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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-912]

Certain New Pneumatic Off-the-Road Tires from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review and Preliminary Rescission of New Shipper Review; 2015-2016

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

SUMMARY: The Department of Commerce (Department) is conducting an administrative review (AR) and a new shipper review (NSR) of the antidumping duty order on certain new pneumatic off-the-road tires (OTR tires) from the People's Republic of China (PRC). The period of review (POR) for the AR and NSR is September 1, 2015, through August 31, 2016. The administrative review covers six exporters of the subject merchandise. We preliminarily determine that Weihai Zhongwei Rubber Co., Ltd. (Zhongwei), one of three companies selected for individual examination, made sales of subject merchandise in the United States at prices below normal value (NV) during the POR. We also preliminarily determine to rescind the new shipper review initiated for Carlisle (Meizhou) Rubber Manufacturing Co., Ltd. (Carlisle Meizhou), and CTP Distribution (HK) Limited (CTP HK) (collectively, Carlstar) We invite interested parties to comment on these preliminary results.

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

FOR FURTHER INFORMATION CONTACT: Alex Rosen, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-7814.

SUPPLEMENTARY INFORMATION:

Background

On November 3, 2016, the Department initiated a new shipper review of exports of subject merchandise made by CTP Distribution (HK) Limited (CTP HK), produced in the PRC by Carlisle (Meizhou) Rubber Manufacturing Co., Ltd. (Carlisle Meizhou).^{1, 2} On November 9, 2016, the Department initiated the eighth administrative review of the antidumping duty order on OTR tires from the PRC.³ On March 2, 2017, the Department aligned the NSR with the AR.⁴ On April 4, 2017, the Department rescinded the review for three exporters for which the AR was initiated.⁵ On May 17, 2017, we extended the time limit for the preliminary results of review by 120 days, pursuant to section 751(a)(3)(A) of the Tariff Act of 1930, as amended (the Act), to

¹ The NSR was requested by Carlstar Group LLC (formerly dba CTP Transportation Products) (Carlstar Group), a U.S. producer of OTR tires, and an importer of subject merchandise concerning merchandise produced by Carlisle Meizhou, its affiliated producer of OTR tires from the PRC, and exported by CTP HK, an affiliated trading company located in Hong Kong (collectively, Carlstar).

² See letter from Carlstar, “New Pneumatic Off-The-Road Tires from the People’s Republic of China Entry of Appearance and Request for New Shipper Review,” dated September 20, 2016 (NSR Request); see also *Initiation of Antidumping Duty New Shipper Review*, 81 FR 76560 (November 3, 2016) (NSR Initiation).

³ See *Initiation of Antidumping and Countervailing Duty Administrative Review*, 81 FR 78778 (November 9, 2016) (*Initiation Notice*). The Department initiated on the following: Cheng Shin Rubber Industry Ltd. (Chengshin), Guizhou Tyre Co., Ltd., Guizhou Tyre Import and Export Co., Ltd. (GTC), Qingdao Milestone Tyres Co. Ltd. (Milestone), Qingdao Qihang Tyre Co. Ltd. (Qihang), Shandong Zhentai Group Co., Ltd. (Zhentai), Trelleborg Wheel Systems (Xingtai) Co., Ltd. (TWS), Weihai Zhongwei Rubber Co., Ltd. (Zhongwei), Weifang Jintongda Tyre Co., Ltd. (Jintongda), and Zhongce Rubber Group Company Limited (Zhongce). The Department previously collapsed GTC and Guizhou Tyre Import and Export Corporation (GTCIE) into a single entity in the original investigation, see *Certain New Pneumatic Off-The-Road Tires from the People’s Republic of China: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination*, 73 FR 9278, 9283 (February 20, 2008), unchanged in *Certain New Pneumatic Off-The-Road Tires from the People’s Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value and Partial Affirmative Determination of Critical Circumstances*, 73 FR 40485 (July 15, 2008). This decision is unchallenged in the instant review; thus, the Department continues to treat GTC and GTCIE as a single entity (collectively, GTC).

⁴ See memorandum to the file, “Waiver of Time Limits for New Shipper Review and Align with Concurrent Administrative Review,” dated March 2, 2017 (Alignment Memo).

⁵ See *Certain New Pneumatic Off-the-Road Tires from the People’s Republic of China: Notice of Partial Rescission of the Antidumping Duty Administrative Review; 2015–2016*, 82 FR 16348 (April 4, 2017).

October 2, 2017.⁶ For a complete description of the events that followed the initiation of these reviews, *see* the Preliminary Decision Memorandum.⁷ A list of topics included in the Preliminary Decision Memorandum is included as an Appendix to this notice.

