



DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-088, C-570-089]

Steel Racks and Parts Thereof, from the People's Republic of China: Continuation of Antidumping and Countervailing Duty Orders

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

SUMMARY: As a result of the determinations by the U.S. Department of Commerce
(Commerce) and the U.S. International Trade Commission (ITC) that revocation of the
antidumping duty (AD) and countervailing duty (CVD) orders on certain steel racks and parts
thereof (steel racks) from the People's Republic of China (China) would likely lead to the
continuation or recurrence of dumping and countervailable subsidies, and material injury to an
industry in the United States, Commerce is publishing a notice of continuation of these AD and
CVD orders.

DATES: Applicable March 5, 2025.

FOR FURTHER INFORMATION CONTACT: Angelo Gonzalez, AD/CVD Operations,
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SUPPLEMENTARY INFORMATION:

Background

On September 16, 2019, Commerce published in the *Federal Register* the AD and CVD orders on steel racks from China.¹ On August 1, 2024, the ITC instituted,² and Commerce initiated,³ the first sunset review of the *Orders*, pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act). As a result of its reviews, Commerce determined that revocation of the *Orders* would likely lead to the continuation or recurrence of dumping and countervailable subsidies, and therefore, notified the ITC of the magnitude of the margins of dumping and subsidy rates likely to prevail should the *Orders* be revoked.⁴

On March 5, 2025, the ITC published its determination, pursuant to sections 751(c) and 752(a) of the Act, that revocation of the *Orders* would likely lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.⁵

Scope of the *Orders*

The merchandise covered by these *Orders* is steel racks and parts thereof, assembled, to any extent, or unassembled, including but not limited to, vertical components (*e.g.*, uprights, posts, or columns), horizontal or diagonal components (*e.g.*, arms or beams), braces, frames, locking devices (*e.g.*, end plates and beam connectors), and accessories (including, but not limited to, rails, skid channels, skid rails, drum/coil beds, fork clearance bars, pallet supports, row spacers, and wall ties).

Subject steel racks and parts thereof are made of steel, including, but not limited to, cold and/or hot-formed steel, regardless of the type of steel used to produce the components and may,

¹ See *Certain Steel Racks and Parts Thereof, from the People's Republic of China: Amended Final Affirmative Antidumping Duty Determination and Antidumping Duty Order; Countervailing Duty Order*, 84 FR 48584 (September 16, 2019) (*Orders*).

² See *Steel Racks from China; Institution of Five-Year Reviews*, 89 FR 62779 (August 1, 2024).

³ See *Initiation of Five-Year (Sunset) Reviews*, 89 FR 62717 (August 1, 2024).

⁴ See *Certain Steel Racks and Parts Thereof from the People's Republic of China: Final Results of the Expedited First Sunset Review of the Antidumping Duty Order*, 89 FR 96947 (December 6, 2024); see also *Steel Racks and Parts Thereof, from the People's Republic of China: Final Results of the Expedited Sunset Review of the Countervailing Duty Order*, 89 FR 96945 (December 6, 2024).

⁵ See *Steel Racks from China*, 90 FR 11328 (March 5, 2025) (*ITC Final Determination*).

or may not, include locking tabs, slots, or bolted, clamped, or welded connections. Subject steel racks have the following physical characteristics:

- (1) Each steel vertical and horizontal load bearing member (*e.g.*, arms, beams, posts, and columns) is composed of steel that is at least 0.044 inches thick;
- (2) Each steel vertical and horizontal load bearing member (*e.g.*, arms, beams, posts, and columns) is composed of steel that has a yield strength equal to or greater than 36,000 pounds per square inch;
- (3) The width of each steel vertical load bearing member (*e.g.*, posts and columns) exceeds two inches; and
- (4) The overall depth of each steel roll-formed horizontal load bearing member (*e.g.*, beams) exceeds two inches.

In the case of steel horizontal load bearing members other than roll-formed (*e.g.*, structural beams, Z-beams, or cantilever arms), only the criteria in subparagraphs (1) and (2) apply to these horizontal load bearing members. The depth limitation in subparagraph (4) does not apply to steel horizontal load bearing members that are not roll-formed.

