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DEPARTMENT OF COMMERCE

International Trade Administration

A-570-900

Diamond Sawblades and Parts Thereof from the People's Republic of China: Initiation and Preliminary Results of Changed Circumstances Review

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

SUMMARY: Pursuant to section 751(b) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.216 and 19 CFR 351.221(c)(3), the Department of Commerce (the Department) is initiating a changed circumstances review of the antidumping duty order on diamond sawblades and parts thereof (diamond sawblades) from the People's Republic of China (the PRC) with respect to Wuhan Wanbang Laser Diamond Tools Co., Ltd. Based on the information on the record, we preliminarily determine that Wuhan Wanbang Laser Diamond Tools Co., Ltd., is the successor-in-interest to Wuhan Wanbang Laser Diamond Tools Co. for purposes of determining antidumping duty liability. We invite interested parties to comment on these preliminary results.

DATES: Effective (Insert date of publication in the *Federal Register*.)

FOR FURTHER INFORMATION: Yang Jin Chun AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-5760.

SUPPLEMENTARY INFORMATION:

Background

The Department published the antidumping duty order on diamond sawblades and parts thereof from the People's Republic of China on November 4, 2009.¹ In its December 22, 2015, request for a changed circumstances review, Wuhan Wanbang Laser Diamond Tools Co., Ltd., informed the Department that, effective May 4, 2015, Wuhan Wanbang Laser Diamond Tools Co. (1) changed its legal status from a limited liability company to a joint-stock limited company and (2) changed its name to Wuhan Wanbang Laser Diamond Tools Co., Ltd.² Wuhan Wanbang Laser Diamond Tools Co. is a respondent in the ongoing administrative review of the antidumping duty order on diamond sawblades from the PRC covering the period November 1, 2013, through October 31, 2014.³ Both Wuhan Wanbang Laser Diamond Tools Co. and Wuhan Wanbang Laser Diamond Tools Co., Ltd., are respondents in the ongoing administrative review of the same order covering the period November 1, 2014, through October 31, 2015.⁴ Pursuant to section 751(b) of the Act, and 19 CFR 351.216(c) and 19 CFR 351.221(c)(3), Wuhan Wanbang Laser Diamond Tools Co., Ltd., requested that the Department initiate an expedited changed circumstances review and determine that Wuhan Wanbang Laser Diamond Tools Co., Ltd., is the successor-in-interest to Wuhan Wanbang Laser Diamond Tools Co.

As explained in the memorandum from the Acting Assistant Secretary for Enforcement and Compliance, the Department has exercised its discretion to toll all administrative deadlines due to the recent closure of the Federal Government. All deadlines in this segment of the

¹ See *Diamond Sawblades and Parts Thereof From the People's Republic of China and the Republic of Korea: Antidumping Duty Orders*, 74 FR 57145 (November 4, 2009).

² See Wuhan Wanbang Laser Diamond Tools Co., Ltd.'s request for a changed circumstances review dated December 22, 2015 (review request).

³ See *Diamond Sawblades and Parts Thereof From the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review; 2013-2014*, 80 FR 75854, 75855 (December 4, 2015).

⁴ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 81 FR 736, 738 (January 7, 2016).

proceeding have been extended by four business days. The revised deadline for the initiation of this review is now February 25, 2016.⁵

Scope of the Order

The products covered by the order are all finished circular sawblades, whether slotted or not, with a working part that is comprised of a diamond segment or segments, and parts thereof, regardless of specification or size, except as specifically excluded below. Within the scope of the order are semifinished diamond sawblades, including diamond sawblade cores and diamond sawblade segments. Diamond sawblade cores are circular steel plates, whether or not attached to non-steel plates, with slots. Diamond sawblade cores are manufactured principally, but not exclusively, from alloy steel. A diamond sawblade segment consists of a mixture of diamonds (whether natural or synthetic, and regardless of the quantity of diamonds) and metal powders (including, but not limited to, iron, cobalt, nickel, tungsten carbide) that are formed together into a solid shape (from generally, but not limited to, a heating and pressing process).

