



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

A-570-909

Certain Steel Nails from the People's Republic of China: Preliminary Results of the Antidumping Duty Administrative Review and Preliminary Determination of No Shipments; 2015-2016

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

SUMMARY: The Department of Commerce (the Department) preliminarily determines that mandatory respondents Stanley Works (Langfang) Fastening Systems Co., Ltd. and Stanley Black & Decker, Inc. (collectively Stanley), and Tianjin Lianda Group Co, Ltd. (Tianjin Lianda) sold subject merchandise in the United States at prices below normal value (NV) during the period of review (POR), August 1, 2015, through July 31, 2016. If these preliminary results are adopted in the final results, the Department will instruct U.S. Customs and Border Protection (CBP) to assess antidumping duties (AD) on all appropriate entries of subject merchandise during the POR. Interested parties are invited to comment on these preliminary results.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Matthew Renkey or Courtney Canales,

AD/CVD Operations, Office V, Enforcement and Compliance, International Trade

Administration, U.S. Department of Commerce, 1401 Constitution Avenue, N.W., Washington

D.C. 20230; telephone: (202) 482-2312 or (202) 482-4997, respectively.

SUPPLEMENTARY INFORMATION:

Background

On October 14, 2016, the Department published in the *Federal Register* the notice of initiation of an administrative review of the AD order on certain steel nails (Nails) from the People's Republic of China (PRC) for the period of review August 1, 2015, through July 31, 2016. The Department initiated a review with respect to 31 companies.¹ The Department selected two mandatory respondents, Stanley and Tianjin Lianda, based on highest volume of exports.² On April 21, 2017, the Department extended the preliminary results of review to August 31, 2017.

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 7907.00.6000.³ While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the order is dispositive.⁴

¹ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 81 FR 71064 (October 14, 2016) (*Initiation Notice*). Although there were 32 companies in the initiation, it included SDC International Australia Pty Ltd. Per the Final Results of Redetermination Pursuant to Voluntary Remand Order: *SDC International Aust. PTY. Ltd. v. United States*, CIT Court No. 16-00062 (January 20, 2017), we found both SDC International Aust. Pty. Ltd. and SDC International Australia Pty Ltd., to be the same company. Therefore, SDC International Aust. Pty. Ltd. is the party under review; SDC International Australia Pty Ltd. is not under review as a distinct company.

² See Respondent Selection Memo dated February 2, 2017.

³ The Department 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," dated September 19, 2013.

⁴ See "Certain Steel Nails from the People's Republic of China: Decision Memorandum for the Preliminary Results of the 2015-2016 Antidumping Duty Administrative Review," (Preliminary Decision Memorandum), dated concurrently with these results and hereby adopted by this notice, for a complete description of the Scope of the

Preliminary Determination of No Shipments

Based on the no-shipments letters filed by two companies,⁵ the Department preliminarily determines that these companies had no shipments during the POR. For additional information regarding this determination, including a list of these companies, *see* the Preliminary Decision Memorandum. Consistent with our assessment practice in non-market economy (NME) administrative reviews, the Department is not rescinding this review for these companies, but intends to complete the review and issue appropriate instructions to CBP based on the final results of the review.⁶

Separate Rates

The Department preliminarily determines that information placed on the record by the mandatory respondents Stanley and Tianjin Lianda, as well as by the 22 other separate rate applicants, demonstrates that these companies are entitled to separate rate status. *See* Preliminary Results of Review section below. For additional information, *see* the Preliminary Decision Memorandum.

PRC-Wide Entity

The Department's policy regarding conditional review of the PRC-wide entity applies to this administrative review.⁷ Under this policy, the PRC-wide entity will not be under review

Order.

⁵ Although Shanxi Yuci, Besco Machinery Industry (Zhejiang) Co., Ltd., Certified Products International Inc., PT Enterprise Inc., Shanghai Jade Shuttle Hardware Tools Co., Ltd., and Zhejiang Gem-Chun Hardware Accessory Co., Ltd. submitted a No Shipments Letter, they are not among the 31 companies initiated on in this review, and therefore are not subject to this review. Therefore, we have only evaluated the no shipment claims of the two companies that submitted no shipments letters and for which this review was initiated.