Scope of the Order⁸

The merchandise covered by this order includes new pneumatic tires designed for off-the-road and off-highway use, subject to certain exceptions. The subject merchandise is currently classifiable under Harmonized Tariff Schedule of the United States (HTSUS) subheadings: 4011.20.10.25, 4011.20.10.35, 4011.20.50.30, 4011.20.50.50, 4011.61.00.00, 4011.62.00.00, 4011.63.00.00, 4011.69.00.00, 4011.92.00.00, 4011.93.40.00, 4011.93.80.00, 4011.94.40.00, and 4011.94.80.00. The HTSUS subheadings are provided for convenience and customs purposes only; the written product description of the scope of the order is dispositive.

Preliminary Rescission of the New Shipper Review

In accordance with 19 CFR 351.214(c), an exporter or producer may request a NSR within one year of the date on which subject merchandise was first entered, or withdrawn from warehouse, for consumption, or, if the exporter or producer cannot establish the date of the first entry, then the date on which it first shipped the merchandise for export to the United States.

As discussed in the Preliminary Decision Memorandum and Preliminary NSR Rescission Memorandum,⁹ the Department preliminarily finds that Carlstar's request for review was not

⁶ *See* memorandum to Gary Taverman, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, "Certain New Pneumatic Off-the-Road Tires from the People's Republic of China: Extension of Deadline for Preliminary Results of 2015-2016 Antidumping Duty Administrative Review and New Shipper Review," dated May 17, 2017.

⁷ *See* memorandum to 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, "Decision Memorandum for Preliminary Results of Antidumping Duty Administrative Review and Preliminary Rescission of New Shipper Review: Certain New Pneumatic Off-the-Road Tires from the People's Republic of China; 2015-2016," dated concurrently with and hereby adopted by this notice (Preliminary Decision Memorandum).

⁸ For a complete description of the scope of the order, *see* the Preliminary Decision Memorandum.

timely filed within one year of the date the subject merchandise produced and exported by Carlstar or its predecessor was first entered into the United States, pursuant to 19 CFR 351.214(c) of the Department's regulations.

Because we find that Carlstar's request for review was not timely filed, we are preliminarily determining that Carlstar's request did not meet the requirements of 19 CFR 351.214(c), and are rescinding the new shipper review for Carlstar. Because much of the factual information used in our analysis involves business proprietary information, a full discussion of the basis for our preliminary determination is set forth in the Preliminary NSR Rescission Memorandum.

Separate Rates

The Department preliminarily determines that information placed on the record by the mandatory respondent, Zhongwei, as well as two separate rate applicants, Qihang and Shandong Zhentai, demonstrates that these companies are entitled to receive separate rates. 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 these reviews.¹⁰ Under this policy, the PRC-wide 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 PRC-wide entity in the AR or NSR, the entity is not under review and

⁹ See memorandum to the file, "New Shipper Review of the Antidumping Duty Order on New Pneumatic Off-The-Road Tires from the People's Republic of China: Preliminary Rescission Memorandum for Carlstar," dated concurrently with this memorandum (Preliminary NSR Rescission Memorandum).

¹⁰ 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 (November 4, 2013).

the entity's rate (*i.e.*, 105.31 percent) is not subject to change.¹¹ Aside from the separate rate companies discussed above, the Department considers all other companies¹² for which a review was requested, including the mandatory respondent GTC, to be ineligible for a separate rate based on information provided. For additional information, *see* the Preliminary Decision Memorandum.

Methodology

The Department is conducting these reviews in accordance with section 751(a)(1)(B) and 751(a)(2)(A) of the Act. Export and constructed export prices were calculated in accordance with sections 772(a) and (b) of the Act. Because the PRC is a nonmarket economy 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 <https://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 <http://enforcement.trade.gov/frn/>. The signed Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum are identical in content.

¹¹ *See Certain New Pneumatic Off-the-Road Tires From the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2012-2013*, 80 FR 20197 (April 15, 2015).

¹² These companies include the mandatory respondent, Guizhou Tyre Co., Ltd and Guizhou Tyre Import and Export Co., Ltd. (GTC), separate rate applicant, Cheng Shin Rubber Industry Ltd., and non-responsive respondent, Qingdao Milestone Tyres Co. Ltd.

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 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 respondents 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).¹³ Accordingly, the Department's usual practice has been to determine the dumping margin for companies not individually examined by averaging the weighted-average dumping margins for the individually examined respondents, excluding rates that are zero, *de minimis*, or based entirely on facts available.¹⁴ Consistent with this practice, in the AR, we preliminarily calculated a weighted-average dumping margin for Zhongwei that is above *de minimis* and not based entirely on FA; therefore, the Department preliminarily assigns to Qihang and Zhentai the weighted-average margin calculated for Zhongwei as the separate rate for this review.

Preliminary Results of Review

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

¹³ 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.

¹⁴ 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.

