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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, Final Determination of No Shipments and Final Partial Rescission; 2014-2015

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

SUMMARY: The Department of Commerce (the Department) published the *Preliminary Results* of the seventh administrative review of the antidumping duty order on certain steel nails from the People's Republic of China (PRC) on September 12, 2016. 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. We also continue to find that the other mandatory respondent, Tianjin Lianda Group Co. Ltd. (Tianjin Lianda), 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, 2014, through July 31, 2015.

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

FOR FURTHER INFORMATION CONTACT: Susan Pulongbarit or Omar Qureshi, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone 202-482-4031 or 202-482-5307, respectively.

SUPPLEMENTARY INFORMATION:

Background

The Department published the *Preliminary Results*¹ on September 12, 2016.² On December 1, 2016, the Department extended the deadline in this proceeding by 60 days.³ The revised deadline for the final results of this review is now March 13, 2017.⁴

In accordance with 19 CFR 351.309, we invited parties to comment on our *Preliminary Results*. On October 31, 2016, Certified Products International,⁵ Midwest Air Technologies, Inc.,⁶ Origin Point Brands,⁷ Mid Continent Steel & Wire, Inc. (Petitioner),⁸ The Stanley Works (Langfang) Fastening Systems Co., Ltd. and Stanley Black & Decker Inc.,⁹ and Tianjin Lianda Group Co., Ltd.¹⁰ submitted timely filed case briefs, pursuant to our regulations.¹¹ Additionally, on November 9, 2016, Petitioner, Stanley¹², and Tianjin Lianda submitted timely-filed rebuttal briefs.¹³

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

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; 2014-2015*, 81 FR 62710 (September 12, 2016) (*Preliminary Results*) and accompanying Preliminary Decision Memorandum.

² See *Preliminary Results*.

³ See Memorandum to Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, from Susan Pulongbarit, Senior International Trade Analyst, Antidumping and Countervailing Duty Operations, "Certain Steel Nails from the People's Republic of China: Extension of the Deadline for the Final Results of the Seventh Antidumping Duty Administrative Review," dated December 1, 2016.

⁴ *Id.*

⁵ Certified Products International (CPI)

⁶ Midwest Air Technologies, Inc. (MAT).

⁷ Origin Point Brands (OPB).

⁸ Mid Continent Steel & Wire, Inc. (Petitioner).

⁹ The Stanley Works (Langfang) Fastening Systems Co., Ltd. and Stanley Black & Decker Inc. (Stanley).

¹⁰ Tianjin Lianda Group Co., Ltd. (Tianjin Lianda).

¹¹ See e.g., Letter to the Secretary, from CPI, regarding "Case Brief: Seventh Administrative Review of the Antidumping Duty Order on Certain Steel Nails from the People's Republic of China," dated October 31, 2016.

¹² The Stanley Works (Langfang) Fastening Systems Co., Ltd. and Stanley Black & Decker, Inc. (collectively, Stanley).

¹³ See e.g., Letter to the Secretary, from Petitioner, regarding "Certain Steel Nails from the People's Republic of China: Petitioner's Rebuttal Brief," dated November 9, 2016.

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 dispositive.¹⁵

Analysis of Comments Received

We addressed all issues raised in the case and rebuttal briefs by parties to 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 I&D Memo, we revised the margin

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).

¹⁵ For a full description of the scope of the *Order*, see Memorandum from Gary Taverman, Associate Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Ronald Lorentzen, Acting Assistant Secretary for Enforcement and Compliance, “Certain Steel Nails from the People’s Republic of China: Issues and Decision Memorandum for the Final Results of the Seventh Antidumping Duty Administrative Review” (March 13, 2017) (“I&D Memo”) which is adopted by this notice.

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, Tianjin Lianda, 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 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”), Jining Huarong Hardware Products Co., Ltd., Nanjing Yuechang Hardware Co., Ltd., PT Enterprise Inc., Shanxi Tuci Broad Wire Products Co., Ltd., and Zhejiang Gem-Chun Hardware Accessory Co., Ltd. did not have any reviewable transactions during the POR.¹⁷ 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

¹⁶ See Memorandum to the File, through Paul Walker, Program Manager, Office V, Enforcement and Compliance, from Susan Pulongbarit, Senior International Trade Analyst, Office V, Enforcement and Compliance, regarding Seventh 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).

¹⁷ The Department inadvertently included Certified Products International Inc.; Xi’an Metals & Minerals Import & Export Co., Ltd.; and Shandong Oriental Cherry Hardware Import & Export Co., Ltd. in the no shipments category in the *Preliminary Results*. Therefore, the Department removed these companies from the no shipments category, as discussed in Comment 4 in the Issues and Decision Memorandum.

companies based on the final results of this review.

