



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

(A-570-983)

Drawn Stainless Steel Sinks from the People's Republic of China: Preliminary Results of the Antidumping Duty Administrative Review and Preliminary Determination of No Shipments; 2014 - 2015

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

SUMMARY: The Department of Commerce (Department) is conducting an administrative review of the antidumping duty order on drawn stainless steel sinks (drawn sinks) from the People's Republic of China (PRC), for the period of review (POR), April 1, 2014, through March 31, 2015. We preliminarily find that respondent Guangdong Dongyuan Kitchenware Industrial Co., Ltd. (Dongyuan) made sales of the subject merchandise in the United States at prices below normal value (NV). In addition, we preliminarily find that the other mandatory respondents, B&R Industries Limited (B&R Industries), Zhongshan Newecan Enterprise Development Corporation (Newecan), and Zhongshan Superte Kitchenware Co., Ltd./Superte invoiced as Foshan Zhaoshun Trade Co., Ltd. (Superte), are part of the PRC-wide entity and will receive the rate of that entity, which is not under review. We are also preliminarily granting separate rates to Feidong Import and Export Co., Ltd. (Feidong) and Ningbo Afa Kitchen and Bath Co., Ltd. (Ningbo Afa),¹ which demonstrated eligibility for separate rate status, but were not selected for individual examination. Additionally, we are preliminarily including nine

¹ On March 21, 2016, the Department determined that Ningbo Afa is the successor-in-interest to Yuyao Afa Kitchenware Co., Ltd. (Yuyao Afa), and stated that Ningbo Afa will be assigned an updated cash deposit rate based on the final results of this administrative review. See [Notice of Final Results of Antidumping Duty Changed Circumstances Review: Drawn Stainless Steel Sinks from the People's Republic of China](#), 81 FR 16138, 16139 (March 25, 2016).

companies² that failed to demonstrate their entitlement to a separate rate as part of the PRC-wide entity. Finally, we preliminarily find that Shenzhen Kehuaxing Industrial Ltd. (Kehuaxing) made no shipments of subject merchandise during the POR. If these preliminary results are adopted in the final results of this review, we will instruct U.S. Customs and Border Protection (CBP) to assess antidumping duties on all appropriate entries. Interested parties are invited to comment on these preliminary results.

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

FOR FURTHER INFORMATION CONTACT: Brian C. Smith or Brandon Custard, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1766 and (202) 482-1823, respectively.

SUPPLEMENTARY INFORMATION:

Scope of the Order

The products covered by the order include drawn stainless steel sinks. Imports of subject merchandise are currently classified under the Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7324.10.0000 and 7324.10.0010. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the order is dispositive.³

² These nine companies are: (1) J&C Industries Enterprise Limited (J&C Industries); (2) Foshan Shunde MingHao Kitchen Utensils Co., Ltd. (MingHao); (3) Franke Asia Sourcing Ltd. (Franke); (4) Grand Hill Work Company (Grand Hill); (5) Hangzhou Heng's Industries Co., Ltd. (Heng's Industries); (6) Jiangmen Hongmao Trading Co., Ltd. (Hongmao); (7) Jiangxi Zoje Kitchen & Bath Industry Co., Ltd. (Zoje); (8) Ningbo Oulin Kitchen Utensils Co., Ltd. (Ningbo Oulin); (9) Shunde Foodstuffs Import & Export Company Limited of Guangdong (Shunde Foodstuffs).

³ For a complete 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, "Decision Memorandum for Preliminary Results of the Antidumping Duty

Tolling of Deadline of Preliminary Results of Review

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.⁴

Methodology

The Department is conducting this review in accordance with section 751(a)(1)(B) of the Tariff Act of 1930, as amended (the Act). For the mandatory respondent Dongyuan, export prices were calculated in accordance with section 772 of the Act. Because the PRC is a non-market economy (NME) within the meaning of section 771(18) of the Act, NV was calculated in accordance with section 773(c) of the Act.

For a full description of the methodology underlying our conclusions, see the Preliminary Decision Memorandum. The Preliminary Decision Memorandum is a public document and is on file 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>; the Preliminary Decision Memorandum is also available to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly on Enforcement and Compliance's web site at <http://www.trade.gov/enforcement/>. The signed Preliminary Decision Memorandum and the electronic version of the Preliminary Decision

Administrative Review: Drawn Stainless Steel Sinks from the People's Republic of China," issued concurrently with and hereby adopted by this notice (Preliminary Decision Memorandum).

