



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-918]

Steel Wire Garment Hangers from the People's Republic of China: Final Results of Antidumping Duty Administrative Review and New Shipper Review, 2011-2012

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: On November 25, 2013, the Department of Commerce (“the Department”) published the Preliminary Results of the fourth administrative review and new shipper review (“NSR”) of the antidumping duty order on steel wire garment hangers from the People’s Republic of China (“PRC”).¹ We invited parties to comment on the Preliminary Results. Based on our analysis of the comments and information received, we made changes to the final margin calculations of Shanghai Wells Hanger Co., Ltd. (“Shanghai Wells”)² and Hangzhou Yingqing Material Co. Ltd. (“Yingqing”), as noted below. Listed below in the “Final Results of the Administrative and New Shipper Reviews” section of this notice are the final dumping margins. The period of review (“POR”) is October 1, 2011, through September 31, 2012.

EFFECTIVE DATE: (INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER).

¹ See Steel Wire Garment Hangers From the People’s Republic of China: Preliminary Results of Antidumping Duty Administrative Review and New Shipper Review, 2011–2012, 78 FR 70271 (November 25, 2013) (“Preliminary Results”).

² The Department previously found that Shanghai Wells Hanger Co., Ltd. (“Shanghai Wells”), Hong Kong Wells Ltd. (“HK Wells”) and Hong Kong Wells Ltd. (USA) (“Wells USA”) are affiliated and that Shanghai Wells and HK Wells comprise a single entity. Because there were no changes in this review to the facts that supported that decision, we continue to find Shanghai Wells, HK Wells, and USA Wells are affiliated and that Shanghai Wells and HK Wells comprise a single entity. See Steel Wire Garment Hangers From the People’s Republic of China: Preliminary Results and Preliminary Rescission, in Part, of the First Antidumping Duty Administrative Review, 75 FR 68758, 68761 (November 9, 2010), unchanged in First Administrative Review of Steel Wire Garment Hangers From the People’s Republic of China: Final Results and Final Partial Rescission of Antidumping Duty Administrative Review, 76 FR 27994, 27996 (May 13, 2011).

FOR FURTHER INFORMATION CONTACT: Frances Veith or Josh Startup, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4295 or (202) 482-5260, respectively.

SUPPLEMENTARY INFORMATION:

Background

The Department published the Preliminary Results on November 25, 2013. Between January 6, 2014, and January 16, 2014, interested parties submitted surrogate value (“SV”) data for consideration in the final results. The Department conducted the verification of Shanghai Wells on December 10 through 13, 2013, in Shanghai, China, and December 16, through 18, 2013, in Hong Kong.³ On February 24, 2014, M&B Metal Products Inc. (“Petitioner”) and Fabriclean Supply Inc. (“Fabriclean”), a U.S. importer and wholesaler, submitted case briefs in the administrative review; and Petitioner and Hangzhou Yingqing Material Co. Ltd. (“Yingqing”) submitted case briefs in the NSR. On March 4, 2014, Petitioner and Fabriclean submitted rebuttal briefs in the administrative review; and Petitioner and Yingqing submitted rebuttal case briefs in the NSR. On January 15, 2014, the Department extended the final results to May 27, 2014.⁴

Scope of the Order

The merchandise that is subject to the order is steel wire garment hangers. The products subject to the order are currently classified under U.S. Harmonized Tariff Schedule (“HTSUS”) subheadings 7326.20.0020, 7323.99.9060, and 7323.99.9080. Although the HTSUS subheadings

³ See the Department’s Memorandum titled, “Verification of the Sales and Factors Responses of Shanghai Wells Hangers Co., Ltd. (“Shanghai Wells”) in the Administrative Review of the Antidumping Duty Order on Steel Wire Garment Hangers (“Hangers”) from the People’s Republic of China,” dated January 27, 2014.

⁴ See the Department’s Memorandum titled, “Steel Wire Garment Hangers from the People’s Republic of China: Extension of Deadline for Final Results of Antidumping Duty Administrative Review and New Shipper Review,” dated January 15, 2014.

are provided for convenience and customs purposes, the written description of the merchandise remains dispositive. A full description of the scope of the order is contained in the Issues and Decision Memorandum,⁵ which is hereby adopted by this notice.

