DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-133]

Certain Metal Lockers and Parts Thereof from the People’s Republic of China: Final Affirmative 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 certain metal lockers and parts thereof (metal lockers) from the People’s Republic of China (China) are being, or are likely to be, sold in the United States at less than fair value (LTFV). The period of investigation is January 1, 2020, through June 30, 2020.

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

FOR FURTHER INFORMATION CONTACT: Laurel LaCivita or Patrick Barton, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4243 and (202) 482-0012, respectively.

SUPPLEMENTARY INFORMATION:

Background

On February 11, 2021, Commerce published its Preliminary Determination of sales at LTFV of metal lockers from China. 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.

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1 See Certain Metal Lockers and Parts Thereof from the People’s Republic of China: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination and Extension of Provisional Measures, 86 FR 9051 (February 11, 2021) (Preliminary Determination), and accompanying Preliminary Decision Memorandum (PDM).
The Issues and Decision Memorandum is a public document and is available 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/.

Scope of the Investigation

The products covered by this investigation are metal lockers from China. For a complete description of the scope of this investigation, see Appendix I.

Scope Comments

On February 2, 2021, we issued the Preliminary Scope Decision Memorandum. We received comments from interested parties in regard to the Preliminary Scope Decision Memorandum, which we addressed in the Final Scope Decision Memorandum. Commerce has made no changes to the scope of this investigation since the Preliminary Determination.

Analysis of Comments Received

All issues raised in the case briefs and rebuttal briefs submitted by interested parties in this investigation are discussed in the Issues and Decision Memorandum. A list of the issues raised by parties and responded to by Commerce in the Issues and Decision Memorandum is attached to this notice as Appendix II.

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

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4 See Memorandum, “Antidumping Duty and Countervailing Duty Investigations of Certain Metal Lockers and Parts Thereof from the People’s Republic of China: Scope Comments Decision Memorandum for the Final Determinations,” dated concurrently with, and hereby adopted by, this notice (Final Scope Decision Memorandum).
an on-site verification to verify the information relied upon in making this final determination, in accordance with section 782(i) of the Tariff Act of 1930, as amended (the Act).\(^5\)

**Changes Since the Preliminary Determination**

Based on our analysis of the comments received and additional information obtained since our preliminary findings, we made certain changes to the margin calculations for Hangzhou Xline Machinery & Equipment Co., Ltd. (Hangzhou Xline). For a discussion of these changes, see the Issues and Decision Memorandum.

**Separate Rate Companies**

No party commented on our preliminary separate rate determinations with respect to the mandatory respondents and the non-individually examined companies; thus, we find no basis to reconsider our preliminary determinations with respect to separate rate status, and we have continued to grant these companies separate rates in this final determination.

**China-Wide Entity Rate and the Use of Adverse Facts Available**

Commerce continues to find that the use of facts available is warranted in determining the rate of the China-wide entity, pursuant to sections 776(a)(1) and (a)(2)(A)-(C) of the Act. As discussed in the Issues and Decision Memorandum, Commerce finds that the use of adverse facts available (AFA) is warranted with respect to the China-wide entity because the China-wide entity failed to cooperate by not acting to the best of its ability to comply with our requests for information and, accordingly, we applied adverse inferences in selecting from the facts available, pursuant to section 776(b) of the Act and 19 CFR 351.308(a).

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For the final determination, as AFA, we are assigning the China-wide entity the highest calculated petition margin reported in the *Initiation Notice*, 322.25 percent. We corroborated, to the extent practicable, within the meaning of section 776(c) of the Act, the highest petition margin of 322.25 percent. See Issues and Decision Memorandum.

**Combination Rates**

Consistent with the *Preliminary Determination*, Commerce calculated exporter/producer combination rates for the respondents that are eligible for a separate rate in this investigation. Policy Bulletin 05.1 describes this practice.

