



DEPARTMENT OF COMMERCE

International Trade Administration

[A-201-853]

Standard Steel Welded Wire Mesh from Mexico: Final Determination of Sales at Less Than Fair Value

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

SUMMARY: The Department of Commerce (Commerce) determines that imports of standard steel welded wire mesh (wire mesh) from Mexico are being, or are likely to be, sold in the United States at less than fair value (LTFV) for the period of investigation April 1, 2019, through March 31, 2020.

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

FOR FURTHER INFORMATION CONTACT: Alice Maldonado or Melissa Kinter, 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) 482-1413, respectively.

SUPPLEMENTARY INFORMATION:

Background

On February 1, 2021, Commerce published in the *Federal Register* its preliminary affirmative determination in the LTFV investigation of wire mesh from Mexico, in which we also postponed the final determination until June 16, 2021.¹ 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

¹ See *Standard Steel Welded Wire Mesh from Mexico: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and, Extension of Provisional Measures*, 86 FR 7710 (February 1, 2021) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum.

raised by parties for this final determination, may be found in the Issues and Decision Memorandum.²

Scope of the Investigation

The product covered by this investigation is wire mesh from Mexico. For a full description of the scope of this investigation, *see* the “Scope of the Investigation” in Appendix I of this notice.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs submitted by parties in this investigation are addressed in the Issues and Decision Memorandum. 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>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>.

Methodology – Adverse Facts Available (AFA)

For purposes of this final determination, we relied, in part, on facts available pursuant to section 776(a)(2)(A) of the Tariff Act of 1930, as amended (the Act). As discussed in the Issues and Decision Memorandum, because one respondent did not act to the best of its ability in responding to our requests for information, we drew adverse inferences, where appropriate, in selecting from among the facts otherwise available, pursuant to section 776(b) of the Act. The respondent, Deacero S.A.P.I. de C.V. (Deacero), did not respond to Commerce’s initial antidumping duty questionnaire, and we have continued to use an adverse inference in selection of facts available for determining the dumping rate for this company, pursuant to section 776(d)

² *See* Memorandum, “Issues and Decision Memorandum for the Final Affirmative Determination in the Less-Than-Fair-Value Investigation of Standard Steel Welded Wire Mesh from Mexico,” dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

of the Act. For further information, see the section “Use of Facts Otherwise Available and Adverse Inferences” in the accompanying Issues and Decision Memorandum.

Verification

Commerce was unable to conduct on-site verification of the information relied upon in making its final determination in this investigation. However, we took additional steps in lieu of an on-site verification to verify the information relied upon in making this final determination, in accordance with section 782(i) of the Act.³

Changes Since the Preliminary Determination

Based on our analysis of both the comments and information received in lieu of on-site verification, we made certain changes to the margin calculations for Aceromex, S.A. de C.V. (Aceromex). For a discussion of these changes, *see* the “Margin Calculations” section of the Issues and Decision Memorandum.

All-Others Rate

Section 735(c)(5)(A) of the Act provides that the estimated all-others rate shall be an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding any zero or *de minimis* margins and margins determined entirely under section 776 of the Act. Section 735(c)(5)(B) of the Act provides that, if the estimated weighted-average dumping margins for all individually investigated exporters and producers are zero or *de minimis* or determined entirely under section 776 of the Act, then Commerce may use any reasonable method to establish the estimated all-others rate, including averaging the estimated weighted-average dumping margins determined for the individually investigated exporters and producers.

In this investigation, Commerce assigned an estimated weighted-average dumping margin based entirely on facts available, *i.e.*, under section 776 of the Act, to Deacero.

³ *See* Commerce’s Letter, In Lieu of Verification Questionnaire for Aceromex, dated February 26, 2021; and Aceromex’s Letter, “Standard Steel Welded Wire Mesh from Mexico: Submission of Aceromex’s Verification Response,” dated March 8, 2021.

Therefore, the only estimated weighted-average dumping margin that is not zero, *de minimis*, or based entirely on facts otherwise available is the margin calculated for Aceromex. Thus, the estimated weighted-average dumping margin calculated for Aceromex is the margin assigned to all other producers and exporters, pursuant to section 735(c)(5)(A) of the Act.

Final Determination

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

Exporter or Producer	Estimated Weighted-Average Dumping Margin (percent)	Cash Deposit Rate (Adjusted for Subsidy Offset) (percent)⁴
Aceromex, S.A. de C.V.	23.04	22.01
Deacero S.A.P.I. de C.V.	*110.42	109.39
All Others	23.04	22.01

*AFA

Disclosure

We intend to 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

For this final determination, for entries made by Aceromex, Deacero, and the companies covered by the all-others rate, in accordance with section 735(c)(4)(A) of the Act, we will direct U.S. Customs and Border Protection (CBP) to continue to suspend liquidation of all entries of

