



DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-133]

Certain Metal Lockers and Parts Thereof from the People's Republic of China: Notice of Court Decision Not in Harmony with the Final Determination of Antidumping Duty Investigation; Notice of Amended Final Determination

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

SUMMARY: On September 28, 2023, the U.S. Court of International Trade (CIT) issued its final judgment in *List Industries, Inc. v. United States*, Court No. 21-00521, Slip Op. 23-143 (CIT September 28, 2023), sustaining the U.S. Department of Commerce's (Commerce) first final results of redetermination pertaining to the antidumping duty (AD) investigation of certain metal lockers and parts thereof from the People's Republic of China (China) covering the period of investigation January 1, 2020, through June 30, 2020. Commerce is notifying the public that the CIT's final judgment is not in harmony with Commerce's final determination in that investigation, and that Commerce is amending the final determination with respect to the weighted-average dumping margins assigned to the mandatory respondent, Zhejiang Xingyi Metal Products Co., Ltd. / Xingyi Metalworking Technology (Zhejiang) Co., Ltd. (collectively, Zhejiang Xingyi/Xingyi Metalworking) and certain non-selected separate rate respondents.

DATES: Applicable October 8, 2023.

FOR FURTHER INFORMATION CONTACT: Laurel LaCivita, 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.

SUPPLEMENTARY INFORMATION:

Background

On July 7, 2021, Commerce published its *Final Determination* in the AD investigation of certain metal lockers and parts thereof from China.¹ Commerce calculated an estimated weighted-average dumping margin and cash deposit rate (adjusted for subsidy offsets) of 0.00 percent for Hangzhou Xline Machinery & Equipment Co., Ltd. (Hangzhou Xline).² Commerce determined a weighted-average dumping margin of 21.25 percent and a cash deposit rate (adjusted for subsidy offsets) of 10.71 percent for Zhejiang Xingyi/Xingyi Metalworking, which it applied to all the separate companies identified below.³ Commerce applied the highest calculated petition margin of 322.25 percent reported in the *Initiation Notice*, as adverse facts available (AFA), as the AD margin applicable to the China-wide entity.⁴ Commerce subsequently published the AD order with respect to certain metal lockers and parts thereof from China.⁵

List Industries, Inc. (the petitioner) appealed Commerce's *Final Determination*. On May 20, 2023, the CIT remanded the *Final Determination* to Commerce either to reconsider or further explain: (1) the disparate treatment of shipping in the calculation of Ayes Celikhasir VE CT's (Ayes) financial ratios, where shipping expenses were excluded from the selling, general, and administrative (SG&A) expense ratio, but shipping revenues were included as an offset to SG&A, in view of Commerce's stated practice of seeking "consistency in the treatment of both the revenue and expense side of line items on Ayes' financial statements"; (2) the inclusion of incentive income as an offset to SG&A for the *Final Determination* (but not the *Preliminary*

¹ See *Certain Metal Lockers and Parts Thereof from the People's Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value*, 86 FR 35737 (July 7, 2021) (*Final Determination*).

² *Id.*, 86 FR at 35737-38.

³ *Id.*

⁴ *Id.*; see also *Certain Metal Lockers and Parts Thereof from the People's Republic of China: Initiation of Less-Than-Fair-Value Investigation*, 85 FR 47343, 47346 (August 5, 2020) (*Initiation Notice*).

⁵ See *Certain Metal Lockers and Parts Thereof from the People's Republic of China: Antidumping and Countervailing Duty Orders*, 86 FR 46826 (August 20, 2021).

*Determination*⁶) without identifying the corresponding expense category or explaining the reason for the change; (3) the inclusion of rental income as an offset to SG&A in the *Final Determination* (but not the *Preliminary Determination*) without explaining the reason for the change; and (4) the treatment of interest income in the calculation of the financial ratios, with a precise description of its calculations, including a demonstration that any interest income excluded from the SG&A ratio is also excluded from profit.⁷

In its final results of redetermination, issued in August 2023, Commerce provided further explanation for its treatment of shipping revenue, incentive income, interest income, and rental income in the determination of the SG&A expense ratio using Ayes' audited financial statements.⁸ In addition, we excluded shipping revenue from the determination of the SG&A ratio, and reduced profit by interest income.⁹ Consequently, we recalculated the weighted-average dumping margins for both mandatory respondents in the investigation, which resulted in a change from 21.25 percent to 21.38 percent for Zhejiang Xingyi/Xingyi Metalworking, and no change to the 0.00 percent margin calculated for Hangzhou Xline.¹⁰ Moreover, as Zhejiang Xingyi/Xingyi Metalworking is the only individually-examined respondent with an above-*de minimis* margin in the investigation, and the weighted-average dumping margin calculated for Zhejiang Xingyi/Xingyi Metalworking is, thus, the sole basis for the non-selected separate rate margin, we revised the exporter/producer combination rates for the respondents that are eligible for a separate rate in this investigation to reflect the revision to Zhejiang Xingyi/Xingyi Metalworking's weighted-average dumping margin.¹¹

⁶ 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.

