



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-970]

Multilayered Wood Flooring from the People's Republic of China: Rescission of Antidumping Duty New Shipper Reviews; 2014-2015

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

SUMMARY: The Department of Commerce (Department) finds that the sale made by Dongtai Zhangshi Wood Industry Co., Ltd. (Zhangshi) and the sale made by Huzhou Muyun Wood Co., Ltd. (Muyun) are non-*bona fide*. Therefore, we are rescinding these new shipper reviews (NSRs).

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

FOR FURTHER INFORMATION CONTACT: Robert Galantucci (202-482-2923) or Aleksandras Nakutis (202-482-3147), AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

Background

The Department published its *Preliminary Rescission* of the NSRs of the antidumping duty order on multilayered wood flooring from the People's Republic of China (PRC) on May 31, 2016.¹ We preliminarily found that the sale made by Zhangshi and the sale made by Muyun were not *bona fide*, and announced our preliminary intent to rescind the NSRs.

¹ See *Multilayered Wood Flooring From the People's Republic of China: Preliminary Rescission of 2014-2015 Antidumping Duty New Shipper Reviews*, 81 FR 34310 (May 31, 2016) (*Preliminary Rescission*); see also

For a complete description of the events that followed the publication of the *Preliminary Rescission*, see the *Issues and Decision Memorandum*.² The *Issues and Decision Memorandum* is a public document and is on file electronically via Enforcement and Compliance's Antidumping Duty (AD) and Countervailing Duty (CVD) Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov> and in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the *Issues and Decision Memorandum* can be accessed directly at <http://enforcement.trade.gov/frn/index.html>. The signed *Issues and Decision Memorandum* and the electronic version of the *Issues and Decision Memorandum* are identical in content.

Scope of the Order

The merchandise covered by the order is multilayered wood flooring, which is composed of an assembly of two or more layers or plies of wood veneers³ in combination with a core.⁴

Merchandise covered by this review is classifiable under subheadings 4412.31.0520; 4412.31.0540; 4412.31.0560; 4412.31.2510; 4412.31.2520; 4412.31.4040; 4412.31.4050; 4412.31.4060; 4412.31.4070; 4412.31.4075; 4412.31.4080; 4412.31.5125; 4412.31.5135; 4412.31.5155; 4412.31.5165; 4412.31.6000; 4412.31.9100; 4412.32.0520; 4412.32.0540; 4412.32.0560; 4412.32.0565; 4412.32.0570; 4412.32.2510; 4412.32.2520; 4412.32.2525; 4412.32.2530; 4412.32.3125; 4412.32.3135; 4412.32.3155; 4412.32.3165; 4412.32.3175;

Memorandum from Robert Galantucci to Abdelali Elouaradia, "Antidumping Duty New Shipper Review of Multilayered Wood Flooring from the People's Republic of China: Bona Fide Sale Analysis for Dongtai Zhangshi Wood Industry Co., Ltd.," dated May 20, 2016 (*Zhangshi Prelim Bona Fide Memo*); Memorandum from Aleksandras Nakutis to Abdelali Elouaradia, "Antidumping Duty New Shipper Review of Multilayered Wood Flooring from the People's Republic of China: Bona Fide Sale Analysis for Huzhou Muyun Wood Co., Ltd.," dated May 20, 2016 (*Muyun Prelim Bona Fide Memo*).

² See Memorandum from Christian Marsh to Ronald K. Lorentzen, "Multilayered Wood Flooring from the People's Republic of China: Issues and Decision Memorandum for the Final Rescission of the 2014-2015 New Shipper Reviews" issued concurrently with and hereby adopted by this notice (*Issues and Decision Memorandum*).

³ A "veneer" is a thin slice of wood, rotary cut, sliced or sawed from a log, bolt or flitch. Veneer is referred to as a ply when assembled.

⁴ For a complete description of the scope of the order, see the *Issues and Decision Memorandum*.

4412.32.3185; 4412.32.5600; 4412.39.1000; 4412.39.3000; 4412.39.4011; 4412.39.4012;
4412.39.4019; 4412.39.4031; 4412.39.4032; 4412.39.4039; 4412.39.4051; 4412.39.4052;
4412.39.4059; 4412.39.4061; 4412.39.4062; 4412.39.4069; 4412.39.5010; 4412.39.5030;
4412.39.5050; 4412.94.1030; 4412.94.1050; 4412.94.3105; 4412.94.3111; 4412.94.3121;
4412.94.3131; 4412.94.3141; 4412.94.3160; 4412.94.3171; 4412.94.4100; 4412.94.5100;
4412.94.6000; 4412.94.7000; 4412.94.8000; 4412.94.9000; 4412.94.9500; 4412.99.0600;
4412.99.1020; 4412.99.1030; 4412.99.1040; 4412.99.3110; 4412.99.3120; 4412.99.3130;
4412.99.3140; 4412.99.3150; 4412.99.3160; 4412.99.3170; 4412.99.4100; 4412.99.5100;
4412.99.5105; 4412.99.5115; 4412.99.5710; 4412.99.6000; 4412.99.7000; 4412.99.8000;
4412.99.9000; 4412.99.9500; 4418.71.2000; 4418.71.9000; 4418.72.2000; 4418.72.9500; and
9801.00.2500 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the
HTSUS subheadings are provided for convenience and customs purposes, our written description
of the scope of the order is dispositive.