⁴ See Memorandum to the Record from Ron Lorentzen, Acting A/S for Enforcement & Compliance, "Tolling of Administrative Deadlines As a Result of the Government Closure During Snowstorm Jonas" (January 27, 2016).

Memorandum are identical in content. A list of the topics discussed in the Preliminary Decision Memorandum is attached as the Appendix to this notice.

Preliminary Determination of No Shipments

On June 24, 2015, Kehuaxing submitted a timely-filed certification that it had no exports, sales, or entries of subject merchandise during the POR.⁵ Additionally, our inquiry to CBP did not identify any POR entries of Kehuaxing's subject merchandise. Based on the foregoing, the Department preliminarily determines that Kehuaxing did not have any reviewable transactions during the POR. For additional information regarding this determination, see the Preliminary Decision Memorandum.

Consistent with our practice in NME cases, the Department is not rescinding this administrative review for Kehuaxing, but intends to complete the review and issue appropriate instructions to CBP based on the final results of the review.⁶

Preliminary Results of Review

Because B&R Industries, Newecan, and Superte withdrew from participation in the review and did not respond to the Department's requests for information, the Department preliminarily finds these companies to be part of the PRC-wide entity.⁷ Additionally, because Shunde Foodstuffs, Franke, Grand Hill, Heng's Industries, Hongmao, J&C Industries, MingHao, Ningbo Oulin, and Zoje did not submit a separate rate application or certification by the deadline

⁵ See Letter from Kehuaxing, "Drawn Stainless Steel Sinks from People's Republic of China; A-570-983; Certification of No Sales by Shenzhen Kehuaxing Industrial Ltd." (June 24, 2015).

⁶ See Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties, 76 FR 65694, 65694-95 (October 24, 2011) (NME AD Assessment) and the "Assessment Rates" section, below.

⁷ See Preliminary Decision Memorandum. Pursuant to the Department's change in practice, the Department no longer considers the NME entity as an exporter conditionally subject to administrative reviews. See Antidumping Proceedings: Announcement of Change in Department Practice for Respondent Selection in Antidumping Duty Proceedings and Conditional Review of the Nonmarket Economy Entity in NME Antidumping Duty Proceedings, 78 FR 65963, 65970 (November 4, 2013). Under this practice, the NME entity will not be under review unless a party specifically requests, or the Department self-initiates, a review of the entity. Because no party requested a review of the entity, the entity is not under review and the entity's rate is not subject to change.

established in the Initiation Notice, or make a claim that they had no exports, sales, or entries of subject merchandise during the POR, we preliminarily find that these companies failed to establish their entitlement to a separate rate, and therefore, remain a part of the PRC-wide entity. The rate previously established for the PRC-wide entity is 76.45 percent.⁸ This rate is not under review.

The Department preliminarily determines that the following weighted-average dumping margins exist for the period April 1, 2014, through March 31, 2015:

Exporters	Weighted-Average Dumping Margin (Percent)
Guangdong Dongyuan Kitchenware Industrial Co., Ltd	1.65
Ningbo Afa Kitchen and Bath Co., Ltd. *	1.65
Feidong Import and Export Co., Ltd.*	1.65

*This company demonstrated that it qualified for a separate rate in this administrative review. Consistent with the Department’s practice, we preliminarily assigned this company a rate of 1.65 percent – the rate calculated for the mandatory respondent in this review.⁹

Disclosure and Public Comment

The Department intends to disclose to the parties the calculations performed for these preliminary results within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). Interested parties may submit case briefs no later than 30 days after the date of publication of these preliminary results of review.¹⁰ Rebuttals to case briefs may be filed no later than five days after the written comments are filed, and all rebuttal comments must be

⁸ The PRC-wide rate determined in the investigation was 76.53 percent. See Drawn Stainless Steel Sinks from the People’s Republic of China: Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order, 78 FR 21592 (April 11, 2013). This rate was adjusted for export subsidies and estimated domestic subsidy pass through to determine the cash deposit rate (76.45 percent) collected for companies in the PRC-wide entity. See explanation in Drawn Stainless Steel Sinks From the People’s Republic of China: Investigation, Final Determination, 78 FR 13019 (February 26, 2013).

⁹ See Stainless Steel Bar From India: Final Results of the Antidumping Duty Administrative Review, 77 FR 39467 (July 3, 2012) and accompanying Issues and Decision Memorandum at 12.