**Final Determination**

The estimated weighted-average dumping margins are as follows:

<table>
<thead>
<tr>
<th>Exporter</th>
<th>Producer</th>
<th>Estimated Weighted – Average Dumping Margin</th>
<th>Cash Deposit Rate (Adjusted for Subsidy Offsets) (percent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hangzhou Xline Machinery &amp; Equipment Co., Ltd.</td>
<td>Hangzhou Jusheng Metal Products Co., Ltd.</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Zhejiang Xingyi Metal Products Co., Ltd. / Xingyi Metalworking Technology (Zhejiang) Co., Ltd.</td>
<td>Zhejiang Xingyi Metal Products Co., Ltd. / Xingyi Metalworking Technology (Zhejiang) Co., Ltd.</td>
<td>21.25</td>
<td>10.71</td>
</tr>
</tbody>
</table>

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<th>Exporter</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Hangzhou Zhuoxu Trading Co., Ltd.</td>
<td>Shanghai Asi Building Materials Co., Ltd.</td>
<td>21.25</td>
<td>10.71</td>
</tr>
<tr>
<td>Hangzhou Zhuoxu Trading Co., Ltd.</td>
<td>Luoyang Mingxiu Office Furniture Co., Ltd.</td>
<td>21.25</td>
<td>10.71</td>
</tr>
<tr>
<td>Hangzhou Zhuoxu Trading Co., Ltd.</td>
<td>Luoyang Wandefu Import and Export Trading Co. Ltd.</td>
<td>21.25</td>
<td>10.71</td>
</tr>
<tr>
<td>Hangzhou Zhuoxu Trading Co., Ltd.</td>
<td>Zhejiang Xingyi Metal Products Co., Ltd.</td>
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<td>10.71</td>
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<tr>
<td>Jiaxing Haihong Mechanical and Electrical Technology Co. Ltd.</td>
<td>Zhejiang Steelrix Office Furniture Co., Ltd.</td>
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<td>10.71</td>
</tr>
<tr>
<td>Kunshan Dongchu Precision Machinery Co., Ltd.</td>
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<tr>
<td>Luoyang Hynow Import and Export Co., Ltd.</td>
<td>Luoyang Jiudu Golden Cabinet Co., Ltd.</td>
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<tr>
<td>Luoyang Shidiu Import and Export Co., Ltd.</td>
<td>Luoyang Yuabo Office Machinery Co., Ltd.</td>
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<td>10.71</td>
</tr>
<tr>
<td>Luoyang Steelart Office Furniture Co., Ltd.</td>
<td>Luoyang Yongwei Office Furniture Co., Ltd.</td>
<td>21.25</td>
<td>10.71</td>
</tr>
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<td>Luoyang Steelart Office Furniture Co., Ltd.</td>
<td>Luoyang Zhuofan Steel Product Factory</td>
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<td>10.71</td>
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<tr>
<td>Exporter</td>
<td>Producer</td>
<td>Estimated Weighted – Average Dumping Margin</td>
<td>Cash Deposit Rate (Adjusted for Subsidy Offsets) (percent)</td>
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<td>Luoyang Steelart Office Furniture Co., Ltd.</td>
<td>Luoyang Flyer Office Furniture Co., Ltd.</td>
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<td>Pinghu Chenda Storage Office Co., Ltd.</td>
<td>Pinghu Chenda Storage Office Co., Ltd.</td>
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<td>10.71</td>
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<tr>
<td>Tianjin Jia Mei Metal Furniture Ltd.</td>
<td>Tianjin Jia Mei Metal Furniture Ltd.</td>
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<td>10.71</td>
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<tr>
<td>China-Wide Entity</td>
<td></td>
<td>322.25</td>
<td>311.71</td>
</tr>
</tbody>
</table>

**Disclosure**

We intend to disclose to interested parties the calculations and analysis performed in this final determination within five days of any public announcement, or, if there is no public announcement in the *Federal Register*, within five days of the date of the 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, we intend to instruct U.S. Customs and Border Protection (CBP) to continue to suspend liquidation of all appropriate entries of metal lockers from China, as described in the appendix to this notice, which were entered, or withdrawn from warehouse, for consumption on or after February 11, 2021, the date of publication of the *Preliminary Determination* of this investigation in the *Federal Register*, with the exception of entries of subject merchandise that were exported by Hangzhou Xline and produced by Hangzhou Jusheng Metal Products Co., Ltd. (Hangzhou Jusheng). With regard to such entries, because we have determined the weighted-average dumping margin to be zero for this producer/exporter combination, we will exclude merchandise exported by Hangzhou Xline and produced by Hangzhou Jusheng from the antidumping duty order, in the event an order is
instituted, and we will discontinue the suspension of liquidation and will refund all cash deposits already collected for this producer/exporter combination. Such exclusion will not be applicable to merchandise exported to the United States by any other producer/exporter combinations or by third parties that sourced from the excluded producer/exporter combination.