Steel rack components can be assembled into structures of various dimensions and configurations by welding, bolting, clipping, or with the use of devices such as clips, end plates, and beam connectors, including, but not limited to the following configurations: (1) Racks with upright frames perpendicular to the aisles that are independently adjustable, with positive-locking beams parallel to the aisle spanning the upright frames with braces; and (2) cantilever racks with vertical components parallel to the aisle and cantilever beams or arms connected to the vertical components perpendicular to the aisle. Steel racks may be referred to as pallet racks, storage racks, stacker racks, retail racks, pick modules, selective racks, or cantilever racks and may incorporate moving components and be referred to as pallet-flow racks, carton-flow racks, push-back racks, movable-shelf racks, drive-in racks, and drive-through racks. While steel racks may be made to ANSI MH16.1 or ANSI MH16.3 standards, all steel racks and parts thereof

meeting the description set out herein are covered by the scope of these *Orders*, whether or not produced according to a particular standard.

The scope includes all steel racks and parts thereof meeting the description above, regardless of

- (1) other dimensions, weight, or load rating;
- (2) vertical components or frame type (including structural, roll-form, or other);
- (3) horizontal support or beam/brace type (including but not limited to structural, roll-form, slotted, unslotted, Z-beam, C-beam, L-beam, step beam, and cantilever beam);
- (4) number of supports;
- (5) number of levels;
- (6) surface coating, if any (including but not limited to paint, epoxy, powder coating, zinc, or other metallic coatings);
- (7) rack shape (including but not limited to rectangular, square, corner, and cantilever);
- (8) the method by which the vertical and horizontal supports connect (including but not limited to locking tabs or slots, bolting, clamping, and welding); and
- (9) whether or not the steel rack has moving components (including but not limited to rails, wheels, rollers, tracks, channels, carts, and conveyors).

Subject merchandise includes merchandise matching the above description that has been finished or packaged in a third country. Finishing includes, but is not limited to, coating, painting, or assembly, including attaching the merchandise to another product, or any other finishing or assembly operation that would not remove the merchandise from the scope of these *Orders* if performed in the country of manufacture of the steel racks and parts thereof.

Packaging includes packaging the merchandise with or without another product or any other packaging operation that would not remove the merchandise from the scope of these *Orders* if performed in the country of manufacture of the steel racks and parts thereof.

Steel racks and parts thereof are included in the scope of these *Orders* whether or not imported attached to, or included with, other parts or accessories such as wire decking, nuts, and bolts. If steel racks and parts thereof are imported attached to, or included with, such non-subject merchandise, only the steel racks and parts thereof are included in the scope.

The scope of these *Orders* does not cover: (1) decks, *i.e.*, shelving that sits on or fits into the horizontal supports to provide the horizontal storage surface of the steel racks; (2) wire shelving units, *i.e.*, units made from wire that incorporate both a wire deck and wire horizontal supports (taking the place of the horizontal beams and braces) into a single piece with tubular collars that slide over the posts and onto plastic sleeves snapped on the posts to create a finished unit; (3) pins, nuts, bolts, washers, and clips used as connecting devices; and (4) non-steel components.

Specifically excluded from the scope of these *Orders* are any products covered by Commerce's existing antidumping and countervailing duty orders on boltless steel shelving units prepackaged for sale from the People's Republic of China.⁶

Also excluded from the scope of these *Orders* are bulk-packed parts or components of boltless steel shelving units that were specifically excluded from the scope of the Boltless Steel Shelving Orders because such bulk-packed parts or components do not contain the steel vertical supports (*i.e.*, uprights and posts) and steel horizontal supports (*i.e.*, beams, braces) packaged together for assembly into a completed boltless steel shelving unit.

Such excluded components of boltless steel shelving are defined as:

(1) Boltless horizontal supports (beams, braces) that have each of the following characteristics: (a) A length of 95 inches or less, (b) made from steel that has a thickness of 0.068 inches or less, and (c) a weight capacity that does not exceed 2,500 lbs. per pair

⁶ See *Boltless Steel Shelving Units Prepackaged for Sale from the People's Republic of China: Antidumping Duty Order*, 80 FR 63,741 (October 21, 2017); and *Boltless Steel Shelving Units Prepackaged for Sale from the People's Republic of China: Amended Final Affirmative Countervailing Duty Determination and Countervailing Duty Order*, 80 FR 63,745 (October 21, 2017).

of beams for beams that are 78" or shorter, a weight capacity that does not exceed 2,200 lbs. per pair of beams for beams that are over 78" long but not longer than 90", and/or a weight capacity that does not exceed 1,800 lbs. per pair of beams for beams that are longer than 90";

(2) shelf supports that mate with the aforementioned horizontal supports; and

(3) boltless vertical supports (upright welded frames and posts) that have each of the following characteristics: (a) A length of 95 inches or less, (b) with no face that exceeds 2.90 inches wide, and (c) made from steel that has a thickness of 0.065 inches or less.

