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DEPARTMENT OF COMMERCE

International Trade Administration

A-570-909

Certain Steel Nails from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2013-2014

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

SUMMARY: The Department of Commerce (the “Department”) published the *Preliminary Results* of the sixth administrative review of the antidumping duty order on certain steel nails from the People's Republic of China (“PRC”) on September 4, 2015.¹ We gave interested parties an opportunity to comment on the *Preliminary Results*. Based upon our analysis of the comments and information received, we made changes to the margin calculation for these final results regarding one of the mandatory respondents, Stanley.² We also continue to find that the other mandatory respondent, Shandong Oriental Cherry Hardware Group Co., Ltd. (“Shandong Oriental Cherry”), withheld requested information, significantly impeded this administrative review, and did not cooperate to the best of its ability. Accordingly, pursuant to sections 776(a) and (b) of the Tariff Act of 1930, as amended (“the Act”), we continue to apply total adverse facts available (“AFA”) to Shandong Oriental Cherry and find that it is not eligible for separate rate status and, thus, is part of the PRC-wide entity. The final dumping margins are listed below in the “Final Results of Administrative Review” section of this notice. The period of review (“POR”) is August 1, 2013, through July 31, 2014.

¹ See *Certain Steel Nails from the People's Republic of China: Preliminary Results of the Antidumping Duty Administrative Review and Preliminary Determination of No Shipments; 2013-2014*, 80 FR 53490 (September 4, 2015) (“*Preliminary Results*”) and accompanying Preliminary Decision Memorandum.

² The Stanley Works (Langfang) Fastening Systems Co., Ltd. and Stanley Black & Decker, Inc. (collectively, “Stanley”).

DATES: Effective Date: **(INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*)**.

FOR FURTHER INFORMATION CONTACT: Julia Hancock or Matthew Renkey, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone 202-482-1394 or 202-482-2312, respectively.

SUPPLEMENTARY INFORMATION:

Background

The Department published the *Preliminary Results* on September 4, 2015.³ On December 21, 2015, the Department extended the deadline in this proceeding by 60 days.⁴ 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 proceeding have been extended by four business days. The revised deadline for the final results of this review is now March 7, 2016.⁵

In accordance with 19 CFR 351.309, we invited parties to comment on our *Preliminary Results*. On October 30, 2015, Qingdao D&L, *et al.*,⁶ Nanjing Yuechang,⁷ National Nail,⁸ Petitioner,⁹ Shandong Oriental Cherry, and Tianjin Jinchi¹⁰ submitted timely-filed case briefs,

³ See *Preliminary Results*.

⁴ See Memorandum to Gary Taverman, "Certain Steel Nails from the People's Republic of China: Extension of Deadline for Final Results of the Sixth Antidumping Duty Administrative Review," (December 21, 2015).

⁵ See Memorandum to the Record from Ron Lorentzen, Acting A/S for Enforcement & Compliance, regarding "Tolling of Administrative Deadlines As a Result of the Government Closure During Snowstorm Jonas," (January 27, 2016).

⁶ Qingdao D&L Group Ltd. ("Qingdao D&L"), SDC International Aust. PTY. Ltd. ("SDC International"), Tianjin Lianda Group Co., Ltd. ("Tianjin Lianda"), and Tianjin Universal Machinery Import & Exp. Corporation ("Tianjin Universal") (collectively, "Qingdao D&L, *et al.*").

⁷ Nanjing Yuechang Hardware Co., Ltd. ("Nanjing Yuechang").

⁸ National Nail Corp. ("National Nail").

⁹ Mid Continent Steel & Wire, Inc. ("Petitioner").

pursuant to our regulations.¹¹ Additionally, on November 6, 2015, Petitioner and Stanley submitted timely-filed rebuttal briefs.¹² Moreover, on November 20, 2015, Stanley submitted its timely-filed case brief, pursuant to our regulations.¹³ Finally, on January 12, 2016, the Department held a public hearing where counsel for National Nail, Petitioner, Shandong Oriental Cherry, and Stanley presented issues raised in their case and rebuttal briefs.

Scope of the Order

The merchandise covered by the order includes certain steel nails having a shaft length up to 12 inches. Certain steel nails subject to the order are currently classified under the Harmonized Tariff Schedule of the United States (“HTSUS”) subheadings 7317.00.55, 7317.00.65, 7317.00.75, and 7907.00.6000.¹⁴ While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the order, which is contained in the accompanying Issues and Decision Memorandum (“I&D Memo”), is

¹⁰ Tianjin Jinchi Metal Products Co., Ltd. (“Tianjin Jinchi”).

