



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

(A-588-874)

Certain Hot-Rolled Steel Flat Products from Japan: Preliminary Results of Antidumping Duty Administrative Review and Preliminary Determination of No Shipments; 2016-2017

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

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that Nippon Steel & Sumitomo Metal Corporation (Nippon Steel) and Tokyo Steel Manufacturing Co., Ltd. (Tokyo Steel), the two companies selected for individual examination, sold subject merchandise in the United States at prices below normal value during the period of review (POR).

Additionally, Commerce preliminarily determines that three other companies for which we initiated reviews had no shipments during the POR. We invite interested parties to comment on these preliminary results.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Myrna Lobo or Jack Zhao, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2371 or (202) 482-1396, respectively.

SUPPLEMENTARY INFORMATION:

Background

Commerce is conducting an administrative review of the antidumping duty order on certain hot-rolled steel flat products (hot-rolled steel) from Japan. The notice of initiation of this

administrative review was published on December 7, 2017.<sup>1</sup> This review covers 20 producers and exporters of the subject merchandise. The POR is March 22, 2016, through September 30, 2017. Commerce selected two mandatory respondents for individual examination: Nippon Steel and Tokyo Steel.

### Scope of the Order

The merchandise covered by the order is certain hot-rolled steel flat products. For a complete description of the scope of the order, *see* the Preliminary Decision Memorandum.<sup>2</sup>

### Methodology

Commerce is conducting this review in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act). Export price and constructed export price are calculated in accordance with section 772 of the Act. NV is calculated in accordance with section 773 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 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 at <http://enforcement.trade.gov/frn/>. The signed and electronic versions of the Preliminary Decision Memorandum are identical in content. A list of

---

<sup>1</sup> *See Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 82 FR 57705 (December 7, 2017).

<sup>2</sup> *See* Memorandum, "Decision Memorandum for the Preliminary Results of Antidumping Duty Administrative Review and Preliminary Determination of No Shipments: Certain Hot-Rolled Steel Flat Products from Japan; 2016-2017," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

the topics discussed in the Preliminary Decision Memorandum is attached as the Appendix to this notice.

Preliminary Determination of No Shipments

Among the companies under review, four companies, Hitachi Metals, Ltd. (Hitachi), Honda Trading Canada, Inc. (Honda), Mitsui & Co. Ltd. (Mitsui), and Panasonic Corporation (Panasonic) properly filed statements reporting that they made no shipments of subject merchandise to the United States during the POR. Based on the certifications submitted and our analysis of Customs and Border Protection (CBP) information, we preliminarily determine that Hitachi, Honda, and Panasonic had no shipments during the POR.<sup>3</sup> Consistent with its practice, Commerce finds that it is not appropriate to preliminarily rescind the review with respect to these companies but, rather, to complete the review and issue appropriate instructions to CBP based on the final results of this review. We intend to solicit more information and comments with respect to Mitsui’s no shipment certification.<sup>4</sup>

Preliminary Results of the Review

As a result of this review, we preliminarily determine the following weighted-average dumping margins for the period March 22, 2016, through September 30, 2017:

<b>Exporter/ Producer</b>	<b>Weighted-Average Dumping Margin (Percent)</b>
---------------------------	--

<sup>3</sup> See Hitachi Letter, “Antidumping Duty Administrative Review of Certain Hot-Rolled Steel Flat Products: Hitachi No Shipment Letter,” dated December 18, 2017; see also Honda Letter, “Administrative Review of Certain Hot-Rolled Steel Flat Products from Japan: Honda Trading Canada, Inc.’s No Shipment Certification,” dated December 22, 2017; see also Mitsui Letter, “Antidumping Administrative Review of Certain Hot-Rolled Steel Flat Products: Mitsui No Shipment Notification,” dated January 5, 2018; see also Panasonic Letter, “Administrative Review of Certain Hot-Rolled Steel Flat Products from Japan: Panasonic Corporation No Shipment Certification,” dated January 5, 2018. See also Public Memorandum, “Re: No shipment inquiry with respect to the companies below during the period 03/22/2016 through 09/30/2017,” dated October 23, 2018.

<sup>4</sup> See Business Proprietary Memorandum, “Re: No shipment inquiry with respect to the companies below during the period 03/22/2016 through 09/30/2017,” dated October 23, 2018.