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

⁷ *See Antidumping Proceedings: Announcement of Change in Department Practice for Respondent Selection in*

unless a party specifically requests, or the Department self-initiates, a review of the entity. Because no party requested a review of the PRC-wide entity in this review, the entity is not under review and the weighted-average dumping margin determined for the PRC-wide entity is not subject to change (*i.e.*, 118.04 percent) as a result of this review.⁸ Aside from the companies discussed above, the Department considers all other companies for which a review was requested⁹ to be part of the PRC-wide entity. For additional information, *see* the Preliminary Decision Memorandum; *see also* Appendix 2 for a list of companies considered as part of the PRC-wide entity.

Rate for Separate-Rate Companies Not Individually Examined

The statute and the Department's regulations do not address the establishment of a rate to be applied to respondents not selected for individual examination when the Department limits its examination of companies subject to the administrative review pursuant to section 777A(c)(2)(B) of the Tariff Act of 1930, as amended (the Act). Generally, the Department looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in an investigation, for guidance when calculating the rate for companies not individually examined in an administrative review. Section 735(c)(5)(A) of the Act articulates a preference for not calculating an all-others rate using rates which are zero, *de minimis* or based entirely on facts available (FA). Accordingly, the Department's usual practice has been to determine the dumping margin for companies not individually examined by averaging the weighted-average

Antidumping Duty Proceedings and Conditional Review of the Nonmarket Economy Entity in NME Antidumping Duty Proceedings, 78 FR 65963 (November 4, 2013).

⁸ *Id.*; *Certain Steel Nails from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2012–2013*, 80 FR 18816, 18817 and accompanying Issues and Decision Memorandum.

⁹ These companies are: Aironware (Shanghai) Co., Ltd., Certified Products Taiwan Inc., Chiieh Yung Metal Ind. Corp., Faithful Engineering Products Co., Ltd., and Huanghua Xionghua Hardware Products Co., Ltd.

dumping margins for the individually examined respondents, excluding rates that are zero, *de minimis*, or based entirely on facts available.¹⁰ Consistent with this practice, in this review, we calculated weighted-average dumping margins for both Stanley and Tianjin Lianda that are both not zero, *de minimis* or based entirely on FA; therefore, the Department assigned to the companies not individually examined, but which demonstrated their eligibility for a separate rate, the weighted average of the weighted-average dumping margins calculated for Stanley and Tianjin Lianda in these preliminary results. This average has been weighted by the ranged, publicly available sale quantities for Stanley and Tianjin Lianda in the U.S. market.

Methodology

The Department is conducting this review in accordance with sections 751(a)(1)(B) and 751(a)(2)(A) of the Act. Constructed export prices and export prices have been calculated in accordance with section 772 of the Act. Because the PRC is a non-market economy country within the meaning of section 771(18) of the Act, normal value (NV) has been 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>, and is 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 the internet at

¹⁰ *See Ball Bearings and Parts Thereof from France, Germany, Italy, Japan, and the United Kingdom: Final Results of Antidumping Duty Administrative Reviews and Rescission of Reviews in Part*, 73 FR 52823, 52824 (September 11, 2008), and accompanying Issues and Decision Memorandum at Comment 16.

<http://enforcement.trade.gov/frn/>. The signed Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum are identical in content.

Preliminary Results of Review

The Department preliminarily determines that the following weighted-average dumping margins exist for the period August 1, 2015, through July 31, 2016:

Exporter/Producer	Weighted-Average Dumping Margin
Stanley	3.60
Tianjin Lianda	332.95
Dezhou Hualude Hardware Products Co., Ltd.	28.21
Hebei Cangzhou New Century Foreign Trade Co., Ltd.	28.21
Hebei Minmetals Co., Ltd.	28.21
Nanjing CAIQING Hardware Co., Ltd.	28.21
Nanjing Toua Hardware & Tools Co., Ltd.	28.21
Qingdao D&L Group Ltd.	28.21
SDC International Aust. PTY. LTD.	28.21
Shandong Dinglong Import & Export Co., Ltd.	28.21
Shandong Oriental Cherry Hardware Group Co., Ltd.	28.21
Shandong Qingyun Hongyi Hardware Products Co., Ltd.	28.21
Shanghai Curvet Hardware Products Co., Ltd.	28.21
Shanghai Yueda Nails Industry Co., Ltd. a.k.a. Shanghai Yueda	28.21
Shanxi Hairui Trade Co., Ltd.	28.21
Shanxi Pioneer Hardware Industrial Co., Ltd.	28.21
Shanxi Tianli Industries Co., Ltd.	28.21
Suntec Industries Co., Ltd.	28.21
S-Mart (Tianjin) Technology Development Co., Ltd.	28.21
Tianjin Jinchu Metal Products Co., Ltd.	28.21
Tianjin Jinghai County Hongli Industry & Business Co., Ltd.	28.21
Tianjin Universal Machinery Imp. & Exp. Corporation	28.21
Tianjin Zhonglian Metals Ware Co., Ltd.	28.21

Disclosure

The Department intends to disclose to interested parties the calculations performed in connection with these preliminary results within five days of its public announcement or, if there is no public announcement, within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b).