⁴ In the companion countervailing duty (CVD) investigation, Commerce calculated a 1.03 percent export subsidy rate for Aceromex and for all other producers and exporters under the program “Eighth Rule Permit Program.” See *Standard Steel Welded Wire Mesh from Mexico: Final Affirmative Countervailing Duty Determination*, 86 FR 10034 (February 18, 2021), and accompanying Issues and Decision Memorandum. Because we determined the LTFV all-others rate based on Aceromex’s estimated weighted-average dumping margin, the export subsidy offset for all other producers and exporters is the lesser of the export subsidy rate for Aceromex and the export subsidy rate for all other producers and exporters in the CVD final determination (*i.e.*, 1.03 percent). The cash deposit rate for Deacero is equal to the petition rate (110.42 percent) adjusted for the lowest rate of export subsidies found for any company in the most recently-completed segment in the companion countervailing duty proceeding (*i.e.*, 1.03 percent related to the Eighth Rule Permit Program).

subject merchandise, as described in Appendix I of this notice, which were entered, or withdrawn from warehouse, for consumption on or after February 1, 2021, the date of publication of the *Preliminary Determination* of this investigation in the *Federal Register*.

Pursuant to section 735(c)(1)(B)(ii) of the Act and 19 CFR 351.210(d), we will instruct CBP to require a cash deposit for such entries of merchandise equal to the estimated weighted-average dumping margin as follows: (1) the cash deposit rate for the respondents listed above will be equal to the company-specific estimated weighted-average dumping margin determined in this final determination; (2) if the exporter is not a respondent identified above, but the producer is, then the cash deposit rate will be equal to the company-specific estimated weighted-average dumping margin established for that producer of the subject merchandise; and (3) the cash deposit rate for all other producers and exporters will be equal to the all-others estimated weighted-average dumping margin. These suspension of liquidation instructions will remain in effect until further notice.

To determine the cash deposit rate, Commerce normally adjusts the estimated weighted-average dumping margin by the amount of export subsidies determined in a companion CVD proceeding when CVD provisional measures are in effect. Accordingly, where Commerce makes an affirmative determination for export subsidies, Commerce offsets the calculated estimated weighted-average dumping margin by the appropriate rate(s). In the companion CVD investigation, we have found export subsidies for all producers and exporters of subject merchandise.

International Trade Commission Notification

In accordance with section 735(d) of the Act, we will notify the International Trade Commission (ITC) of our final affirmative determination of sales at LTFV. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms it will not disclose such information, either publicly or under an administrative

protective order (APO), without the written consent of the Assistant Secretary for Enforcement and Compliance.

Because Commerce's final determination in this proceeding 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 of wire mesh from Mexico no later than 45 days after our final determination. If the ITC determines that such injury does not exist, this proceeding will be terminated, and all cash deposits will be refunded and suspension of liquidation will be lifted. 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 the only reminder to parties subject to 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 is issued and published pursuant to sections 735(d) and 777(i)(1) of the Act, and 19 CFR 351.210(c).

Dated: June 16, 2021.

Christian Marsh,
Acting Assistant Secretary for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The scope of this investigation covers uncoated standard welded steel reinforcement wire mesh (wire mesh) produced from smooth or deformed wire. Subject wire mesh is produced in square and rectangular grids of uniformly spaced steel wires that are welded at all intersections. Sizes are specified by combining the spacing of the wires in inches or millimeters and the wire cross-sectional area in hundredths of square inch or millimeters squared. Subject wire mesh may be packaged and sold in rolls or in sheets.

Subject wire mesh is currently produced to ASTM specification A1064/A1064M, which covers carbon-steel wire and welded wire reinforcement, smooth and deformed, for concrete in the following seven styles:

1. 6X6 W1.4/W1.4 or D1.4/D1.4
2. 6X6 W2.1/W2.1 or D2.1/D2.1
3. 6X6 W2.9/W2.9 or D2.9/D2.9
4. 6X6 W4/W4 or D4/D4
5. 6X12 W4/W4 or D4/D4
6. 4X4 W2.9/W2.9 or D2.9/D2.9
7. 4X4 W4/W4 or D4/D4

The first number in the style denotes the nominal spacing between the longitudinal wires and the second number denotes the nominal spacing between the transverse wires. In the first style listed above, for example, "6X6" denotes a grid size of six inches by six inches. "W" denotes the use of smooth wire, and "D" denotes the use of deformed wire in making the mesh. The number following the W or D denotes the nominal cross-sectional area of the transverse and longitudinal wires in hundredths of a square inch (*i.e.*, W1.4 or D1.4 is .014 square inches).

Smooth wire is wire that has a uniform cross-sectional diameter throughout the length of the wire.

Deformed wire is wire with indentations or raised transverse ribs, which results in wire that does not have a uniform cross-sectional diameter throughout the length of the wire.

Rolls of subject wire mesh are produced in the following styles and nominal width and length combinations:

Style: 6X6 W1.4/W1.4 or D1.4/D1.4 (*i.e.*, 10 gauge)

Roll Sizes: 5' X 50'
5' X 150'
6' X 150'
5' X 200'
7' X 200'
7.5' X 200'

Style: 6X6 W2.1/W2.1 or D2.1/D2.1 (*i.e.*, 8 gauge)

Roll Sizes: 5' X 150'

Style: 6X6 W2.9/W2.9 or D2.9/D2.9 (*i.e.*, 6 gauge)

Roll Sizes: 5' X 150'

7' X 200'

All rolled wire mesh is included in scope regardless of length.