Nippon Steel & Sumitomo Metal Corporation <sup>5</sup>	0.54	
Nisshin Steel Co., Ltd. <sup>6</sup>	3/22/2016 to 3/12/2017	3/13/2017 to 9/30/2017
	1.46 <sup>7</sup>	0.54 <sup>8</sup>
Tokyo Steel Manufacturing Co., Ltd.	7.64	

Review-Specific Average Rate Applicable to the Following Companies:<sup>9</sup>

Exporter/ Producer	Weighted-Average Dumping Margin (Percent)
Hanwa Co., Ltd.	1.46
JFE Steel Corporation <sup>10</sup>	1.46
JFE Shoji Trade America	1.46
Kanematsu Corporation	1.46

<sup>5</sup> We collapsed Nippon Steel & Sumikin Bussan Corporation with Nippon Steel & Sumitomo Metal Corporation in the underlying investigation. See *Certain Hot-Rolled Steel Flat Products from Japan: Preliminary Determination of Sales at Less than Fair Value and Postponement of Final Determination*, 81 FR 15222 (March 22, 2016) and accompanying Preliminary Decision Memorandum at 6-7.

<sup>6</sup> We have collapsed Nisshin Steel Co., Ltd. and Nippon Steel & Sumitomo Metal Corporation as of March 13, 2017. See Preliminary Decision Memorandum at 9.

<sup>7</sup> Entries of subject merchandise produced/exported by Nisshin Steel Co., Ltd. made prior to March 13, 2017 are subject to the all others rate calculated in this administrative review. See Memorandum re: Calculation of the Review-Specific Average Rate for the Preliminary Results, dated concurrently with this notice.

<sup>8</sup> Entries of subject merchandise produced/exported by Nisshin Steel Co., Ltd. made on/or after March 13, 2017 are subject to the AD rate assigned to Nippon Steel in this administrative review.

<sup>9</sup> This rate is based on the weighted-average margin using the publicly-ranged sales value of mandatory respondents, and is the best proxy of the actual weighted-average margin determined for the mandatory respondents. Due to requests to protect business proprietary information, we cannot apply our normal methodology of calculating a weighted-average margin. See *Ball Bearings and Parts Thereof from France, et al.: Final Results of Antidumping Duty Administrative Reviews, Final Results of Changed-Circumstances Review, and Revocation of an Order in Part*, 75 FR 53661, 53663 (September 1, 2010); see also Memorandum re: Calculation of the Review-Specific Average Rate for the Preliminary Results, dated concurrently with this notice.

<sup>10</sup> We collapsed JFE Shoji Trade Corporation with JFE Steel Corporation in the underlying investigation. See *Certain Hot-Rolled Steel Flat Products from Japan: Preliminary Determination of Sales at Less than Fair Value and Postponement of Final Determination*, 81 FR 15222 (March 22, 2016) and accompanying Preliminary Decision Memorandum at 8-9.

Kobe Steel, Ltd.	1.46
Mitsui & Co., Ltd.	1.46
Miyama Industry Co., Ltd.	1.46
Nippon Steel & Sumikin Logistics Co., Ltd.	1.46
Okaya & Co. Ltd.	1.46
Saint-Gobain KK	1.46
Shinsho Corporation	1.46
Sumitomo Corporation	1.46
Suzukaku Corporation	1.46
Toyota Tsusho Corporation Nagoya	1.46

## Assessment Rates

Upon completion of the administrative review, Commerce shall determine, and CBP shall assess, antidumping duties on all appropriate entries.

Pursuant to 19 CFR 351.212(b)(1), where the mandatory respondents reported the entered value for their U.S. sales, we calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping calculated for the examined sales to the total entered value of the sales for which entered value was reported. Where the mandatory respondents did not report entered value, we calculated the entered value in order to calculate the assessment rate. Where either the respondent's weighted-average dumping margin is zero or *de minimis* within the meaning of 19 CFR 351.106(c)(1), or an importer-specific rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

For the companies which were not selected for individual review, we will assign an assessment rate based on the average<sup>11</sup> of the cash deposit rates calculated for the two mandatory respondents. The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of this review and for future deposits of estimated duties, where applicable.<sup>12</sup>

We intend to issue liquidation instructions to CBP 15 days after publication of the final results of this review.