¹¹ See Letter to the Secretary from Qingdao D&L, et al., “Certain Steel Nails from the People’s Republic of China: Case Brief” (October 30, 2015) (“Qingdao D&L, et al.’s Case Brief”); Letter to the Secretary from Nanjing Yuechang, “Certain Steel Nails from the People’s Republic of China; Case Brief” (October 30, 2015) (“Nanjing Yuechang’s Case Brief”); Letter to the Secretary from National Nail, “Certain Steel Nails from the People’s Republic of China: Case Brief” (October 30, 2015); Letter to the Secretary from Petitioner, “Certain Steel Nails from the People’s Republic of China: Case Brief” (October 30, 2015) (“Petitioner’s Case Brief”); Letter to the Secretary from Shandong Oriental Cherry, “Certain Steel Nails from the People’s Republic of China: Case Brief,” (October 30, 2015) (“Shandong Oriental Cherry’s Case Brief”); and Letter to the Secretary from Tianjin Jinchi, “Certain Steel Nails from the People’s Republic of China: Case Brief,” (October 30, 2015) (“Tianjin Jinchi’s Case Brief”).

¹² See Letter to the Secretary from Petitioner, “Certain Steel Nails from China: Petitioner’s Rebuttal Brief” (November 6, 2015) (“Petitioner’s Rebuttal Brief”); and Letter to the Secretary from Stanley, “Certain Steel Nails from China: Stanley’s Rebuttal Brief” (November 6, 2015) (“Stanley’s Rebuttal Brief”).

¹³ See Letter to the Secretary from Stanley, “Certain Steel Nails from China: Stanley’s Revised Case Brief” (November 20, 2015) (“Stanley’s Revised Case Brief”).

¹⁴ The Department recently added the Harmonized Tariff Schedule category 7907.00.6000, “Other articles of zinc: Other,” to the language of the *Order*. See Memorandum to Gary Taverman, Senior Advisor for Antidumping and Countervailing Duty Operations, through James C. Doyle, Director, Office 9, Antidumping and Countervailing Duty Operations, regarding “Certain Steel Nails from the People’s Republic of China: Cobra Anchors Co. Ltd. Final Scope Ruling,” (September 19, 2013).

dispositive.¹⁵

Analysis of Comments Received

We addressed all issues raised in the case and rebuttal briefs by parties in this review in the I&D Memo. Attached to this notice, in Appendix I, is a list of the issues which parties raised. The I&D Memo is a public document and is on file in the Central Records Unit (“CRU”), Room B8024 of the main Department of Commerce building, as well as electronically via Enforcement and Compliance’s Antidumping and Countervailing Duty Centralized Electronic Service System (“ACCESS”). ACCESS is available to registered users at <http://access.trade.gov> and in the CRU. In addition, a complete version of the I&D Memo can be accessed directly on the internet at <http://enforcement.trade.gov/frn/index.html>. The signed I&D Memo and the electronic versions of the I&D Memo are identical in content.

Changes since the *Preliminary Results*

Based on a review of the record and comments received from interested parties regarding our *Preliminary Results*, and for the reasons explained in the Issues and Decision Memorandum, we revised the margin calculation for Stanley. Accordingly, for the final results, the Department has updated the margin to be assigned to companies eligible for a separate rate as the revised calculated margin of the sole mandatory respondent, Stanley, whose margin is not zero, *de minimis*, or based on facts available, unlike the other mandatory respondent, Shandong Oriental Cherry, whose margin is the PRC-wide entity rate of 118.04 percent. The Surrogate Values Memo contains further explanation of our changes to the surrogate values selected for Stanley’s

¹⁵ For a full description of the scope of the *Order*, see Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance, “Issues and Decision Memorandum for the Final Results of Sixth Antidumping Duty Administrative Review: Certain Steel Nails from the People’s Republic of China” (March 7, 2016) (“I&D Memo”) which is adopted by this notice.

factors of production.¹⁶ For a list of all issues addressed in these final results, please refer to Appendix I accompanying this notice.

Final Determination of No Shipments

In the *Preliminary Results*, the Department preliminarily determined that Besco Machinery Industry (Zhejiang) Co., Ltd. (“Besco”), Certified Products International Inc. (“CPI”), Huanghua Jinhai Hardware Products Co., Ltd. (“Jinhai”), Huanghua Xionghua Hardware Products Co., Ltd. (“Huanghua Xionghua”), Nanjing Yuechang Hardware Co., Ltd. (“Yuechang”), PT Enterprise Inc., Qingdao Jisco Co., Ltd. and Jisco Corporation (collectively, “JISCO”), Shanghai Jade Shuttle Hardware Tools Co., Ltd. (“Shanghai Jade Shuttle”), Shanghai Tengyu Hardware Tools Co., Ltd. (“Shanghai Tengyu”), Shanxi Yuci Broad Wire Products Co., Ltd. (“Shanxi Yuci”), and Zhejiang Gem-Chun Hardware Accessory Co., Ltd (“Gem-Chun”) did not have any reviewable transactions during the POR. Consistent with the Department’s assessment practice in non-market economy (“NME”) cases, we completed the review with respect to the above-named companies. Based on the certifications submitted by the aforementioned companies, and our analysis of CBP information, we continue to determine that these companies did not have any reviewable transactions during the POR. As noted in the “Assessment Rates” section below, the Department intends to issue appropriate instructions to CBP for the above-named companies based on the final results of this review.

