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**DEPARTMENT OF COMMERCE**

**International Trade Administration**

**[A-428-846]**

**Refillable Stainless Steel Kegs from the Federal Republic of Germany: Final Results of Changed Circumstances Review and Revocation of Antidumping Duty Order**

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

**SUMMARY:** For the final results of this changed circumstances review (CCR), the Department of Commerce (Commerce) is revoking, in whole, the antidumping duty (AD) order on refillable stainless steel kegs (kegs) from the Federal Republic of Germany (Germany) based upon a request from American Keg Company (the petitioner).

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

**FOR FURTHER INFORMATION CONTACT:** Allison Hollander, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2805.

**SUPPLEMENTARY INFORMATION:**

Background

On December 16, 2019, Commerce published the *AD Order*.<sup>1</sup> On January 30, 2020, the petitioner requested that Commerce conduct an expedited CCR for this *AD Order*, pursuant to

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<sup>1</sup> See *Refillable Stainless Steel Kegs from the Federal Republic of Germany and the People's Republic of China: Antidumping Duty Orders*, 84 FR 68405 (December 16, 2019) (*AD Order*).

section 751(b) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.216 (b). The petitioner expressed a lack of interest in the continuation of this *AD Order* and requested the revocation of the *AD Order*. In its request, the petitioner addressed the conditions under which Commerce may revoke an order in whole or in part pursuant to 19 CFR 351.222(g). Commerce published the initiation and preliminary results of this CCR on May 11, 2020.<sup>2</sup> On May 26, 2020, we received comments from the petitioner.<sup>3</sup>

#### Scope of the *AD Order*

The merchandise covered by the order are kegs, vessels, or containers with bodies that are approximately cylindrical in shape, made from stainless steel (*i.e.*, steel containing at least 10.5 percent chromium by weight and less than 1.2 percent carbon by weight, with or without other elements), and that are compatible with a “D Sankey” extractor (refillable stainless steel kegs) with a nominal liquid volume capacity of 10 liters or more, regardless of the type of finish, gauge, thickness, or grade of stainless steel, and whether or not covered by or encased in other materials. Refillable stainless steel kegs may be imported assembled or unassembled, with or without all components (including spears, couplers or taps, necks, collars, and valves), and be filled or unfilled.

“Unassembled” or “unfinished” refillable stainless steel kegs include drawn stainless steel cylinders that have been welded to form the body of the keg and attached to an upper (top) chime and/or lower (bottom) chime. Unassembled refillable stainless steel kegs may or may not

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<sup>2</sup> See *Refillable Stainless Steel Kegs from the Federal Republic of Germany: Initiation and Preliminary Results of Changed Circumstances Review and Intent to Revoke Order*, 85 FR 27717 (May 11, 2020) (*Preliminary Results*).

<sup>3</sup> See Petitioner’s Letter, “Refillable Stainless Steel Kegs from the Federal Republic of Germany: Comments on Initiation and Preliminary Results of Changed Circumstances Review,” dated May 26, 2020 (Petitioner Comments).

be welded to a neck, may or may not have a valve assembly attached, and may be otherwise complete except for testing, certification, and/or marking.

Subject merchandise also includes refillable stainless steel kegs that have been further processed in a third country, including but not limited to, attachment of necks, collars, spears or valves, heat treatment, pickling, passivation, painting, testing, certification or any other processing that would not otherwise remove the merchandise from the scope of the order if performed in the country of manufacture of the in-scope refillable stainless steel keg.

Specifically excluded are the following: (1) vessels or containers that are not approximately cylindrical in nature (*e.g.*, box, “hopper” or “cone” shaped vessels); (2) stainless steel kegs, vessels, or containers that have either a “ball lock” valve system or a “pin lock” valve system (commonly known as “Cornelius,” “corny” or “ball lock” kegs); (3) necks, spears, couplers or taps, collars, and valves that are not imported with the subject merchandise; and (4) stainless steel kegs that are filled with beer, wine, or other liquid and that are designated by the Commissioner of Customs as Instruments of International Traffic within the meaning of section 332(a) of the Act.

The merchandise covered by the order are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 7310.10.0010, 7310.10.0050, 7310.29.0025, and 7310.29.0050.

These HTSUS subheadings are provided for convenience and customs purposes; the written description of the scope of the order is dispositive.