## Cash Deposit Requirements

The following deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication

---

<sup>11</sup> This rate was calculated as discussed in footnote 8, above.

<sup>12</sup> See section 751(a)(2)(C) of the Act.

date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for each specific company listed above will be that established in the final results of this review, except if the rate is less than 0.50 percent and, therefore, *de minimis* within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rate will be zero; (2) for previously investigated companies not participating in this review, the cash deposit will continue to be the company-specific rate published for the most recently completed segment of this proceeding in which the company participated; (3) if the exporter is not a firm covered in this review, or the underlying investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent segment for the manufacturer of the merchandise; and (4) the cash deposit rate for all other manufacturers or exporters will continue to be 5.58 percent, the all-others rate established in the underlying investigation.<sup>13</sup> These deposit requirements, when imposed, shall remain in effect until further notice.

#### Disclosure and Public Comment

Commerce intends to disclose the calculations performed in connection with these preliminary results to interested parties within five days after the date of publication of this notice.<sup>14</sup> Interested parties may submit case briefs not later than 30 days after the date of publication of this notice.<sup>15</sup> Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than five days after the time limit for filing case briefs.<sup>16</sup> Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a

---

<sup>13</sup> See *Certain Hot-Rolled Steel Flat Products from Australia, Brazil, Japan, the Republic of Korea, the Netherlands, the Republic of Turkey, and the United Kingdom: Amended Final Affirmative Antidumping Determinations for Australia, the Republic of Korea, and the Republic of Turkey and Antidumping Duty Orders*, 81 FR 67962 (October 3, 2016).

<sup>14</sup> See 19 CFR 351.224(b).

<sup>15</sup> See 19 CFR 351.309(c)(1)(ii).

<sup>16</sup> See 19 CFR 351.309(d)(1).

statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.<sup>17</sup> Case and rebuttal briefs should be filed using ACCESS.<sup>18</sup>

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS. An electronically-filed request for a hearing must be received successfully in its entirety by ACCESS by 5 p.m. Eastern Time within 30 days after the date of publication of this notice.<sup>19</sup> Hearing requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing 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.<sup>20</sup>

Commerce intends to issue the final results of this administrative review, including the results of its analysis of issues raised in any written briefs, not later than 120 days after the publication of these preliminary results in the *Federal Register*, unless otherwise extended.<sup>21</sup>

---

<sup>17</sup> See 19 CFR 351.309(c)(2) and (d)(2).

<sup>18</sup> See 19 CFR 351.303.

<sup>19</sup> See 19 CFR 351.310(c); 19 CFR 351.303(b)(1).

<sup>20</sup> See 19 CFR 351.310(c).

<sup>21</sup> See Section 751(a)(3)(A) of the Act.

## Notification to Importers

This notice also serves as a preliminary 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 review period. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: November 1, 2018

James Maeder  
Associate Deputy Assistant Secretary  
for Antidumping and Countervailing Duty Operations  
performing the duties of Deputy Assistant Secretary  
for Antidumping and Countervailing Duty Operations

## Appendix

### List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Period of Review
- IV. Scope of the Order
- V. Preliminary Determination of No Shipments
- VI. Single Entity Analysis
- VII. Use of Facts Available and Adverse Facts Available
  - A. Legal Authority
  - B. Application of Facts Available to Nippon Steel
  - C. Application of Facts Available with an Adverse Inference
- VIII. Review-Specific Average Rate for Non-Examined Companies
- IX. Discussion of the Methodology
  - A. Normal Value Comparisons
    - 1. Determination of Comparison Method
    - 2. Results of the Differential Pricing Analysis
  - B. Date of Sale
  - C. Product Comparisons
  - D. Export Price and Constructed Export Price
  - E. Normal Value
    - 1. Home Market Viability
    - 2. Affiliated Party Transactions and Arm's-Length Test
    - 3. Level of Trade
    - 4. Cost of Production Analysis
    - 5. Calculation of Normal Value Based on Home Market Prices
- X. Currency Conversion
- XI. Recommendation

[FR Doc. 2018-24794 Filed: 11/13/2018 8:45 am; Publication Date: 11/14/2018]