (Safeguards Agreement), the United States notifies that there has been a finding of serious injury or threat thereof caused by increased imports.

**1. Provide evidence, citing relevant data and the applicable period of investigation of serious injury or threat thereof caused by increased imports**

On 5 October 2017, the U.S. International Trade Commission (Commission) determined that large residential washers are being imported in such increased quantities as to be a substantial cause of serious injury to the domestic industry.

The initiation that led to this determination was notified to the Committee on Safeguards in G/SG/N/6/USA/12 (dated 12 June 2017).<sup>1</sup>

The Commission is now considering the appropriate remedy to recommend to the President, and will forward its injury findings and remedy recommendations to the President by 4 December 2017. This report will include the Commission's injury determination, remedy recommendations, certain additional findings, and the basis for its injury determination, remedy recommendations, and findings as well as the factual information compiled in the Commission's posthearing injury report. The United States will provide a copy of this report, excluding confidential business information, to the Committee on Safeguards shortly after it is submitted to the President.

**2. Provide information on whether there is an absolute increase in imports or an increase in imports relative to domestic production**

The Commission's report described above in item 1 will contain information regarding increased imports.

**3. Provide precise description of the product involved**

The products covered by this finding are all large residential washers (LRWs) and certain parts thereof. For purposes of the investigation, the term LRWs denotes all automatic clothes washing machines, regardless of the orientation of the rotational axis, with a cabinet width (measured from its widest point) of at least 24.5 inches (62.23 cm) and no more than 32.0 inches (81.28 cm), except as noted below.

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<sup>1</sup> See also G/SG/N/6/USA/12/Suppl.1 (dated 15 June 2017).

Also covered are certain parts used in LRWs, namely: (1) all cabinets, or portions thereof, designed for use in large residential washers; (2) all assembled tubs<sup>2</sup> designed for use in LRWs which incorporate, at a minimum: (a) a tub; and (b) a seal; (3) all assembled baskets<sup>3</sup> designed for use in large residential washers which incorporate, at a minimum: (a) a side wrapper;<sup>4</sup> (b) a base; and (c) a drive hub;<sup>5</sup> and (4) any combination of the foregoing parts or subassemblies.

Excluded from the scope are stacked washer-dryers and commercial washers. The term "stacked washer-dryers" denotes distinct washing and drying machines that are built on a unitary frame and share a common console that controls both the washer and the dryer. The terms "commercial washer" denotes an automatic clothes washing machine designed for the "pay per use" segment meeting either of the following two definitions:

(1)(a) it contains payment system electronics;<sup>6</sup> (b) it is configured with an externally mounted steel frame at least six inches high that is designed to house a coin/token operated payment system (whether or not the actual coin/token operated payment system is installed at the time of importation); (c) it contains a push button user interface with a maximum of six manually selectable wash cycle settings, with no ability of the end user to otherwise modify water temperature, water level, or spin speed for a selected wash cycle setting; and (d) the console containing the user interface is made of steel and is assembled with security fasteners;<sup>7</sup> or

(2)(a) it contains payment system electronics; (b) the payment system electronics are enabled (whether or not the payment acceptance device has been installed at the time of importation) such that, in normal operation,<sup>8</sup> the unit cannot begin a wash cycle without first receiving a signal from a bona fide payment acceptance device such as an electronic credit card reader; (c) it contains a push button user interface with a maximum of six manually selectable wash cycle settings, with no ability of the end user to otherwise modify water temperature, water level, or spin speed for a selected wash cycle setting; and (d) the console containing the user interface is made of steel and is assembled with security fasteners.

Also excluded from the scope are automatic clothes washing machines that meet all of the following conditions: (1) have a vertical rotational axis; (2) are top loading;<sup>9</sup> (3) have a drive train consisting, inter alia, of (a) a permanent split capacitor (PSC) motor,<sup>10</sup> (b) a belt drive,<sup>11</sup> and (c) a flat wrap spring clutch.<sup>12</sup>

Also excluded from the scope are automatic clothes washing machines that meet all of the following conditions: (1) have a horizontal rotational axis; (2) are front loading;<sup>13</sup> and (3) have a drive train consisting, inter alia, of (a) a controlled induction motor (CIM),<sup>14</sup> and (b) a belt drive.

