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DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-895]

Low Melt Polyester Staple Fiber from the Republic of Korea: Final Determination of Sales at Less Than Fair Value and Final Affirmative Determination of Critical Circumstances, in Part

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

SUMMARY: The Department of Commerce (Commerce) determines that imports of low melt polyester staple fiber (low melt PSF) from the Republic of Korea (Korea) are being, or are likely to be, sold in the United States at less than fair value (LTFV) during the period of investigation (POI) April 1, 2016, through March 31, 2017. In addition, we determine that critical circumstances exist with respect to certain imports of the subject merchandise. The final dumping margins of sales at LTFV are listed below in the “Final Determination” section of this notice.

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

FOR FURTHER INFORMATION CONTACT: Alice Maldonado or Brittany Bauer, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4682 or (202) 482-3860.

SUPPLEMENTARY INFORMATION:

Background

On February 2, 2018, Commerce published the *Preliminary Determination* of sales at LTFV of low melt PSF from Korea, in which we also postponed the final determination until

June 18, 2018.¹ We invited interested parties to comment on the *Preliminary Determination*. A summary of the events that occurred since Commerce published the *Preliminary Determination*, as well as a full discussion of the issues raised by parties for this final determination, may be found in the Issues and Decision Memorandum, which is adopted by this notice.²

Scope of the Investigation

The product covered by this investigation is low melt PSF from Korea. For a full description of the scope of this investigation, see the “Scope of the Investigation” in Appendix I of this notice. For a discussion of changes to the scope since the *Preliminary Determination*, see the “Scope of the Investigation” section of the Issues and Decision Memorandum.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by submitted by parties in this investigation are addressed in the Issues and Decision Memorandum accompanying this notice. A list of the issues addressed in the Issues and Decision Memorandum is attached to this notice as Appendix II. The Issues and 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 it is available to all parties in the Central Records Unit, room B-8024 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at

¹ See *Low Melt Polyester Staple Fiber from the Republic of Korea: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Preliminary Affirmative Determination of Critical Circumstances, in Part, Postponement of Final Determination, and Extension of Provisional Measures*, 83 FR 4906 (February 2, 2018) (*Preliminary Determination*) and accompanying Preliminary Decision Memorandum.

² See Memorandum, “Issues and Decision Memorandum for the Final Affirmative Determination in the Less-Than-Fair-Value Investigation of Low Melt Polyester Staple Fiber from the Republic of Korea,” dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

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

Verification

As provided in section 782(i) of the Tariff Act of 1930, as amended, (the Act) from February through March 2018, we conducted verification of the sales and cost information submitted by Huvis Corporation (Huvis) and Toray Chemical Korea Inc. (TCK) (collectively, the respondents) for use in our final determination. We used standard verification procedures, including an examination of relevant accounting and production records, and original source documents provided by Huvis and TCK.³

Changes Since the Preliminary Determination

Based on our analysis of the comments received and our findings at verification, we made certain changes to the margin calculations for the respondents. For a discussion of these changes, *see* the “Margin Calculations” section of the Issues and Decision Memorandum.

Final Affirmative Determination of Critical Circumstances, in Part

For the *Preliminary Determination*, Commerce found that critical circumstances did not exist for Huvis, but did with respect to imports of low melt PSF from TCK and all other companies.⁴ For the final determination, we continue to find that critical circumstances do not exist for Huvis and exist for TCK. However, based on our analysis of import volumes, we now find that critical circumstances do not exist for “all others.” For further discussion, *see* the Issues

³ For discussion of our verification findings, *see* the following memoranda: Memorandum, “Verification of the Sales Response of Huvis Corporation in the Antidumping Duty Investigation of Low Melt Polyester Staple Fiber from the Republic of Korea,” dated April 9, 2018; Memorandum, “Verification of the Cost Response of Huvis Corporation in the Antidumping Duty Investigation of Low Melt Polyester Staple Fiber from the Republic of Korea,” dated April 12, 2018; Memorandum, “Verification of the Sales Response of Toray Chemical Korea Inc. in the Antidumping Duty Investigation of Low Melt Polyester Staple Fiber from the Republic of Korea,” dated April 9, 2018; and Memorandum, “Verification of the Cost Response of Toray Chemical Korea, Inc. in the Antidumping Duty Investigation of Low Melt Polyester Staple Fiber from the Republic of Korea,” dated April 6, 2018.

⁴ *See Preliminary Determination*, and accompanying Preliminary Decision Memorandum, at 16 to 21.

and Decision Memorandum at “Critical Circumstances.” Thus, pursuant to section 735(a)(3) of the Act, and 19 CFR 351.206, we find that critical circumstances exist with respect to subject merchandise produced or exported by TCK.