⁷ See *List Industries, Inc. v. United States*, Court No. 21-00521, Slip Op. 23-83 (CIT May 30, 2023) (*Remand Order*).

⁸ See *Final Results of Redetermination Pursuant to Court Remand, List Industries, Inc. v. United States*, Court No. 21-00521, Slip Op. 23-83 (CIT May 30, 2023), dated August 23, 2023, available at <https://access.trade.gov/resources/remands/23-83.pdf>.

⁹ *Id.*

¹⁰ *Id.*

¹¹ *Id.*

On September 28, 2023, the CIT sustained Commerce’s final results of redetermination.¹²

Timken Notice

In its decision in *Timken*,¹³ as clarified by *Diamond Sawblades*,¹⁴ the U.S. Court of Appeals for the Federal Circuit held that, pursuant to section 516A(c) and (e) of the Tariff Act of 1930, as amended (the Act), Commerce must publish a notice of court decision that is not “in harmony” with a Commerce determination and must suspend liquidation of entries pending a “conclusive” court decision. The CIT’s September 28, 2023, judgment constitutes a final decision of the CIT that is not in harmony with Commerce’s *Final Determination*. Thus, this notice is published in fulfillment of the publication requirements of *Timken*.

Amended Final Determination

Because there is now a final court judgment, Commerce is amending its *Final Determination* with respect to the companies below, as follows:

Exporter	Producer	Estimated Weighted – Average Dumping Margin (percent)	Cash Deposit Rate (Adjusted for Subsidy Offsets) (percent)
Zhejiang Xingyi Metal Products Co., Ltd. / Xingyi Metalworking Technology (Zhejiang) Co., Ltd.	Zhejiang Xingyi Metal Products Co., Ltd. / Xingyi Metalworking Technology (Zhejiang) Co., Ltd.	21.38	10.84
Geelong Sales (Macao Commercial Offshore) Limited (a.k.a. Geelong Sales (MCO) Limited, Geelong Sales (Macao Commercial) Limited, and Geelong Sales (MC) Limited)	Zhongshan Geelong Manufacturing Co. Ltd.	21.38	10.84

¹² See *List Industries, Inc. v. United States*, Court No. 21-00521, Slip Op. 23-143 (CIT September 28, 2023).

¹³ See *Timken Co. v. United States*, 893 F.2d 337 (Fed. Cir. 1990) (*Timken*).

¹⁴ See *Diamond Sawblades Manufacturers Coalition v. United States*, 626 F.3d 1374 (Fed. Cir. 2010) (*Diamond Sawblades*).

Exporter	Producer	Estimated Weighted – Average Dumping Margin (percent)	Cash Deposit Rate (Adjusted for Subsidy Offsets) (percent)
Hangzhou Evernew Machinery & Equipment Company Limited	Zhejiang Yinghong Metalworks Co., Ltd.	21.38	10.84
Hangzhou Zhuoxu Trading Co., Ltd.	Shanghai ASI Building Materials	21.38	10.84
Hangzhou Zhuoxu Trading Co., Ltd.	Luoyang Mingxiu Office Furniture Co., Ltd.	21.38	10.84
Hangzhou Zhuoxu Trading Co., Ltd.	Luoyang Wandefu Import and Export	21.38	10.84
Hangzhou Zhuoxu Trading Co., Ltd.	Zhejiang Xingyi Metal Products Co.,	21.38	10.84
Jiaxing Haihong Mechanical and Electrical Technology Co. Ltd.	Zhejiang Steelrix Office Furniture Co., Ltd.	21.38	10.84
Kunshan Dongchu Precision Machinery Co., Ltd.	Kunshan Dongchu Precision Machinery Co., Ltd.	21.38	10.84
Luoyang Hynow Import and Export Co., Ltd.	Luoyang Jiudu Golden Cabinet Co., Ltd.	21.38	10.84
Luoyang Shidiu Import and Export Co., Ltd.	Luoyang Yuabo Office Machinery	21.38	10.84
Luoyang Steelart Office Furniture Co., Ltd.	Luoyang Yongwei Office Furniture Co., Ltd.	21.38	10.84
Luoyang Steelart Office Furniture Co., Ltd.	Luoyang Zhuofan Steel Product Factory	21.38	10.84
Luoyang Steelart Office Furniture Co., Ltd.	Luoyang Flyer Office Furniture Co., Ltd.	21.38	10.84
Pinghu Chenda Storage Office Co., Ltd.	Pinghu Chenda Storage Office Co.,	21.38	10.84
Tianjin Jia Mei Metal Furniture Ltd.	Tianjin Jia Mei Metal Furniture Ltd.	21.38	10.84

Cash Deposit Requirements

Commerce will issue revised cash deposit instructions to U.S. Customs and Border Protection.

Notification to Interested Parties

This notice is issued and published in accordance with sections 516A(c) and (e) and 777(i)(1) of the Act.

Dated: October 4, 2023.

Lisa W. Wang,

Assistant Secretary

for Enforcement and Compliance.

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