Furthermore, other than for entries exported by Hangzhou Xline and produced by Hangzhou Jusheng, pursuant to section 735(c)(1)(B)(ii) of the Act, upon the publication of this notice, Commerce intends to instruct CBP to require a cash deposit equal to the weighted-average amount by which the normal value exceeds U.S. price as follows: (1) the cash deposit rate for the exporter/producer combinations listed in the table above will be the rate identified in the table; (2) for all combinations of Chinese exporters/producers of subject merchandise that have not received their own separate rate above, the cash deposit rate will be the cash deposit rate established for the China-wide entity; and (3) for all non-Chinese exporters of subject merchandise which have not received their own separate rate above, the cash deposit rate will be the cash deposit rate applicable to the Chinese exporter/producer combination that supplied that non-Chinese exporter. 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 domestic subsidy pass-through and export subsidies determined in a companion countervailing duty (CVD) proceeding when CVD provisional measures are in effect. Accordingly, where Commerce makes an affirmative determination for domestic subsidy pass-through or export subsidies, Commerce offsets the calculated estimated weighted-average dumping margin by the appropriate rates. Commerce continues to find that Zhejiang Xingyi Metal Products Co., Ltd. / Xingyi Metalworking Technology (Zhejiang) Co., Ltd. (Zhejiang Xingyi), and all non-individually-examined companies found eligible for a separate rate qualify for a double-remedy adjustment. Further, we have continued to adjust the

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9 See Preliminary Determination PDM at 29-30.
cash deposit rates for Zhejiang Xingyi, all non-individually-examined separate rate companies, and the China-wide entity for export subsidies in the companion CVD investigation by the appropriate export subsidy rates as indicated in the above chart. However, suspension of liquidation according to provisional measures in the companion CVD case has been discontinued effective April 12, 2021;\(^\text{10}\) therefore, we are not instructing CBP to collect cash deposits based upon the adjusted estimated weighted-average dumping margin for those export subsidies and double remedy adjustment at this time.

**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 the 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 metal lockers from China no later than 45 days after our final determination. If the ITC determines that material injury or threat of material injury does not exist, the proceeding will be terminated, and all cash deposits will be refunded. If the ITC determines that material injury or threat of material 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.

**Notification Regarding Administrative Protective Orders**

This notice serves as the only 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 notification of the

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\(^{10}\) See instructions issued to CBP, Message Number 1104402, dated April 14, 2021, publicly available at [https://aceservices.cbp.dhs.gov/adcvdweb/#](https://aceservices.cbp.dhs.gov/adcvdweb/#).
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 violation subject to sanction.

Notification to Interested Parties

This determination is issued and published in accordance with sections 735(d) and 777(i)(1) of the Act and 19 CFR 351.210(c).

Dated: June 28, 2021.

Christian Marsh
Acting Assistant Secretary
for Enforcement and Compliance
Appendix I

Scope of the Investigation

The scope of the investigation covers certain metal lockers, with or without doors, and parts thereof (metal lockers). The subject metal lockers are secure metal storage devices less than 27 inches wide and less than 27 inches deep, whether floor standing, installed onto a base or wall-mounted. In a multiple locker assembly (whether a welded locker unit, otherwise assembled locker unit or knocked down unit or kit), the width measurement shall be based on the width of an individual locker not the overall unit dimensions. All measurements in this scope are based on actual measurements taken on the outside dimensions of the single-locker unit. The height is the vertical measurement from the bottom to the top of the unit. The width is the horizontal (side to side) measurement of the front of the unit, and the front of the unit is the face with the door or doors or the opening for internal access of the unit if configured without a door. The depth is the measurement from the front to the back of the unit. The subject certain metal lockers typically include the bodies (back, side, shelf, top and bottom panels), door frames with or without doors which can be integrated into the sides or made separately, and doors.