Respondent Selection

On December 13, 2012, Petitioner submitted comments on respondent selection that also included allegations pertaining to certain shipments of subject merchandise that entered during the POR. Petitioner questions whether the antidumping duty rate applied to these shipments upon entry is correct.⁶ The Department intends to refer this information to U.S. Customs and Border Protection (“CBP”) for further investigation.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by interested parties in these reviews are addressed in the Issues and Decision Memorandum. A list of the issues which parties raised is attached to this notice as an Appendix. The Issues and Decision Memorandum is a public document and is on file in the Central Records Unit (“CRU”), Room 7046 of the main Department of Commerce building, as well as electronically via Enforcement and Compliance’s Antidumping and Countervailing Duty Centralized Electronic Service System (“IA ACCESS”). IA ACCESS is available to registered users at <http://iaaccess.trade.gov> and in the CRU. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the internet at <http://www.trade.gov/enforcement/>. The signed Issues and Decision Memorandum and the electronic versions of the Issues and Decision Memorandum are identical in content.

⁵ See the Department’s Memorandum, titled “Steel Wire Garment Hangers from the People’s Republic of China: Issues and Decision Memorandum for the Final Results of the Fourth Antidumping Duty Administrative Review and New Shipper Review” dated concurrently with this notice (“Issues and Decision Memorandum”).

⁶ See Letter from Petitioner to the Secretary of Commerce “Comments on Respondent Selection” (December 13, 2012) at 3-4 and Exhibit 3.

Changes Since the Preliminary Results

Based on comments parties submitted regarding our Preliminary Results, we made changes to the surrogate financial ratio calculations for both respondents, the steel wire rod SV for Shanghai Wells, and the hydrochloric acid SV for Yingqing.⁷ Additionally, we used the importer field to calculate Shanghai Wells' importer-specific assessment rates.⁸

Non-Market Economy Country

The Department treated the PRC as a non-market economy ("NME") in every proceeding conducted by the Department. In accordance with section 771(18)(C)(i) of the Tariff Act of 1930, as amended ("the Act"), any determination that a foreign country is an NME shall remain in effect until revoked by the administering authority. The Department has not revoked the PRC's status as an NME and, accordingly, we applied the NME methodology.

Separate Rates

In the Preliminary Results, the Department determined that Shanghai Wells and the new shipper, Yingqing, met the criteria for separate rate status.⁹ At that time, seven companies failed to respond to the Department's request for information and/or declined to participate in the administrative review.¹⁰ Therefore, the Department also determined that the following seven companies failed to demonstrate their eligibility for a separate rate: 1) Shaoxing Dingli Metal Clotheshorse Co., Ltd., 2) Shaoxing Tongzhou Metal Manufactured Co., Ltd., 3) Shaoxing Andrew Metal Manufactured Co., Ltd., 4) Shaoxing Gangyuan Metal Manufacture, 5) Shaoxing Shunji Metal Clotheshorse Co., Ltd., 6) Shaoxing Guochao Metallic Products Co., Ltd., and

⁷ See Issues and Decision Memorandum, at Comments 2, 4, 7, 8, and 9.

⁸ Id., at Comment 12.

⁹ See Preliminary Results, and accompanying Preliminary Decision Memorandum at 9-10.

¹⁰ Id., 78 FR at 70272.

7) Ningbo Dasheng Hanger Ind. Co., Ltd.¹¹ Additionally, the Department preliminarily determined that, because Shanghai Jianhai International Trade Co., Ltd. (“Jianhai”) and Hangzhou Qingqing Mechanical Co. Ltd. (“Qingqing”) did not file a separate rate application or certification, or a no shipments certification, Jianhai and Qingqing did not demonstrate their eligibility for a separate rate, and are also part of the PRC-wide entity.¹²

We have not received any information since the issuance of the Preliminary Results that provides a basis for reconsideration of these determinations. Therefore, the Department continues to find that only Yingqing and Shanghai Wells satisfy the criteria for a separate rate.

PRC-wide Entity and the PRC-wide Rate

In the Preliminary Results, we determined that those companies which did not demonstrate eligibility for a separate rate are part of the PRC-wide Entity.¹³ Since the Preliminary Results, none of the companies which did not file separate-rate applications or certifications submitted comments regarding this finding. Therefore, we continue to treat these entities as part of the PRC-wide Entity.

Further, in the Preliminary Results, seven of the companies the Department selected as mandatory respondents in the administrative review failed to respond to the Department’s requests for information and/or declined to participate in this review.¹⁴ These companies, therefore, are not eligible for separate-rate status.¹⁵ Accordingly, the Department determines that the PRC-wide entity includes these seven companies. We also continue to find the PRC-wide

¹¹ Id.

¹² Id.

¹³ Id.