Final Partial Rescission of Antidumping Duty Administrative Review

Pursuant to 19 CFR 351.213(d)(1), the Secretary will rescind an administrative review, in whole or in part, if a party who requested the review withdraws the request within 90-days of the date of publication of notice of initiation of the requested review. Petitioner withdrew its request for an administrative review on CPI, Chieeh Yung Metal Industrial Corporation, Mingguang Abundant Hardware Products Co., Ltd., and Shandong Oriental Cherry Hardware Group; no other party requested a review of these companies.¹⁸

Accordingly, we are rescinding this review, in part, with respect to these companies, pursuant to 19 CFR 351.213(d)(1).¹⁹

Final Results of Administrative Review

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

Exporter	Weighted-Average Margin (Percent)
The Stanley Works (Langfang) Fastening Systems Co., Ltd. and Stanley Black & Decker, Inc.	6.22
Dezhou Hualude Hardware Products Co., Ltd.	6.22
Hebei Cangzhou New Century Foreign Trade Co., Ltd.	6.22
Mingguang Ruifeng Hardware Products Co., Ltd.	6.22
Nanjing Caiqing Hardware Co., Ltd.	6.22
Qingdao D&L Group Ltd.	6.22
SDC International Aust. PTY. Ltd.	6.22
Shandong Dinglong Import & Export Co., Ltd	6.22
Shanghai Curvet Hardware Products Co., Ltd.	6.22
Shanghai Yueda Nails Industry Co., Ltd	6.22
Shanxi Hairui Trade Co., Ltd.	6.22

¹⁸ See Issues and Decision Memorandum at Comment 4.

¹⁹ The Department notes that CPI; Chieeh Yung Metal Industrial Corporation; Mingguang Abundant Hardware Products Co., Ltd.; and Shandong Oriental Cherry Hardware Group were inadvertently added to the separate rate category in the *Preliminary Results*. As discussed in Comment 4 of the I&D Memo, Petitioner timely withdrew its request for reviews on these companies. Therefore, the Department removed these companies from the separate rate category.

Shanxi Pioneer Hardware Industrial Co., Ltd.	6.22
Shanxi Tianli Industries Co., Ltd.	6.22
S-Mart (Tianjin) Technology Development Co., Ltd.	6.22
Suntec Industries Co., Ltd.	6.22
Tianjin Jinchu Metal Products Co., Ltd.	6.22
Tianjin Jinghai County Hongli Industry & Business Co., Ltd.	6.22
Tianjin Universal Machinery Imp. & Exp. Corporation. ²⁰	6.22

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).²¹ 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.²² Where an importer- (or customer-) specific *ad valorem* or per-unit rate is greater than *de minimis* (i.e., 0.50 percent), the

²⁰ Although, the Department initiated this administrative review on Tianjin Universal Machinery Import and Export Corp., the company name, Tianjin Universal Machinery Imp. & Exp. Corporation. was the only name listed in the business license that was submitted in the separate rate application. Accordingly, the Department is granting a separate rate to Tianjin Universal Machinery Imp. & Exp. Corporation.

²¹ See 19 CFR 351.212(b)(1).

²² *Id.*

Department will instruct CBP to collect the appropriate duties at the time of liquidation.²³ 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.²⁴ We intend to instruct CBP to liquidate entries containing subject merchandise exported by the PRC-wide entity at the PRC-wide rate.

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.²⁵

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 exporters 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*, 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

²³ *Id.*

²⁴ See 19 CFR 351.106(c)(2).

²⁵ See *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694 (October 24, 2011).

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, when imposed, shall remain in effect until further notice.

Disclosure

We intend to disclose the calculations performed regarding these final results 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.

Ronald Lorentzen
Acting Assistant Secretary
for Enforcement and Compliance

Dated: March 13, 2017

Appendix I – Issues and Decision Memorandum

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

- Comment 1: Differential Pricing Methodology
- Comment 2: Calculation of Separate Rate Margin
- Comment 3: Clarification of the Scope of the Order
- Comment 4: Rescission for Certain Companies
- Comment 5: Tianjin Lianda's Separate Rate Status
- Comment 6: Treatment of Stanley's Scrap
- Comment 7: Surrogate Financial Ratio Calculation
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- Comment 9: Surrogate Value for Stanley's Sealing Tape
- Comment 10: Surrogate Value for Stanley's Plastic Granules
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- V. Conclusion

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