All-Others Rate

Section 735(c)(5)(A) of the Act provides that the estimated weighted-average dumping margin for all-other producers and exporters not individually investigated shall be equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated excluding rates that are zero, *de minimis*, or determined entirely under section 776 of the Act. TCK is the only respondent for which Commerce calculated an estimated weighted-average dumping margin that is not zero, *de minimis*, or based entirely on facts otherwise available. Therefore, for purposes of determining the “all-others” rate, and pursuant to section 735(c)(5)(A) of the Act, we are using the estimated weighted-average dumping margin calculated for TCK, as referenced in the “Final Determination” section below.

Final Determination

The final estimated weighted-average dumping margins are as follows:

Exporter or Producer	Weighted-Average Dumping Margin (percent)
Huvis Corporation	0.00
Toray Chemical Korea Inc.	16.27
All Others	16.27

Disclosure

We will disclose the calculations performed in this final determination within five days of the date of publication of this notice to parties in this proceeding in accordance with 19 CFR 351.224(b).

Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, for this final determination, we will direct U.S. Customs and Border Protection (CBP) to continue to suspend liquidation of all entries of low melt PSF, as described in Appendix I of this notice, which are entered, or withdrawn from warehouse, for consumption on or after February 2, 2018, the date of publication in the *Federal Register* of the affirmative *Preliminary Determination*. Further, we will instruct CBP to require a cash deposit equal to the estimated weighted-average dumping margins indicated in the chart above.⁵ Because the estimated weighted-average dumping margin for Huvis is zero, entries of shipments of subject merchandise both produced and exported by Huvis will not be subject to suspension of liquidation or cash deposit requirements. In such situations, Commerce applies the exclusion to the provisional measures to the producer/exporter combination that was examined in the investigation. Accordingly, Commerce is directing CBP to not suspend liquidation of entries of subject merchandise both exported and produced by Huvis. However, entries of shipments of subject merchandise from Huvis in any other producer/exporter combination, or by third parties that sourced subject merchandise from the excluded producer/exporter combination, are subject to the cash deposit requirements at the all-others rate.

For entries made by TCK, in accordance with section 735(c)(4)(B) of the Act, because we continue to find that critical circumstances exist, we will instruct CBP to continue to suspend

⁵ See *Modification of Regulations Regarding the Practice of Accepting Bonds During the Provisional Measures Period in Antidumping and Countervailing Duty Investigations*, 76 FR 61042 (October 3, 2011).

liquidation of all appropriate entries of low melt PSF from Korea which were entered, or withdrawn from warehouse, for consumption on or after November 4, 2017, which is 90 days prior to the date of publication of the preliminary determination of this investigation in the *Federal Register*.

With regard to companies covered by the “all-others” rate, we will instruct CBP to suspend liquidation of all entries made by companies subject to the all-others rate of low melt PSF from Korea which were entered, or withdrawn from warehouse, for consumption on or after February 2, 2018, the date of the publication of the *Preliminary Determination* of this investigation in the *Federal Register*. However, because we did not find that critical circumstances exist with regard to companies covered by the “all-others” rate, in accordance with 735(c)(1)(B) of the Act, we will instruct CBP to lift suspension and to refund any cash deposits made to secure payment of estimated antidumping duties with respect to entries of low melt PSF from Korea entered, or withdrawn from warehouse, for consumption on or after November 4, 2017 (*i.e.*, 90 days prior to the date of publication of the *Preliminary Determination*), but before February 2, 2018, (*i.e.*, the date of publication of the *Preliminary Determination* of this investigation in the *Federal Register*).

These suspension of liquidation instructions will remain in effect until further notice.

International Trade Commission Notification

In accordance with section 735(d) of the Act, we will notify the International Trade Commission (ITC) of the final affirmative determination of sales at LTFV. Because Commerce’s final determination is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports, or sales (or the likelihood of sales) for importation of low melt PSF from Korea no later than 45 days after this

final determination. If the ITC determines that such injury does not exist, this proceeding will be terminated and all cash deposits will be refunded or canceled. If the ITC determines that such injury does exist, Commerce will issue an antidumping duty order directing CBP to assess, upon further instruction by Commerce, antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation, as discussed above in the “Continuation of Suspension of Liquidation” section.

Notification Regarding Administrative Protective Orders

This notice serves as a reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

Notification to Interested Parties

This determination and this notice are issued and published pursuant to sections 735(d) and 777(i)(1) of the Act and 19 CFR 351.210(c).

Dated: June 18, 2018.

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 I

Scope of the Investigation

The merchandise subject to this investigation is synthetic staple fibers, not carded or combed, specifically bi-component polyester fibers having a polyester fiber component that melts at a lower temperature than the other polyester fiber component (low melt PSF). The scope includes bi-component polyester staple fibers of any denier or cut length. The subject merchandise may be coated, usually with a finish or dye, or not coated.

Low melt PSF is classifiable under the Harmonized Tariff Schedule of the United States (HTSUS) subheading 5503.20.0015. Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the scope of the merchandise under the investigation is dispositive.

Appendix II

List of Topics Discussed in the Issues and Decision Memorandum

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