Sawblades with diamonds directly attached to the core with a resin or electroplated bond, which thereby do not contain a diamond segment, are not included within the scope of the order. Diamond sawblades and/or sawblade cores with a thickness of less than 0.025 inches, or with a thickness greater than 1.1 inches, are excluded from the scope of the order. Circular steel plates that have a cutting edge of non-diamond material, such as external teeth that protrude from the outer diameter of the plate, whether or not finished, are excluded from the scope of the order. Diamond sawblade cores with a Rockwell C hardness of less than 25 are excluded from the scope of the order. Diamond sawblades and/or diamond segment(s) with diamonds that predominantly have a mesh size number greater than 240 (such as 250 or 260) are excluded from

⁵ See Memorandum for the Record from Acting Assistant Secretary Ron Lorentzen entitled "Tolling of Administrative Deadlines as a Result of the Government Closure during Snowstorm 'Jonas'" dated January 27, 2016.

the scope of the order. Merchandise subject to the order is typically imported under heading 8202.39.00.00 of the Harmonized Tariff Schedule of the United States (HTSUS). When packaged together as a set for retail sale with an item that is separately classified under headings 8202 to 8205 of the HTSUS, diamond sawblades or parts thereof may be imported under heading 8206.00.00.00 of the HTSUS. On October 11, 2011, the Department included the 6804.21.00.00 HTSUS classification number to the customs case reference file, pursuant to a request by U.S. Customs and Border Protection (CBP).⁶ The tariff classification is provided for convenience and customs purposes; however, the written description of the scope of the order is dispositive.

Initiation of Changed Circumstances Review

Pursuant to section 751(b)(1) of the Act and 19 CFR 351.216(d), the Department will conduct a changed circumstances review upon receipt of a request from an interested party or receipt of information concerning an antidumping duty order which shows changed circumstances sufficient to warrant a review of the order. Based on the request from Wuhan Wanbang Laser Diamond Tools Co., Ltd. (Wuhan Wanbang Co., Ltd.) and in accordance with section 751(b)(1) of Act and 19 CFR 351.216(b), we are initiating a changed circumstances review to determine whether Wuhan Wanbang Co., Ltd., is the successor-in-interest to Wuhan Wanbang Laser Diamond Tools Co. (Wuhan Wanbang Co.). If we conclude that an expedited action is warranted, we may combine the notices of initiation and preliminary results of a changed circumstances review under 19 CFR 351.221(c)(3)(ii). In this instance, because we have on the record the information necessary to make a preliminary finding, we find that expedited action is warranted and have combined the notices of initiation and preliminary results.

⁶ See *Diamond Sawblades and Parts Thereof From the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review*, 76 FR 76128, 76130 (December 6, 2011).

Preliminary Results of Expedited Changed Circumstances Review

In making a successor-in-interest determination, the Department examines several factors including, but not limited to, changes in management, production facilities, supplier relationships, and customer base.⁷ While no single factor or combination of these factors will necessarily provide a dispositive indication of a successor-in-interest relationship, the Department will generally consider the new company to be the successor to the previous company if the new company's operations are not materially dissimilar to those of its predecessor.⁸ Thus, if the evidence demonstrates that, with respect to the production and sales of the subject merchandise, the new company operates as the same business entity as the former company, the Department will accord the new company the same antidumping treatment as its predecessor.⁹

In its review request and in its responses to our two supplemental questionnaires,¹⁰ Wuhan Wanbang Co., Ltd., has provided evidence for us to preliminarily determine that it is the successor-in-interest to Wuhan Wanbang Co. Wuhan Wanbang Co., Ltd., states that its management, production facilities, and customer/supplier relationships have not changed as a result of changes to the legal status and name of the company.¹¹ Wuhan Wanbang Co., Ltd., provided documents showing changes to the legal status and name of the company.¹² Further, Wuhan Wanbang Co., Ltd., provided internal documents evidencing that: its domestic and

⁷ See, e.g., *Pressure Sensitive Plastic Tape from Italy: Preliminary Results of Antidumping Duty Changed Circumstances Review*, 75 FR 8925 (February 26, 2010), unchanged in *Pressure Sensitive Plastic Tape from Italy: Final Results of Antidumping Duty Changed Circumstances Review*, 75 FR 27706 (May 18, 2010); and *Brake Rotors From the People's Republic of China: Final Results of Changed Circumstances Antidumping Duty Administrative Review*, 70 FR 69941 (November 18, 2005) (*Brake Rotors*), citing *Brass Sheet and Strip from Canada: Final Results of Antidumping Duty Administrative Review*, 57 FR 20460 (May 13, 1992).

⁸ See, e.g., *Brake Rotors*.