Final Results of Administrative Review

The weighted-average dumping margins for the administrative review are as follows:

¹⁶ See Memorandum to the File, through Paul Walker, Program Manager, Office V, Enforcement and Compliance, from Julia Hancock, Senior International Trade Analyst, Office V, Enforcement and Compliance, regarding Sixth Antidumping Administrative Review of Certain Steel Nails from the People’s Republic of China: Surrogate Values for the Final Results, dated concurrently with and hereby adopted by this notice (“Surrogate Values Memo”).

Exporter	Weighted-Average Margin (Percent)
Stanley	11.95
Chiieh Yung Metal Ind. Corp.	11.95
Dezhou Hualude Hardware Products Co., Ltd.	11.95
Hebei Cangzhou New Century Foreign Trade Co., Ltd.	11.95
Nanjing Caiqing Hardware Co., Ltd.	11.95
Qingdao D&L Group Ltd.	11.95
SDC International Aust. PTY. Ltd.	11.95
Shandong Dinglong Import & Export Co., Ltd	11.95
Shanghai Curvet Hardware Products Co., Ltd.	11.95
Shanghai Yueda Nails Industry Co., Ltd	11.95
Shanxi Hairui Trade Co., Ltd.	11.95
Shanxi Pioneer Hardware Industrial Co., Ltd.	11.95
Shanxi Tianli Industries Co., Ltd.	11.95
S-Mart (Tianjin) Technology Development Co., Ltd.	11.95
Suntec Industries Co., Ltd.	11.95
Tianjin Jinchu Metal Products Co., Ltd.	11.95
Tianjin Jinghai County Hongli Industry & Business Co., Ltd.	11.95
Tianjin Lianda Group Co., Ltd.	11.95
Tianjin Universal Machinery Imp. & Exp. Corporation	11.95
Tianjin Zhonglian Metals Ware Co., Ltd.	11.95
Xi'an Metals & Minerals Import & Export Co., Ltd.	11.95

In addition, the Department continues to find that the companies identified in Appendix to the Issues and Decision Memorandum, attached to this notice, are part of the PRC-wide entity.¹⁷

¹⁷ The Department notes that a company, Nanjing Yuechang Hardware Co., Ltd. (“Yuechang”), is no longer being considered part of the PRC-wide entity, as discussed in Comment 13 of the Issues and Decision Memorandum.

Assessment Rates

Pursuant to section 751(a)(2)(A) of the Tariff Act of 1930, as amended (the “Act”), and 19 CFR 351.212(b), the Department has determined, and U.S. Customs and Border Protection (“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 appropriate assessment instructions directly to CBP 15 days after publication of the final results of this administrative review.

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).¹⁸ 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.¹⁹ 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.²⁰ 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.²¹ We intend to instruct CBP to liquidate entries containing subject merchandise exported by the PRC-wide entity at the PRC-wide rate.

¹⁸ See 19 CFR 351.212(b)(1).

¹⁹ *Id.*

²⁰ *Id.*

²¹ See 19 CFR 351.106(c)(2).

Pursuant to the Department's assessment 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 entity 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 entity rate.²²

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(2)(C) of the Act: (1) For the exporter listed above, the cash deposit rate will be the rate established in the final results of review (except, if the rate is zero or *de minimis*, *i.e.*, less than 0.5 percent, a zero cash deposit rate will be required for that company); (2) for previously investigated or reviewed PRC and non-PRC exporters not listed above that have separate rates, 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 which have not been found to be entitled to a separate rate, the cash deposit rate will be the PRC-Wide rate of 118.04 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 exporters that supplied that non-PRC exporter. The deposit requirements shall remain in effect until further notice.

Disclosure

²² See *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694 (October 24, 2011).

We intend to 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).

Notification to Importers

This notice also serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this POR. Failure to comply with this requirement could result in the Department's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of doubled 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(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

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

Dated: March 7, 2016.

Paul Piquado
Assistant Secretary
for Enforcement and Compliance

Appendix I – Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Discussion of the Issues

- Comment 1: Withdrawal of the Regulatory Provisions Governing Targeted Dumping in Less-than-Fair-Value Investigations
- Comment 2: Differential Pricing Methodology
- Comment 3: Calculation of Separate Rate Margin
- Comment 4: Application of Total Adverse Facts Available (“AFA”) to Shandong Oriental Cherry
- Comment 5: Granting a Separate Rate to the Shandong Oriental Cherry Entity
- Comment 6: Rejection of Stanley’s Case Brief
- Comment 7: Surrogate Value for Stanley’s Steel Wire Rod Input
- Comment 8: Surrogate Value for Stanley’s Plastic Granules
- Comment 9: Treatment of Stanley’s Rubber Bands
- Comment 10: Use of Customer Code or Common Customer Code in the Cohen’s *d* Test to Identify the Purchaser in Stanley’s Margin Program
- Comment 11: Granting of Separate Rates to Qingdao D&L, *et al.*
- Comment 12: Tianjin Jinchi’s Status in This Review
- Comment 13: Yuechang’s Status in This Review

- V. Conclusion

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