The subject metal lockers typically are made of flat-rolled metal, metal mesh and/or expanded metal, which includes but is not limited to alloy or non-alloy steel (whether or not galvanized or otherwise metallically coated for corrosion resistance), stainless steel, or aluminum, but the doors may also include transparent polycarbonate, Plexiglas or similar transparent material or any combination thereof. Metal mesh refers to both wire mesh and expanded metal mesh. Wire mesh is a wire product in which the horizontal and transverse wires are welded at the cross-section in a grid pattern. Expanded metal mesh is made by slitting and stretching metal sheets to make a screen of diamond or other shaped openings.

Where the product has doors, the doors are typically configured with or for a handle or other device or other means that permit the use of a mechanical or electronic lock or locking mechanism, including, but not limited to: a combination lock, a padlock, a key lock (including cylinder locks) lever or knob lock, electronic key pad, or other electronic or wireless lock. The handle and locking mechanism, if included, need not be integrated into one another. The subject locker may or may not also enter with the lock or locking device included or installed. The doors or body panels may also include vents (including wire mesh or expanded metal mesh vents) or perforations. The bodies, body components and doors are typically powder coated, otherwise painted or epoxy coated or may be unpainted. The subject merchandise includes metal lockers imported either as welded or otherwise assembled units (ready for installation or use) or as knocked down units or kits (requiring assembly prior to installation or use).

The subject lockers may be shipped as individual or multiple locker units preassembled, welded, or combined into banks or tiers for ease of installation or as sets of component parts, bulk packed (i.e., all backs in one package, crate, rack, carton or container and sides in another package, crate, rack, carton or container) or any combination thereof. The knocked down lockers are shipped unassembled requiring a supplier, contractor or end-user to assemble the individual lockers and locker banks prior to installation.

The scope also includes all parts and components of lockers made from flat-rolled metal or expanded metal (e.g., doors, frames, shelves, tops, bottoms, backs, side panels, etc.) as well as accessories that are attached to the lockers when installed (including, but not limited to, slope tops, bases, expansion filler panels, dividers, recess trim, decorative end panels, and end caps) that may be imported together with lockers or other locker components or on their own. The particular accessories listed for illustrative purposes are defined as follows:
a. Slope tops: Slope tops are slanted metal panels or units that fit on the tops of the lockers and that slope from back to front to prevent the accumulation of dust and debris on top of the locker and to discourage the use of the tops of lockers as storage areas. Slope tops come in various configurations including, but not limited to, unit slope tops (in place of flat tops), slope hoods made of a back, top and end pieces which fit over multiple units and convert flat tops to a sloping tops, and slope top kits that convert flat tops to sloping tops and include tops, backs and ends.

b. Bases: Locker bases are panels made from flat-rolled metal that either conceal the legs of the locker unit, or for lockers without legs, provide a toe space in the front of the locker and conceal the flanges for floor anchoring.

c. Expansion filler panel: Expansion filler panels or fillers are metal panels that attach to locker units to cover columns, pipes or other obstacles in a row of lockers or fill in gaps between the locker and the wall. Fillers may also include metal panels that are used on the sides or the top of the lockers to fill gaps.

d. Dividers: Dividers are metal panels that divide the space within a locker unit into different storage areas.

e. Recess trim: Recess trim is a narrow metal trim that bridges the gap between lockers and walls or soffits when lockers are recessed into a wall.

f. Decorative end panels: End panels fit onto the exposed ends of locker units to cover holes, bolts, nuts, screws and other fasteners. They typically are painted to match the lockers.

g. End caps: End caps fit onto the exposed ends of locker units to cover holes, bolts, nuts, screws and other fasteners.

The scope also includes all hardware for assembly and installation of the lockers and locker banks that are imported with or shipped, invoiced, or sold with the imported locker or locker system except the lock.

Excluded from the scope are wire mesh lockers. Wire mesh lockers are those with each of the following characteristics:

(1) at least three sides, including the door, made from wire mesh;
(2) the width and depth each exceed 25 inches; and
(3) the height exceeds 90 inches.

Also excluded are lockers with bodies made entirely of plastic, wood, or any nonmetallic material.