¹⁴ These seven companies are: 1) Shaoxing Dingli Metal Clotheshorse Co., Ltd., 2) Shaoxing Tongzhou Metal Manufactured Co., Ltd., 3) Shaoxing Andrew Metal Manufactured Co., Ltd., 4) Shaoxing Gangyuan Metal Manufacture, 5) Shaoxing Shunji Metal Clotheshorse Co., Ltd., 6) Shaoxing Guochao Metallic Products Co., Ltd., and 7) Ningbo Dasheng Hanger Ind. Co., Ltd.

¹⁵ See Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part, 77 FR 71575 (December 3, 2012).

entity continues to include the 10 companies Petitioner submitted a timely request for withdraw of review, but which did not have a separate rate.¹⁶

In addition, in the Preliminary Results, the Department calculated the PRC-wide Entity Rate using adverse facts available (“AFA”) because: (1) the PRC-wide Entity, which includes these seven companies, withheld requested information, failed to provide information in a timely manner and in the form requested, and significantly impeded this proceeding, and (2) the PRC-wide Entity, which includes these seven companies, failed to cooperate to the best of its ability.¹⁷ In so doing, and consistent with our practice, the Department relied upon the highest rate on the record of any segment of the proceeding, i.e., 187.25 percent.¹⁸ The Department also corroborated that rate, consistent with section 776(c) of the Act.¹⁹ Since the Preliminary Results, no interested party submitted any evidence or comments that challenge the Department’s determination of the PRC-wide Rate. Therefore, we will continue to apply a rate of 187.25 percent to the PRC-wide Entity.

Final Results of the Administrative and New Shipper Reviews

Regarding the administrative review, the following weighted-average dumping margins exist for the period October 1, 2011, through September 30, 2012:

¹⁶ See Preliminary Results, and accompanying Preliminary Decision Memorandum at PRC-wide Entity section. The ten companies are: Liaoning Metals & Mineral Imp/Exp Corp., Shanghai Guoxing Metal Products Co. Ltd., Shanghai Lian Development Co. Ltd., Shanghai Shuang Qiang Embroidery Factory, Shangyu Baoxiang Metal Manufactured Co. Ltd., Shang Zhou Leather Shoes Plant, Shaoxing Shuren Tie Co., Ltd., Shaoxing Zhongbao Metal Manufactured Co., Ltd., Shaoxing Zhongdi Foreign Trade Co., Ltd., Zhejiang Lucky Cloud Hanger Co., Ltd.

¹⁷ See sections 776(a)(2)(A), (B), (C) and 776(b) of the Act.

¹⁸ Id.

¹⁹ See Preliminary Results, and accompanying Preliminary Decision Memorandum at “Corroboration of Information” section.

Exporter	Weighted-Average Margin (%)
Shanghai Wells Hanger Co., Ltd. ²⁰	2.52%
PRC-wide Entity ²¹	187.25%

Regarding the NSR, the following weighted-average dumping margin exists for the period October 1, 2011, through September 30, 2012:

Exporter	Producer	Weighted-Average Margin (%)
Hangzhou Yingqing Material Co. Ltd.	Hangzhou Qingqing Mechanical Co. Ltd.	40.99%

Disclosure

We will disclose the calculations performed within five days of the date of publication of this notice to parties in this proceeding in accordance with 19 CFR 351.224(b).

Assessment Rates

Pursuant to section 751(a)(2)(A) of the Act and 19 CFR 351.212(b), the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries of subject merchandise in accordance with the final results of this review. The Department intends to issue assessment instructions to CBP 15 days after the date of publication of these final results of review.

²⁰ Shanghai Wells consists of Shanghai Wells Hanger Co., Ltd., and Hong Kong Wells Ltd.

²¹ The PRC-wide entity includes all companies for which the Department initiated a review but did not establish their eligibility for a separate rate: 1) Shaoxing Dingli Metal Clotheshorse Co., Ltd., 2) Shaoxing Tongzhou Metal Manufactured Co., Ltd., 3) Shaoxing Andrew Metal Manufactured Co., Ltd., 4) Shaoxing Gangyuan Metal Manufacture, 5) Shaoxing Shunji Metal Clotheshorse Co., Ltd., 6) Shaoxing Guochao Metallic Products Co., Ltd., 7) Shanghai Jianhai International Trade Co., Ltd., 8) Ningbo Dasheng Hanger Ind. Co., Ltd., 9) Liaoning Metals & Mineral Imp/Exp Corp., 10) Shanghai Guoxing Metal Products Co. Ltd., 11) Shanghai Lian Development Co. Ltd., 12) Shanghai Shuang Qiang Embroidery Factory, 13) Shangyu Baoxiang Metal Manufactured Co. Ltd., 14) Shang Zhou Leather Shoes Plant, 15) Shaoxing Shuren Tie Co., Ltd., 16) Shaoxing Zhongbao Metal Manufactured Co., Ltd., 17) Shaoxing Zhongdi Foreign Trade Co., Ltd., 18) Zhejiang Lucky Cloud Hanger Co., Ltd., and 19) Hangzhou Qingqing Mechanical Co. Ltd.