Public Comment

Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance no later than 30 days after the date of publication of these preliminary results, unless the Secretary alters the time limit. Rebuttal briefs, limited to issues raised in case briefs, may be submitted no later than five days after the deadline date for case briefs.¹¹ Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit case briefs or rebuttal briefs in this administrative review are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, within 30 days after the date of publication of this notice. Requests should contain the party's name, address, and telephone number, the number of participants, whether any participant is a foreign national, and a list of the issues to be discussed. If a request for a hearing is made, the Department intends to hold the hearing at the U.S. Department of Commerce, 1401 Constitution Avenue, N.W.,

¹¹ See 19 CFR 351.309; see also 19 CFR 351.303 (for general filing requirements).

Washington, D.C., 20230, at a time and date to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

The Department intends to issue the final results of this administrative review, which will include the results of our analysis of all issues raised in the case briefs, within 120 days of publication of these preliminary results in the *Federal Register*, pursuant to section 751(a)(3)(A) of the Act, unless extended.

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.¹² The Department intends to issue assessment instructions to CBP 15 days after the publication date of the final results of this review.

For any individually examined respondent whose weighted average dumping margin is not zero or *de minimis* (*i.e.*, less than 0.50 percent) in the final results of this review, the Department will calculate importer-specific assessment rates on the basis of the ratio of the total amount of dumping calculated for the importer's examined sales to the total entered value of those sales, in accordance with 19 CFR 351.212(b)(1). Where an importer-specific *ad valorem* rate is not zero or *de minimis*, the Department will instruct CBP to collect the appropriate duties at the time of liquidation.¹³ Where either a respondent's weighted-average dumping margin is zero or *de minimis*, or an importer-specific *ad valorem* assessment rate is zero or *de minimis*, the

¹² See 19 CFR 351.212(b).

¹³ See 19 CFR 351.212(b)(1).

Department will instruct CBP to liquidate appropriate entries without regard to antidumping duties.¹⁴

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this review for shipments of the subject merchandise from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by sections 751(a)(2)(C) of the Act: (1) For the companies listed above that have a separate rate, the cash deposit rate will be equal to the weighted-average dumping margin established in the final results of this review (except, if the rate is *de minimis*, then cash deposit rate will be zero); (2) for previously examined PRC and non-PRC exporters not listed above that at the time of entry are eligible for a separate rate based on a prior completed segment of this proceeding, the cash deposit rate will continue to be the existing exporter-specific cash deposit rate; (3) for all PRC exporters of subject merchandise that have not been found to be entitled to a separate rate at the time of entry, the cash deposit rate will be that for the PRC-wide entity (*i.e.*, 118.04 percent); and (4) for all non-PRC exporters of subject merchandise which at the time of entry are not eligible for a separate rate, the cash deposit rate will be the rate applicable to the PRC exporter 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)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during the POR. Failure to comply with this

¹⁴ See 19 CFR 351.106(c)(2).

requirement could result in the Department's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Notification to Interested Parties

This preliminary determination is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Gary Taverman
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations,
performing the non-exclusive functions and duties of the
Assistant Secretary for Enforcement and Compliance

Dated: August 31, 2017

Appendix 1

List of Topics Discussed in the Preliminary Decision Memorandum

1. Summary
2. Background
3. Scope of the Order
4. Preliminary Determination of No Shipments
5. Non-Market Economy Country Status
6. Separate Rates
7. Application of Facts Available and Use of Adverse Inference
8. Facts Available
9. Surrogate Country
10. Date of Sale
11. Normal Value Comparisons
12. Factor Valuation Methodology
13. Comparisons to Normal Value
14. Currency Conversion
15. Recommendation

Appendix 2

1. Aironware (Shanghai) Co., Ltd.
2. Certified Products Taiwan Inc.
3. Chiieh Yung Metal Ind. Corp.
4. Faithful Engineering Products Co., Ltd.
5. Huanghua Xionghua Hardware Products Co., Ltd.

[FR Doc. 2017-18977 Filed: 9/6/2017 8:45 am; Publication Date: 9/7/2017]