Also excluded are exchange lockers with multiple individual locking doors mounted on one master locking door to access multiple units. Excluded exchange lockers have multiple individual storage spaces, typically arranged in tiers, with access doors for each of the multiple individual storage space mounted on a single frame that can be swung open to allow access to all of the individual storage spaces at once. For example, uniform or garment exchange lockers are designed for the distinct function of securely and hygienically exchanging clean and soiled uniforms. Thus, excluded exchange lockers are a multi-access point locker whereas covered lockers are a single access point locker for personal storage. The excluded exchange lockers include assembled exchange lockers and those that enter in ‘knock down’ form in which all of
the parts and components to assemble a completed exchange locker unit are packaged together. Parts for exchange lockers that are imported separately from the exchange lockers in ‘knock down’ form are not excluded.

Also excluded are metal lockers that are imported with an installed electronic, internet-enabled locking device that permits communication or connection between the locker’s locking device and other internet connected devices.

Also excluded are locks and hardware and accessories for assembly and installation of the lockers, locker banks and storage systems that are separately imported in bulk and are not incorporated into a locker, locker system or knocked down kit at the time of importation. Such excluded hardware and accessories include but are not limited to locks and bulk imported rivets, nuts, bolts, hinges, door handles, door/frame latching components, and coat hooks. Accessories of sheet metal, including but not limited to end panels, bases, dividers and sloping tops, are not excluded accessories.

Mobile tool chest attachments that meet the physical description above are covered by the scope of the investigation, unless such attachments are covered by the scope of the orders on certain tool chests and cabinets from China. If the orders on certain tool chests and cabinets from China are revoked, the mobile tool chest attachments from China will be covered by the scope of the investigation.

The scope also excludes metal safes with each of the following characteristics: (1) pry resistant, concealed hinges; (2) body walls and doors of steel that are at least 17 gauge (0.05625 inch or 1.42874 mm thick); and (3) an integrated locking mechanism that includes at least two round steel bolts 0.75 inch (19 mm) or larger in diameter; or three bolts 0.70 inch (17.78 mm) or more in diameter; or four or more bolts at least 0.60 inch (15.24 mm) or more in diameter, that project from the door into the body or frame of the safe when in the locked position.

The scope also excludes gun safes meeting each of the following requirements:

(1) Shall be able to fully contain firearms and provide for their secure storage.

(2) Shall have a locking system consisting of at minimum a mechanical or electronic combination lock. The mechanical or electronic combination lock utilized by the safe shall have at least 10,000 possible combinations consisting of a minimum three numbers, letters, or symbols. The lock shall be protected by a casehardened (Rc 60+) drill-resistant steel plate, or drill-resistant material of equivalent strength.

(3) Boltwork shall consist of a minimum of three steel locking bolts of at least 1/2 inch thickness that intrude from the door of the safe into the body of the safe or from the body of the safe into the door of the safe, which are operated by a separate handle and secured by the lock.

(4) The exterior walls shall be constructed of a minimum 12-gauge thick steel for a single-walled safe, or the sum of the steel walls shall add up to at least 0.100 inches for safes with walls made from two pieces of flat-rolled steel.

(5) Doors shall be constructed of a minimum one layer of 7-gauge steel plate reinforced construction or at least two layers of a minimum 12-gauge steel compound construction.
(6) Door hinges shall be protected to prevent the removal of the door. Protective features include, but are not limited to: hinges not exposed to the outside, interlocking door designs, dead bars, jeweler’s lugs and active or inactive locking bolts.

The scope also excludes metal storage devices that (1) have two or more exterior exposed drawers regardless of the height of the unit, or (2) are no more than 30 inches tall and have at least one exterior exposed drawer.

Also excluded from the scope are free standing metal cabinets less than 30 inches tall with a single opening, single door and an installed tabletop.

The scope also excludes metal storage devices less than 27 inches wide and deep that: (1) have two doors hinged on the right and left side of the door frame respectively covering a single opening and that open from the middle toward the outer frame; or (2) are free standing or wall-mounted, single-opening units 20 inches or less high with a single door.

The subject certain metal lockers are classified under Harmonized Tariff Schedule of the United States (HTSUS) subheading 9403.20.0078. Parts of subject certain metal lockers are classified under HTS subheading 9403.90.8041. In addition, subject certain metal lockers may also enter under HTS subheading 9403.20.0050. While HTSUS subheadings are provided for convenience and Customs purposes, the written description of the scope of the investigation is dispositive.
Appendix II

List of Topics Discussed in the Issues and Decision Memorandum

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VI. Changes Since the Preliminary Determination
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