Where the respondent reported reliable entered values, we calculated importer (or customer)-specific ad valorem rates by aggregating the dumping margins calculated for all U.S. sales to each importer (or customer) and dividing this amount by the total entered value of the sales to each importer (or customer).²² Where the Department calculated a weighted-average dumping margin by dividing the total amount of dumping for reviewed sales to that party by the total sales quantity associated with those transactions, the Department will direct CBP to assess importer-specific assessment rates based on the resulting per-unit rates.²³ Where an importer- (or customer-) specific ad valorem or per-unit rate is greater than de minimis, the Department will instruct CBP to collect the appropriate duties at the time of liquidation.²⁴ Where an importer- (or customer-) specific ad valorem or per-unit rate is zero or de minimis, the Department will instruct CBP to liquidate appropriate entries without regard to antidumping duties.²⁵

The Department announced a refinement to its assessment practice in non-market economy cases. Pursuant to this refinement in practice, for entries that were not reported in the U.S. sales databases submitted by companies individually examined during this review, the Department will instruct CBP to liquidate such entries at the PRC-wide rate. Additionally, if the Department determines that an exporter had no shipments of the subject merchandise, any suspended entries that entered under that exporter's case number (i.e., at that exporter's rate) will be liquidated at the PRC-wide rate.²⁶

²² See 19 CFR 351.212(b)(1).

²³ Id.

²⁴ Id.

²⁵ See 19 CFR 351.106(c)(2).

²⁶ See Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties, 76 FR 65694 (October 24, 2011).

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of these reviews for shipments of the subject merchandise from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) For the companies listed above, the cash deposit rate will be established in the final results of these reviews (except, if the rate is zero or de minimis, then zero cash deposit will be required); (2) for previously investigated or reviewed PRC and non-PRC exporters not listed above that received a separate rate in a prior segment of this proceeding, the cash deposit rate will continue to be the exporter-specific rate published for the most recent period; (3) for all PRC exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be the PRC-wide rate of 187.25 percent; and (4) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporter that supplied that non-PRC exporter.

With respect to Yingqing, the NSR respondent, the Department established a combination cash deposit rate for this company consistent with its practice as follows: (1) For subject merchandise produced by Qingqing and exported by Yingqing, the cash deposit rate will be the rate established for Yingqing in the final results of the NSR; (2) for subject merchandise exported by Yingqing, but not produced by Qingqing, the cash deposit rate will be the rate for the PRC-wide entity; and (3) for subject merchandise produced by Qingqing but not exported by Yingqing, the cash deposit rate will be the rate applicable to the exporter.

These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Department's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Administrative Protective Orders

This notice also serves as a reminder to parties subject to administrative protective order ("APO") of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305, which continues to govern business proprietary information in this segment of the proceeding. We request a timely written notification of the return or destruction of APO materials, or conversion to judicial protective order. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

We are issuing and publishing this administrative review and notice in accordance with sections 751(a)(1) and 777(i) of the Act.

Dated: May 27, 2014.

Paul Piquado,
Assistant Secretary
for Enforcement and Compliance.

Appendix – Issues and Decision Memorandum

- Comment 1: Selection of the Surrogate Country
- Comment 2: Selection of Financial Statements
- Comment 3: Whether to Apply Fact Available to the Drapery Tubes and Trouser Guards Shipped Separately by Shanghai Wells
- Comment 4: Valuation of Wire Rod
- Comment 5: Valuation of Brokerage and Handling (“B&H”)
- Comment 6: Calculation of Truck Freight
- Comment 7: Calculation of Financial Ratios
- Comment 8: Valuation of Hydrochloric Acid (“HCL”)
- Comment 9: Valuation of Thinner
- Comment 10: Valuation of Paint
- Comment 11: Valuation of Corrugated Paperboard
- Comment 12: Assigning Adverse Facts Available (“AFA”) to the Seven Mandatory Respondents That Failed to Respond to the Department’s Questionnaire
- Comment 13: Calculating Importer-Specific Assessment Rates Using the Importer Field Rather than the Customer Field
- Comment 14: Rejection of Yingqing’s Factual Submission After the Preliminary Results