Sheets of subject wire mesh are produced in the following styles and nominal width and length combinations:

Style: 6X6 W1.4/W1.4 or D1.4/D1.4 (*i.e.*, 10 gauge)

Sheet Size: 3'6" X 7'

4' X 7'

4' X 7'6"

5' X 10'

7' X 20'

7'6" X 20'

8' X 12'6"

8' X 15'

8' X 20'

Style: 6X6 W2.1/W2.1 or D2.1/D2.1 (*i.e.*, 8 gauge)

Sheet Size: 5' X 10'

7' X 20'

7'6" X 20'

8' X 12'6"

8' X 15'

8' X 20'

Style: 6X6 W2.9/W2.9 or D2.9/D2.9 (*i.e.*, 6 gauge)

Sheet Size: 3'6" X 20'

5' X 10'

7' X 20'

7'6" X 20'

8' X 12'6"

8' X 15'

8' X 20'

Style: 6X12 W4/W4 or D4/D4 (*i.e.*, 4 gauge)

Sheet Size: 8' X 20'

Style: 4X4 W2.9/W2.9 or D2.9/D2.9 (*i.e.*, 6 gauge)

Sheet Size: 5' X 10'

7' X 20'

7'6" X 20'

8' X 12'6"

8' X 12'8"

8' X 15'

8' X 20'

Style: 4X4 W4/W4 or D4/D4 (*i.e.*, 4 gauge)

Sheet Size: 5' X 10'
 8' X 12'6"
 8' X 12'8"
 8' X 15'
 8' X 20'

Any product imported, sold, or invoiced in one of these size combinations is within the scope.

ASTM specification A1064/A1064M provides for permissible variations in wire gauges, the spacing between transverse and longitudinal wires, and the length and width combinations. To the extent a roll or sheet of welded wire mesh falls within these permissible variations, it is within this scope.

ASTM specification A1064/A1064M also defines permissible oversteeling, which is the use of a heavier gauge wire with a larger cross-sectional area than nominally specified. It also permits a wire diameter tolerance of ± 0.003 inches for products up to W5/D5 and ± 0.004 for sizes over W5/D5. A producer may oversteel by increasing smooth or deformed wire diameter up to two whole number size increments on Table 1 of A1064. Subject wire mesh has the following actual wire diameter ranges, which account for both oversteeling and diameter tolerance:

W/D No.	Maximum Oversteeling No.	Diameter Range (inch)
1.4 (<i>i.e.</i> , 10 gauge)	3.4	0.093 to 0.211
2.1 (<i>i.e.</i> , 8 gauge)	4.1	0.161 to 0.231
2.9 (<i>i.e.</i> , 6 gauge)	4.9	0.189 to 0.253
4.0 (<i>i.e.</i> , 4 gauge)	6.0	0.223 to 0.280

To the extent a roll or sheet of welded wire mesh falls within the permissible variations provided above, it is within this scope.

In addition to the tolerances permitted in ASTM specification A1064/A1064M, wire mesh within this scope includes combinations where:

1. A width and/or length combination varies by \pm one grid size in any direction, *i.e.*, ± 6 inches in length or width where the wire mesh's grid size is "6X6"; and/or
2. The center-to-center spacing between individual wires may vary by up to one quarter of an inch from the nominal grid size specified.

Length is measured from the ends of any wire and width is measured between the center-line of end longitudinal wires.

Additionally, although the subject wire mesh typically meets ASTM A1064/A1064M, the failure to include certifications, test reports or other documentation establishing that the product meets this specification does not remove the product from the scope. Wire mesh made to comparable foreign specifications (*e.g.*, DIN, JIS, etc.) or proprietary specifications is included in the scope.

Excluded from the scope is wire mesh that is galvanized (*i.e.*, coated with zinc) or coated with an epoxy coating. In order to be excluded as galvanized, the excluded welded wire mesh must have a zinc coating thickness meeting the requirements of ASTM specification A641/A641M. Epoxy coating is a mix of epoxy resin and hardener that can be applied to the surface of steel wire.

Merchandise subject to this investigation are classified under Harmonized Tariff Schedule of the United States (HTSUS) categories 7314.20.0000 and 7314.39.0000. While HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.

Appendix II

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Investigation
- IV. Use of Adverse Facts Available
- V. Margin Calculations
- VI. Adjustment for Countervailed Export Subsidies
- VII. Discussion of the Issues
 - Comment 1: Whether Commerce Should Apply Partial AFA to Aceromex
 - Comment 2: Indirect Selling Expenses for Sales Made by Kratos
 - Comment 3: Peninsula's Warehousing Costs in Florida
- VIII. Recommendation

[FR Doc. 2021-13158 Filed: 6/22/2021 8:45 am; Publication Date: 6/23/2021]