#### Final Results of Changed Circumstances Review, and Revocation of the Order

Section 751(d)(1) of the Act and 19 CFR 351.222(g)(1)(i) provide that Commerce may revoke an order (in whole or in part) if it determines that producers accounting for substantially

all of the production of the domestic like product have no further interest in the order, in whole or in part.<sup>4</sup> Further, 19 CFR 351.222(g)(2) provides that Commerce will conduct a CCR under 19 CFR 351.216, and may revoke an order, in whole or in part, if it determines that revocation is warranted.

Both the Act and Commerce's regulations require that "substantially all" domestic producers express a lack of interest in the *AD Order* for Commerce to revoke the *AD Order*.<sup>5</sup> Commerce has interpreted "substantially all" to represent producers accounting for at least 85 percent of U.S. production of the domestic like product.<sup>6</sup> In the *Preliminary Results*, Commerce stated that the petitioner's request indicated that it is the sole producer of the domestic like product.<sup>7</sup> We received no comments concerning the petitioner's claim regarding its production or otherwise indicating a lack of industry support with respect to this CCR.

As noted in the *Preliminary Results*, the petitioner requested the revocation of this *AD Order* because it is no longer interested in maintaining the *AD Order*.<sup>8</sup> Its lack of interest in maintaining the *AD Order* is a function of its announcement on January 15, 2020 that the German producer and sole respondent in the underlying investigation, Blefa Kegs, Inc. (Blefa), acquired a major stake in the American Keg Company. The petitioner stated that as part of this investment, Blefa committed substantial resources to expanding the petitioner's domestic operations by tripling production within three years, which it claims will allow the petitioner to at least double its domestic employment during that time. As a result of this change in

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<sup>4</sup> See section 782(h) of the Act.

<sup>5</sup> See section 782(h) of the Act and 19 CFR 351.222(g).

<sup>6</sup> See, e.g., *Certain Cased Pencils from the People's Republic of China: Initiation and Preliminary Results of Antidumping Duty Changed Circumstances Review, and Intent to Revoke Order in Part*, 77 FR 42276 (July 18, 2012), unchanged in *Certain Cased Pencils from the People's Republic of China: Final Results of Antidumping Duty Changed Circumstances Review, and Determination To Revoke Order, in Part*, 77 FR 53176 (August 31, 2012).

<sup>7</sup> See *Preliminary Results*, 85 FR 27717.

<sup>8</sup> *Id.*

ownership, because the petitioner is the only American manufacturer of the domestic merchandise at issue, it claims that the total amount of American production will increase and the commercial situation of the American Keg Company will improve.

In the *Preliminary Results*, we preliminarily concluded that producers accounting for substantially all of the production of the domestic like product, to which this *AD Order* pertains, lack interest in the relief provided by the *AD Order*. We also found that the petitioner's affirmative statement of no interest in the *AD Order*, coupled with the circumstances described above, constituted good cause for the conduct of this review.

On May 26, 2020, Commerce received comments from the petitioner stating its agreement with the outcome proposed in the *Preliminary Results*.<sup>9</sup> Commerce did not receive any other comments on the *Preliminary Results*.

Accordingly, we are notifying the public that we are revoking the *AD Order*, in whole. The revocation will be effective on the date of publication of this notice.

#### Termination of Suspension of Liquidation

Because we determine that there are changed circumstances that warrant the revocation of the *AD Order*, in whole, for reasons explained in the *Preliminary Results*, we will instruct CBP to discontinue the suspension of liquidation and the collection of cash deposits of estimated antidumping duties, to liquidate all unliquidated entries that were entered on or after December 13, 2019, without regard to antidumping duties, and to refund all AD cash deposits on all such merchandise, with applicable interest.<sup>10</sup>

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<sup>9</sup> See Petitioner Comments.

<sup>10</sup> See *Preliminary Results*, 85 FR at 27718.

Notification to Interested Parties

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 the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

We are issuing and publishing these final results and revocation, in whole, and notice in accordance with sections 751(b) and 777(i) of the Act and 19 CFR 351.216, 19 CFR 351.221(c)(3), and 19 CFR 351.222.

Dated: June 3, 2020.

**Jeffrey I. Kessler,**

*Assistant Secretary*

*for Enforcement and Compliance.*

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