Excluded from the scope of these *Orders* are: (1) Wall-mounted shelving and racks, defined as shelving and racks that suspend all of the load from the wall, and do not stand on, or transfer load to, the floor; (2) ceiling-mounted shelving and racks, defined as shelving and racks that suspend all of the load from the ceiling and do not stand on, or transfer load to, the floor; and (3) wall/ceiling mounted shelving and racks, defined as shelving and racks that suspend the load from the ceiling and the wall and do not stand on, or transfer load to, the floor. The addition of a wall or ceiling bracket or other device to attach otherwise subject merchandise to a wall or ceiling does not meet the terms of this exclusion.

Also excluded from the scope of these *Orders* is scaffolding that complies with ANSI/ASSE A10.8—2011—Scaffolding Safety Requirements, CAN/CSA S269.2-M87 (Reaffirmed 2003)—Access Scaffolding for Construction Purposes, and/or Occupational Safety and Health Administration regulations at 29 CFR part 1926 subpart L—Scaffolds.

Also excluded from the scope of these *Orders* are tubular racks such as garment racks and drying racks, *i.e.*, racks in which the load bearing vertical and horizontal steel members consist solely of: (1) round tubes that are no more than two inches in diameter; (2) round rods that are no more than two inches in diameter; (3) other tubular shapes that have both an overall height of no more than two inches and an overall width of no more than two inches; and/or (4) wire.

Also excluded from the scope of these *Orders* are portable tier racks. Portable tier racks must meet each of the following criteria to qualify for this exclusion:

- (1) They are freestanding, portable assemblies with a fully welded base and four freely inserted and easily removable corner posts;
- (2) They are assembled without the use of bolts, braces, anchors, brackets, clips, attachments, or connectors;
- (3) One assembly may be stacked on top of another without applying any additional load to the product being stored on each assembly, but individual portable tier racks are not securely attached to one another to provide interaction or interdependence; and
- (4) The assemblies have no mechanism (*e.g.*, a welded foot plate with bolt holes) for anchoring the assembly to the ground.

Also excluded from the scope of these *Orders* are accessories that are independently bolted to the floor and not attached to the rack system itself, *i.e.*, column protectors, corner guards, bollards, and end row and end of aisle protectors.

Merchandise covered by these *Orders* is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under the following subheadings: 7326.90.8688, 9403.20.0081, and 9403.90.8041. Subject merchandise may also enter under subheadings 7308.90.3000, 7308.90.6000, 7308.90.9590, and 9403.20.0090. The HTSUS subheadings are provided for convenience and U.S. Customs purposes only. The written description of the scope is dispositive.

Continuation of the *Orders*

As a result of the determinations by Commerce and the ITC that revocation of the *Orders* would likely lead to the continuation or recurrence of dumping, countervailable subsidies, and material injury to an industry in the United States, pursuant to section 751(d)(2) of the Act, Commerce hereby orders the continuation of the *Orders*. U.S. Customs and Border Protection

will continue to collect AD and CVD cash deposits at the rates in effect at the time of entry for all imports of subject merchandise.

The effective date of the continuation of the *Orders* will be March 5, 2025.⁷ Pursuant to section 751(c)(2) of the Act and 19 CFR 351.218(c)(2), Commerce intends to initiate the next five-year reviews of the *Orders* no later than 30 days prior to the fifth anniversary of the date of the last determination by the ITC.

Administrative Protective Order (APO)

This notice also serves as a final reminder to parties subject to an APO of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return or 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 violation which is subject to sanction.

Notification to Interested Parties

These five-year sunset reviews and this notice are in accordance with section 751(c) and 751(d)(2) of the Act and this notice is published pursuant to section 777(i) of the Act and 19 CFR 351.218(f)(4).

Dated: March 5, 2025.

Christopher Abbott,

Deputy Assistant Secretary

for Policy and Negotiations,

performing the non-exclusive functions and duties

of the Assistant Secretary for Enforcement and Compliance.

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⁷ See *ITC Final Determination*.