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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-918]

Steel Wire Garment Hangers from the People's Republic of China: Notice of Court Decision Not in Harmony with Final Results of Administrative Review and New Shipper Review and Notice of Amended Final Results Pursuant to Court Decision

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

SUMMARY: The Court of International Trade (CIT or Court) sustained the final remand results pertaining to the fourth administrative review and new shipper review of the antidumping duty order on steel wire garment hangers from the People's Republic of China (PRC) covering the period of October 1, 2011, through September 30, 2012. The Department of Commerce (Department) is notifying the public that this case is not in harmony with the final results of the administrative review and new shipper review. Therefore, the Department is amending the final results with respect to the dumping margin assigned to Hangzhou Yingqing Material Co. Ltd. (Yingqing).

DATES: Effective May 1, 2017

FOR FURTHER INFORMATION CONTACT: Jessica Weeks, 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) 482-4877.

SUPPLEMENTARY INFORMATION:

Background

On June 2, 2014, the Department published its *AR4/NSR Final Results*,¹ which covered Shanghai Wells Hanger Co., Ltd, the PRC-wide entity, and Yingqing² as respondents.³ Yingqing challenged certain aspects of the *AR4/NSR Final Results*, including the allocation of labor expenses when calculating surrogate financial ratios and whether the expense of obtaining a letter of credit should be included when valuing brokerage and handling (B&H).

On December 21, 2016, the Court remanded *AR4/NSR Final Results* for the Department to reconsider the allocation of labor costs in the surrogate financial ratios calculations⁴ and to reconsider its refusal to deduct the expense of obtaining a letter of credit in light of information on the record.⁵ In accordance with the Court's remand order, the Department reconsidered these issues and filed its Final Remand Results with the Court on March 17, 2017.⁶ In the Final Remand Results, the Department provided further explanations concerning its allocation of labor costs and departure from its methodology in the fourth administrative review of certain steel nails from the PRC.⁷ The Department also determined that record evidence supported deducting the cost of obtaining a letter of credit from the total amount of B&H expenses.⁸ On April 21, 2017, the Court sustained the Department's Final Remand Results in *Hangzhou Yingqing*

¹ See *Steel Wire Garment Hangers from the People's Republic of China: Final Results of Antidumping Duty Administrative Review and New Shipper Review, 2011-2012*, 79 FR 31298 (June 2, 2014) (*AR4/NSR Final Results*) and accompanying Issues and Decision Memorandum (IDM).

² Yingqing and Hangzhou Qingqing Mechanical Co., Ltd. are in an exporter/manufacturer combination rate. See *AR4/NSR Final Results* and accompanying IDM.

³ The *AR4/NSR Final Results* and accompanying IDM pertain to both the fourth administrative review of steel wire garment hangers from the People's Republic of China and the aligned new shipper review of Yingqing.

⁴ See *Hangzhou Yingqing Material Co. v. United States*, 195 F. Supp. 3d 1299, 1310-11 (CIT 2016).

⁵ *Id.* at 1311-12.

⁶ See Redetermination Pursuant to Court Remand Order in *Hangzhou Yingqing Material Co. Ltd. et al. v. United States*, Court No. 14-00133 (March 17, 2017) (Final Remand Results).

⁷ See Final Remand Results at 9 and 10; see also *Certain Steel Nails from the People's Republic of China: Final Results of the Fourth Antidumping Duty Administrative Review*, 79 FR 19316 (April 8, 2014).

⁸ See Final Remand Results at 11 and 12.

Material.⁹

Timken Notice

In its decision in *Timken*,¹⁰ as clarified by *Diamond Sawblades*,¹¹ the Court of Appeals for the Federal Circuit held that, pursuant to section 516A(e) of the Tariff Act of 1930, as amended (the Act), the Department must publish a notice of a court decision that is not “in harmony” with a Department determination and must suspend liquidation of entries pending a “conclusive” court decision. The Court’s April 21, 2017, judgment in *Hangzhou Yingqing Material* constitutes a final decision of the Court that is not in harmony with the Department’s *AR4/NSR Final Results*. This notice is published in fulfillment of the publication requirement of *Timken*. Accordingly, the Department will continue the suspension of liquidation of the subject merchandise at issue pending expiration of the period to appeal or, if appealed, a final and conclusive court decision.

Amended Final Results

Because there is now a final court decision, the Department amends the *AR4/NSR Final Results* with respect to the companies identified below. Based on the Remand Results, as affirmed by the Court in *Hangzhou Yingqing Material*, the revised combination-rate weighted average-dumping margin for the companies listed below during the period October 1, 2011 through September 30, 2012 is as follows:

Exporter	Producer	Weighted-Average Margin (percent)
Hangzhou Yingqing Material Co. Ltd.	Hangzhou Qingqing Mechanical Co. Ltd.	40.39

⁹ See *Hangzhou Yingqing Material Co. and Hangzhou Qingqing Mechanical Co. v. United States*, Court No. 14-00133, Slip Op. 17-47 (CIT April 21, 2017) (*Hangzhou Yingqing Material*).

¹⁰ See *Timken Co. v. United States*, 893 F.2d 337, 341 (Fed. Cir. 1990) (*Timken*).

¹¹ See *Diamond Sawblades Mfrs. Coalition v. United States*, 626 F.3d 1374 (Fed. Cir. 2010) (*Diamond Sawblades*).

In the event that the CIT's ruling is not appealed or, if appealed, is upheld by a final and conclusive court decision, the Department will instruct U.S. Customs and Border Protection (CBP) to assess antidumping duties on unliquidated entries of subject merchandise based on the revised dumping margin listed above.

Cash Deposit Requirements

Because there is now a final court decision, we are amending the *AR4/NSR Final Results* and have revised the weighted-average dumping margin for the companies as shown above. As a result of the Final Remand Results, and as affirmed by the Court in *Hangzhou Yingqing Material*, the cash deposit rate for the companies listed above is 40.39%, effective May 1, 2017. The Department will instruct CBP accordingly.

Notification to Interested Parties

This notice is issued and published in accordance with sections 516A(e)(1), 751(a)(1), and 777(i)(1) of the Act.

Dated: May 10, 2017

Ronald K. Lorentzen
Acting Assistant Secretary
for Enforcement and Compliance

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