⁹ *Id.* See also e.g., *Notice of Initiation and Preliminary Results of Antidumping Duty Changed Circumstances Review: Certain Frozen Warmwater Shrimp From India*, 77 FR 64953 (October 24, 2012), unchanged in *Final Results of Antidumping Duty Changed Circumstances Review: Certain Frozen Warmwater Shrimp From India*, 77 FR 73619 (December 11, 2012).

¹⁰ See the review request and Wuhan Wanbang Co., Ltd.'s supplemental responses dated January 21, 2016, and February 3, 2016.

¹¹ *Id.*

¹² See, e.g., the review request at Exhibits 4 and 5.

overseas customers and suppliers have been the same before and after the changes to the company's legal status and name.¹³ Wuhan Wanbang Co., Ltd., also provided a list of members of the management team and supporting documentation indicating that Wuhan Wanbang Co.'s managers hold the same position in Wuhan Wanbang Co., Ltd., and documentation showing only small, insignificant changes to the members of the board of directors.¹⁴

Based on record evidence, we preliminarily determine that Wuhan Wanbang Co., Ltd., is the successor-in-interest to Wuhan Wanbang Co. for purposes of antidumping duty liability because the changes to the legal status and name of the company resulted in no significant changes to management, production facilities, supplier relationships, and customers. As a result, we preliminarily determine that Wuhan Wanbang Co., Ltd., operates as the same business entity as Wuhan Wanbang Co. Thus, we preliminarily determine that Wuhan Wanbang Co., Ltd., should receive the same antidumping duty cash deposit rate with respect to the subject merchandise as Wuhan Wanbang Co., its predecessor company.

Because cash deposits are only estimates of the amount of antidumping duties that will be due, changes in cash deposit rates are not made retroactive and, therefore, no change will be made to Wuhan Wanbang Co., Ltd.'s cash deposit rate as a result of these preliminary results. If Wuhan Wanbang Co., Ltd., believes that the deposits paid exceed the actual amount of dumping, it is entitled to request an administrative review during the anniversary month of the publication of the order of those entries, *i.e.*, November, to determine the proper assessment rate and receive a refund of any excess deposits.¹⁵ As a result, if these preliminary results are adopted in our final

¹³ See the review request at Exhibit 3, the January 21, 2016, supplemental response at Exhibits S-1 through S-3, and the February 3, 2016, supplemental response at Exhibits S2-1 through S2-3.

¹⁴ See the review request at Exhibit 3 and the January 21, 2016, supplemental response at Exhibit S-4.

¹⁵ See *Certain Hot-Rolled Lead and Bismuth Carbon Steel Products From the United Kingdom: Final Results of Changed-Circumstances Antidumping and Countervailing Duty Administrative Reviews*, 64 FR 66880 (November 30, 1999).

results of this changed circumstances review, we will instruct CBP to suspend shipments of subject merchandise made by Wuhan Wanbang Co., Ltd., at Wuhan Wanbang Co.'s cash deposit rate effective on the publication date of our final results.

Public Comment

Interested parties may submit case briefs no later than 14 days after the publication of this notice.¹⁶ Rebuttal briefs, which must be limited to issues raised in case briefs, may be filed not later than five days after the deadline for filing case briefs.¹⁷ Parties who submit case briefs or rebuttal briefs in this changed circumstance review are requested to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities. Interested parties who wish to comment on the preliminary results must file briefs electronically using Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>. An electronically-filed document must be received successfully in its entirety by the ACCESS no later than 5:00 p.m. Eastern Time on the date the document is due. Interested parties that wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS, within 14 days of publication of this notice.¹⁸ Parties will be notified of the time and date of any hearing, if requested.¹⁹

Notifications to Interested Parties

Consistent with 19 CFR 351.216(e), we intend to issue the final results of this changed circumstances review no later than 270 days after the date on which this review was initiated, or

¹⁶ See 19 CFR 351.309(c)(ii).

¹⁷ See 19 CFR 351.309(d).

¹⁸ See 19 CFR 351.310(c). See also 19 CFR 351.303 for general filing requirements.

¹⁹ See 19 CFR 351.310.

within 45 days after the publication of the preliminary results if all parties in this review agree to our preliminary results. The final results will include the Department's analysis of issues raised in any written comments.

This notice of initiation and preliminary results is in accordance with section 751(b)(1) of the Act, 19 CFR 351.216(b) and (d), and 19 CFR 351.221(b)(1).

Dated: February 26, 2016.

Paul Piquado
Assistant Secretary
for Enforcement and Compliance

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