<sup>2</sup> A "tub" is the part of the washer designed to hold water.

<sup>3</sup> A "basket" (sometimes referred to as a "drum") is the part of the washer designed to hold clothing or other fabrics.

<sup>4</sup> A "side wrapper" is the cylindrical part of the basket that actually holds the clothing or other fabrics.

<sup>5</sup> A "drive hub" is the hub at the center of the base that bears the load from the motor.

<sup>6</sup> "Payment system electronics" denotes a circuit board designed to receive signals from a payment acceptance device and to display payment amount, selected settings, and cycle status. Such electronics also capture cycles and payment history and provide for transmission to a reader.

<sup>7</sup> A "security fastener" is a screw with a non-standard head that requires a non-standard driver. Examples include those with a pin in the center of the head as a "center pin reject" feature to prevent standard Allen wrenches or Torx drivers from working.

<sup>8</sup> "Normal operation" refers to the operating mode(s) available to end users (i.e. not a mode designed for testing or repair by a technician).

<sup>9</sup> "Top loading" means that access to the basket is from the top of the washer.

<sup>10</sup> A "PSC motor" is an asynchronous, alternating current (AC), single phase induction motor that employs split phase capacitor technology.

<sup>11</sup> A "belt drive" refers to a drive system that includes a belt and pulleys.

<sup>12</sup> A "flat wrap spring clutch" is a flat metal spring that, when engaged, links abutted cylindrical pieces on the input shaft with the end of the concentric output shaft that connects to the drive hub.

<sup>13</sup> "Front loading" means that access to the basket is from the front of the washer.

<sup>14</sup> A "controlled induction motor" is an asynchronous, alternating current (AC), polyphase induction motor.

Also excluded from the scope are automatic clothes washing machines that meet all of the following conditions: (1) have a horizontal rotational axis; (2) are front loading; and (3) have cabinet width (measured from its widest point) of more than 28.5 inches (72.39 cm).

For Customs purposes, the LRWs covered by the investigation are provided for under Harmonized Tariff Schedule of the United States (HTSUS) subheading 8450.20.00. LRWs and certain parts thereof subject to this investigation may also be imported under HTSUS subheadings 8450.11.00, 8450.90.20, and 8450.90.60. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope is dispositive.

**4. If the final measure replaces a provisional measure, or if a final measure is extended, provide a written description of any part of the imported product that will no longer be subject to the measure and the Harmonized System numbers under which it enters at least at the 6-digit level, and at a sub-national level (e.g., 8-digit, 9-digit, or 10-digit level) if practicable**

Not applicable.

**5. Provide precise description of the proposed measure**

The Commission has not yet proposed measures in response to the Commission's determination of serious injury. The Commission is now considering recommendations as to the appropriate measures, which the President will consider after receipt of the Commission's report described in item 1.

**6. Provide proposed date of introduction of the measure**

See response to item 5 above.

**7. Provide expected duration of the measure**

See response to item 5 above.

**8. For a measure with a duration of more than three years, provide the proposed date for the review (under Article 7.4) to be held not later than the mid-term of the measure, if such a date for the review has already been scheduled**

See response to item 5 above.

**9. If the expected duration is over one year, provide expected timetable for progressive liberalization of the measure**

See response to item 5 above.

**10. If the notification relates only to a finding of serious injury or threat thereof, and does not relate to a decision to apply or extend a safeguard measure**

**(i) provide the deadline for interested parties to comment or any other procedures relevant to the decision to apply the measures, and**

**(ii) provide information regarding procedures for prior consultation with those Members having a substantial interest as exporters of the product concerned.**

Information regarding the procedures and relevant deadlines with regard to the investigation is contained in the notice of initiation.

As the Commission has not yet made a recommendation as to the proposed measure in response to the Commission's determination of serious injury, the United States has not established procedures for prior consultations. Once the Commission's recommendation to the President has been made, the United States will provide further information regarding the consultation process.

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