3510-DS-P

#### DEPARTMENT OF COMMERCE

**International Trade Administration** 

A-570-092

Mattresses from the People's Republic of China: Preliminary Intent to Rescind the 2020 Antidumping Duty New Shipper Review

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

SUMMARY: The Department of Commerce (Commerce) preliminarily finds that Shanghai Sunbeauty Trading Co., Ltd. (Sunbeauty) did not make a *bona fide* sale during the period of review (POR). Therefore, we preliminarily determine to rescind this new shipper review (NSR). DATES: Applicable [Insert the date of the publication of the *Federal Register*]. FOR FURTHER INFORMATION CONTACT: Jesse Montoya, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC, 20230; telephone: (202) 482-8211.

#### SUPPLEMENTARY INFORMATION:

## Background

On July 31, 2020, Commerce published a notice of initiation of a new shipper review of the antidumping duty order on mattresses from the People's Republic of China (China).<sup>1</sup>

Commerce subsequently issued an antidumping duty questionnaire, and supplemental questionnaires, to Sunbeauty and received timely responses. For additional background, *see* the Preliminary Decision Memorandum.<sup>2</sup>

<sup>1</sup> See Mattresses from the People's Republic of China: Initiation of Antidumping Duty New Shipper Review, 85 FR 46069 (July 31, 2020).

<sup>&</sup>lt;sup>2</sup> See Memorandum, "Decision Memorandum for the Preliminary Intent to Rescind the 2020 Antidumping Duty New Shipper Review of Mattresses from the People's Republic of China," issued concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

## Scope of the Order

The merchandise covered by the order are all types of youth and adult mattresses from China. The products subject to the order are currently properly classifiable under Harmonized Tariff Schedule for the United States (HTSUS) subheadings: 9404.21.0010, 9404.21.0013, 9404.29.1005, 9404.29.1013, 9404.29.9085, and 9404.29.9087. Products subject to this order may also enter under HTSUS subheadings: 9404.21.0095, 9404.29.1095, 9404.29.9095, 9401.40.0000, and 9401.90.5081. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise subject to this order is dispositive. For a complete description of the scope of the order, *see* the Preliminary Decision Memorandum.<sup>3</sup>

## Methodology

Commerce is conducting this review in accordance with section 75l(a)(2)(B) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.214. For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum. A list of sections in the Preliminary Decision Memorandum is attached in the appendix to this notice. 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 <a href="https://access.trade.gov">https://access.trade.gov</a>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <a href="http://enforcement.trade.gov/frn/">http://enforcement.trade.gov/frn/</a>. The signed Preliminary Decision Memorandum and the electronic version of the Preliminary Decision Memorandum are identical in content. Preliminary Intent to Rescind the Antidumping Duty New Shipper Review

<sup>3</sup> *Id*.

As discussed in the *Bona Fide* Sales Analysis Memorandum,<sup>4</sup> Commerce preliminarily finds Sunbeauty did not make a *bona fide* sale during the POR.<sup>5</sup> Commerce reached this conclusion based on the totality of the circumstances, including, among other things, the sale price and quantity. Because Sunbeauty did not make any *bona fide* sales during the POR, we preliminarily determine to rescind this review.<sup>6</sup> Because the factual information used in our *bona fides* analysis of Sunbeauty's sale involves business proprietary information, a full discussion of our analysis is in the proprietary *Bona Fide* Sales Analysis Memorandum.

## **Public Comment**

Interested parties are invited to comment on the preliminary results of this review.

Pursuant to 19 CFR 351.309(c)(1)(ii), interested parties may submit case briefs no later than 30 days after the date of publication of this notice. Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than seven days after the time limit for filing case briefs.<sup>7</sup>

Parties who submit case briefs or rebuttal briefs in this proceeding are requested to submit with each brief: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.<sup>8</sup> Executive summaries should be limited to five pages total, including footnotes.<sup>9</sup>

All submissions, with limited exceptions, must be filed electronically using ACCESS.<sup>10</sup>

Electronically filed comments must be received successfully in its entirety by Commerce's electronic records system, ACCESS, by 5 p.m. Eastern Time on the due date. Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until further notice.<sup>11</sup>

Pursuant to 19 CFR 351.310(c), any interested party may request a hearing within 30

<sup>&</sup>lt;sup>4</sup> See Memorandum, "2020 Antidumping Duty New Shipper Review of Mattresses from the People's Republic of China: Preliminary *Bona Fide* Sales Analysis for Shanghai Sunbeauty Trading Co., Ltd.," dated concurrently with this notice (*Bona Fide* Sales Analysis Memorandum).

<sup>&</sup>lt;sup>5</sup> The POR for this NSR is June 4, 2019, through May 31, 2020.

<sup>&</sup>lt;sup>6</sup> See 19 CFR 351.213(d)(3).

<sup>&</sup>lt;sup>7</sup> See 19 CFR 351.309(d)(1); see also Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period, 85 FR 41363 (July 10, 2020) (Temporary Rule).

<sup>&</sup>lt;sup>8</sup> See 19 CFR 351.309(c)(2) and (d)(2).

<sup>&</sup>lt;sup>9</sup> *Id*.

<sup>&</sup>lt;sup>10</sup> See 19 CFR 351.303.

<sup>&</sup>lt;sup>11</sup> See Temporary Rule.

days of the publication of this notice in the *Federal Register*. If a hearing is requested,

Commerce will notify interested parties of the hearing date and time to be determined.

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 within 30 days

after the date of publication of this notice. Requests should contain: (1) the party's name,

address, and telephone number; (2) the number of hearing participants; and (3) a list of the

issues to be discussed in the hearing. Issues raised in the hearing will be limited to those raised
in the respective case and rebuttal briefs.

Commerce intends to issue the final results of this review, which will include the results of its analysis of issues raised in any briefs and rebuttal briefs received, no later than 90 days after the date these preliminary results of review are issued, pursuant to section 751(a)(2)(B) of the Act.

### **Assessment Rates**

If Commerce issues a final rescission of this review, it intends to instruct U.S. Customs and Border Protection (CBP) to liquidate the relevant entry at the China-wide rate.

If Commerce does not proceed to a final rescission of this NSR, pursuant to 19 CFR 351.202(b)(1), it will calculate an importer-specific assessment rate based on the final results of this review. However, pursuant to Commerce's refinement to its assessment practice in non-market economy cases, for entries that were not reported in the U.S. sales database submitted by Sunbeauty, Commerce intends to instruct CBP to liquidate such entries at the China-wide rate. <sup>12</sup> Cash Deposit Requirements

If Commerce proceeds to a final rescission of this review, the cash deposit rate will continue to be the China-wide rate for Sunbeauty because Commerce will not have determined an individual weighted-average dumping margin for Sunbeauty. If Commerce determines an

<sup>&</sup>lt;sup>12</sup> See Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties, 76 FR 65694, 65694-95 (October 24, 2011).

individual weighted-average dumping margin for Sunbeauty, it intends to instruct CBP to collect cash deposits, effective upon the publication of the final results of review, equal to the

calculated weighted-average dumping margin.

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 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.

Notification to Interested Parties

We are issuing and publishing these results in accordance with sections 751(a)(2)(B) and

777(i)(1) of the Act.

Dated: February 18, 2021

Christian Marsh

**Acting Assistant Secretary** 

for Enforcement and Compliance

# **Appendix**

# List of Issues Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Discussion of the Methodology
- V. Conclusion

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