¹⁰ See 19 CFR 351.309(c).

limited to comments raised in the case briefs.¹¹

Any interested party may request a hearing within 30 days of publication of this notice.¹² Hearing requests should contain the following information: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Oral presentations will be limited to issues raised in the briefs. If a request for a hearing is made, parties will be notified of the time and date for the hearing to be held at the U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230.¹³

Unless otherwise extended, the Department intends to issue the final results of this administrative review, which will include the results of its analysis of issues raised in the case briefs, within 120 days of publication of these preliminary results, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

Upon issuance of the final results, the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review.¹⁴ The Department intends to issue appropriate assessment instructions to CBP 15 days after the publication of the final results of this review.

For Dongyuan, if we continue to calculate a weighted-average dumping margin that is not zero or de minimis (i.e., less than 0.5 percent) in the final results, we will calculate importer- (or customer-) specific per-unit duty assessment rates based on the ratio of the total amount of dumping calculated for the importer's (or customer's) examined sales to the total sales quantity

¹¹ See 19 CFR 351.309(d).

¹² See 19 CFR 351.310(c).

¹³ See 19 CFR 351.310(d).

¹⁴ See 19 CFR 351.212(b)(1).

associated with those sales, in accordance with 19 CFR 351.212(b)(1).¹⁵ The Department will also calculate (estimated) ad valorem importer-specific assessment rates with which to assess whether the per-unit assessment rate is de minimis. We will instruct CBP to assess antidumping duties on all appropriate entries covered by this review when the importer-specific ad valorem assessment rate calculated in the final results of this review is not zero or de minimis. Where either Dongyuan's ad valorem weighted-average dumping margin is zero or de minimis, or an importer-(or customer-) specific ad valorem assessment rate is zero or de minimis,¹⁶ we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

For Feidong and Ningbo Afa, the respondents which were not selected for individual examination in this administrative review and which qualified for a separate rate, the assessment rate will be equal to the rate calculated for the mandatory respondent in this review (i.e., 1.65 percent).¹⁷

For the final results, if we continue to treat the non-responding mandatory respondents B&R Industries, Newecan, and Superte, as part of the PRC-wide entity, we will instruct CBP to apply an ad valorem assessment rate of 76.45 percent to all entries of subject merchandise during the POR which were produced and/or exported by those companies.

The Department announced a refinement to its assessment practice in NME cases. Pursuant to this refinement in practice, for entries that were not reported in the U.S. sales database submitted by the company individually examined during this review, the Department will instruct CBP to liquidate such entries at the PRC-wide rate. In addition, if we continue to

¹⁵ In these preliminary results, the Department applied the assessment rate calculation method adopted in Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification, 77 FR 8101 (February 14, 2012).

¹⁶ See 19 CFR 351.106(c)(2).

¹⁷ See Drawn Stainless Steel Sinks from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review, 80 FR 26227, 26228 (May 7, 2015); unchanged in Drawn Stainless Steel Sinks From the People's Republic of China: Final Results of the Antidumping Duty Administrative Review; 2012-2014, 80 FR 69644 (November 10, 2015).

find that Kehuaxing had no shipments of the subject merchandise, any suspended entries of subject merchandise from Kehuaxing will be liquidated at the PRC-wide rate.¹⁸

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 from the PRC 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 companies listed above that have a separate rate, the cash deposit rate will be that rate established in the final results of this review (except, if the rate is zero or de minimis, then a cash deposit rate of zero will be established for that company); (2) for previously investigated or reviewed PRC and non-PRC exporters that received a separate rate in a prior segment of this proceeding, the cash deposit rate will continue to be the existing exporter-specific rate; (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 rate for the PRC-wide entity, which is 76.45 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(s) that supplied that non-PRC exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping and/or countervailing duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that

¹⁸ For a full discussion of this practice, see NME AD Assessment.

reimbursement of antidumping and/or countervailing duties occurred and the subsequent assessment of double antidumping duties.

We are issuing and publishing these preliminary results of review in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213.

Dated: May 5, 2016.

Paul Piquado
Assistant Secretary
for Enforcement and Compliance

Appendix – List of Topics Discussed in the Preliminary Decision Memorandum

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[FR Doc. 2016-11249 Filed: 5/11/2016 8:45 am; Publication Date: 5/12/2016]