Exporter	Weighted-Average Dumping Margin (percent)
Weihai Zhongwei Rubber Co., Ltd.	4.54
Shandong Zhentai Group Co., Ltd.	4.54
Qingdao Qihang Tyre Co. Ltd.	4.54

Additionally, the Department preliminarily determines that Cheng Shing, GTC, and Qingdao Milestone are part of the PRC-wide entity.

Disclosure, Public Comment and Opportunity to Request a Hearing

The Department intends to disclose the calculations used in our analysis to parties in these reviews 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 within 30 days after the date of publication of these preliminary results of review in the *Federal Register*.¹⁵ Rebuttals to case briefs, which must be limited to issues raised in the case briefs, must be filed within five days after the time limit for filing case briefs.¹⁶ Parties who submit arguments are requested to submit with the argument (a) a statement of the issue, (b) a brief summary of the argument, and (c) a table of authorities.¹⁷ Parties submitting briefs should do so pursuant to the Department's electronic filing system, ACCESS.¹⁸

¹⁵ See 19 CFR 351.309(c)(1)(ii).

¹⁶ See 19 CFR 351.309(d)(1)-(2).

¹⁷ See 19 CFR 351.309(c)(2), (d)(2).

¹⁸ See 19 CFR 351.303 (for general filing requirements).

Any interested party may request a hearing within 30 days of publication of this notice.¹⁹ 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 20230.²⁰

The Department intends to issue the final results of these reviews, 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.

Assessment Rates

Upon issuance of the final results, the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries covered by these reviews.²¹ The Department intends to issue assessment instructions to CBP 15 days after the publication date of the final results of these reviews.

For assessment purposes, the Department applied the assessment rate calculation method adopted in *Assessment Rate Modification*.²² For any individually examined respondent whose weighted-average dumping margin is above *de minimis* (i.e., 0.50 percent) in the final results of these reviews, 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 sales, in accordance with 19 CFR 351.212(b)(1). Where an importer- (or

¹⁹ See 19 CFR 351.310(c).

²⁰ See 19 CFR 351.310(d).

²¹ See 19 CFR 351.212(b).

²² See *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification*, 77 FR 8101 (February 14, 2012) (*Assessment Rate Modification*) in the manner described in more detail in the Preliminary Decision Memorandum.

customer-) specific *ad valorem* rate is greater than *de minimis*, the Department will instruct CBP to collect the appropriate duties at the time of liquidation.²³ Where either a respondent's weighted average dumping margin is zero or *de minimis*, or an importer- (or customer-) specific *ad valorem* rate is zero or *de minimis*, the Department will instruct CBP to liquidate appropriate entries without regard to antidumping duties.²⁴ For the respondents that were not selected for individual examination in the administrative review and that qualified for a separate rate, the assessment rate will be based on the average of the mandatory respondents.²⁵

Pursuant to the Department's practice, for entries that were not reported in the U.S. sales databases submitted by companies individually examined during the administrative review, the Department will instruct CBP to liquidate such entries at the PRC-wide 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 rate.²⁶

Because we are preliminarily rescinding the new shipper review of Carlstar, we are not making a determination as to whether Carlstar qualifies for a separate rate. Therefore, if the Department proceeds to final rescission, Carlstar will remain part of the PRC-wide entity and, accordingly, any entries covered by this new shipper review will be assessed at the PRC-wide rate. If we do not proceed to final rescission, we will calculate an importer-specific assessment rate for Carlstar, consistent with 19 CFR 351.212(b)(1) and will instruct CBP to assess AD

²³ See 19 CFR 351.212(b)(1).

²⁴ See 19 CFR 351.106(c)(2).

²⁵ See Preliminary Decision Memorandum.

²⁶ For a full discussion of this practice, see *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694 (October 24, 2011).

duties on all appropriate entries covered by the NSR if the importer-specific assessment rate calculated in the final results of the NSR is above *de minimis*.

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of these reviews 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 that established in the final results of this review (except, if the rate is zero or *de minimis*, then zero cash deposit will be required); (2) for previously investigated or reviewed PRC and non-PRC exporters not listed above 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 that for the PRC-wide entity; 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 that supplied that non-PRC exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

Because we preliminarily did not calculate a dumping margin for Carlstar or grant Carlstar a separate rate in this new shipper review, as noted above, we find that Carlstar continues to be part of the PRC-wide entity. The cash deposit rate for the PRC-wide entity is 105.31 percent. These cash deposit requirements 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

and/or countervailing duties prior to liquidation of the relevant entries during the POR. Failure to comply with this requirement could result in the Department's presumption that reimbursement of antidumping and/or countervailing duties occurred and the subsequent assessment of double antidumping duties.

Notification to Interested Parties

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.221(b)(4).

Dated: October 2, 2017/

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.

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum:

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- V. Discussion of Methodology
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