Analysis of Comments Received

All issues raised in the case briefs by parties are addressed in the *Issues and Decision Memorandum*.⁵ A list of the issues which parties raised is attached to this notice as an Appendix.

Bona Fide Analysis

For the *Preliminary Rescission*, the Department analyzed the *bona fides* of Zhangshi's single sale and Muyun's single sale and preliminarily found that they were not *bona fide* sales.⁶

⁵ See *Issues and Decision Memorandum*. The Department has also issued business proprietary discussions of the comments raised, as many of the comments relied heavily on business proprietary information (BPI). See Memorandum to Abdelali Elouaradia, "Final Results of the Antidumping Duty New Shipper Review – Multilayered Wood Flooring from the People's Republic of China: Business Proprietary Information Discussion of the Comments Regarding Dongtai Zhangshi Wood Industry Co., Ltd.," dated October 17, 2016 (*BPI Discussion of Zhangshi's Comments*); Memorandum to Abdelali Elouaradia, "Final Results of the Antidumping Duty New Shipper Review – Multilayered Wood Flooring from the People's Republic of China: Business Proprietary Information Discussion of the Comments Regarding Huzhou Muyun Wood Co., Ltd.," dated October 17, 2016 (*BPI Discussion of Muyun's Comments*).

Based on the Department's complete analysis of all of the information and comments on the record of this review, the Department continues to find Zhangshi's and Muyun's sales not *bona fide*, and thus not reviewable pursuant to section 751(a)(2)(B)(iv) of the Tariff Act of 1930, as amended (the Act). The Department reached this conclusion with respect to Zhangshi based on its consideration of the totality of circumstances, including: the sale price, the timing of the payment, a comparison between the payment and the invoiced amount, the parties' implementation of the terms of sale, statements regarding the customer/importer's affiliations, and the single sale. The Department reached this conclusion with respect to Muyun based on its consideration of the totality of circumstances, including: the sale price, the timing of the payment, and the single sale. For a complete discussion, see the *Issues and Decision Memorandum* as well as the *BPI Discussion of Zhangshi's Comments* and the *BPI Discussion of Muyun's Comments*.

Rescission of New Shipper Reviews

For the foregoing reasons, the Department continues to find that Zhangshi's sale and Muyun's sale are not *bona fide*, and that the sales do not provide a reasonable or reliable basis for calculating a dumping margin. Accordingly, the Department is rescinding these NSRs.

Assessment

As the Department is rescinding these NSRs, we are not making a determination as to whether or not Zhangshi or Muyun qualify for a separate rate. Therefore, these companies remain part of the PRC-entity. The PRC-entity is not under review in the ongoing review covering the 2014-2015 period. Accordingly, these companies' entries will be assessed at rates equal to the cash deposit of, or bond for, estimated antidumping duties required on their merchandise at the time of entry, or withdrawal from warehouse, for consumption. The

⁶ See *Zhangshi Prelim Bona Fide Memo*; *Muyun Prelim Bona Fide Memo*.

Department intends to issue liquidation instructions for any entries during the relevant period made by Zhangshi and Muyun 15 days after publication of this rescission notice.

Cash Deposit Requirements

Effective upon publication of this notice of final rescission of the NSRs of Zhangshi and Muyun, the Department will instruct U.S. Customs and Border Protection to discontinue the option of posting a bond or security in lieu of a cash deposit for entries of subject merchandise from Zhangshi and Muyun.⁷ Because we did not review Zhangshi or Muyun, we will instruct CBP to continue to collect the cash deposit previously ordered which was the cash deposit rate for the PRC-wide entity of 25.62 percent. These cash deposit requirements shall remain in effect until further notice.

Administrative Protective Order

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 these segments 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.

⁷ See 19 CFR 351.214(e).

We are issuing and publishing this notice in accordance with sections 751(a)(2)(B) and 777(i) of the Act and 19 CFR 351.214.

Dated: October 17, 2016

Ronald K. Lorentzen
Acting Assistant Secretary
for Enforcement and Compliance

Appendix – Issues and Decision Memorandum

Summary

Background

Scope of the Order

Discussion of the Issues

Comment 1: Whether the Department should revise its analysis with respect to Zhangshi's sales price and quantity.

Comment 2: Whether the Department should revise its analysis regarding Zhangshi's customer's resale of the subject merchandise.

Comment 3: Whether the Department should revise its analysis regarding Zhangshi's implementation of the terms of sale.

Comment 4: Whether the Department should revise its analysis regarding the circumstances surrounding Zhangshi's receipt of payment.

Comment 5: Whether the Department made procedural errors in conducting this review.

Comment 6: Whether Muyun's sale was resold at a profit.

Comment 7: Whether the timing of Muyun's sale was consistent with normal commercial practices.

Comment 8: Whether Muyun's sale price was based on normal commercial considerations.

Comment 9: Whether the totality of the circumstances indicates that Muyun's sale was *bona fide*.

Recommendation

[FR Doc. 2016-25901 Filed: 10/25/2016 8:45 am; Publication Date: 10/26/2016]