



DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-016]

Passenger Vehicle and Light Truck Tires from the People's Republic of China: Notice of Court Decision Not in Harmony with the Results of Antidumping Administrative Review; Notice of Amended Final Results

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

SUMMARY: On November 26, 2024, the U.S. Court of International Trade (the Court) issued a partial judgment in *YC Rubber Co. (North America) LLC., et al v. United States*, Consol., Court no. 19-00069, sustaining, in part, the U.S. Department of Commerce (Commerce)'s first remand results pertaining to the administrative review of the antidumping duty (AD) order on passenger vehicle and light truck tire (passenger tires) from the People's Republic of China (China) covering the period August 1, 2016, through July 31, 2017. Commerce is notifying the public that the Court's partial judgment is not in harmony with Commerce's final results of the administrative review, and that Commerce is amending the final results with respect to the dumping margin assigned to Kenda Rubber (China) Co., Ltd. (Kenda).

DATES: Applicable November 26, 2024.

FOR FURTHER INFORMATION CONTACT: Charles DeFilippo, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3797.

SUPPLEMENTARY INFORMATION:

Background

On April 26, 2019, Commerce published its *Final Results* in the 2016-2017 AD administrative review of passenger tires from China. Commerce calculated a rate of 64.57 percent for Zhaoqing Junhong Co., Ltd. (Junhong) and relied on that rate to establish the rate for the separate rate respondents.¹

In its August 29, 2022, opinion, the U.S. Court of Appeals for the Federal Circuit (Federal Circuit) remanded the *Final Results*, concluding that Commerce erred in restricting its examination to a single mandatory respondent and in applying the single mandatory respondent's rate to the separate rate respondents.² Therefore, on remand, Commerce sought to select an additional mandatory respondent to review and selected Kenda as a mandatory respondent.³ In March and May 2023, Kenda submitted responses to sections A through D of Commerce's AD questionnaire.⁴ In June 2023, Kenda submitted responses to Commerce's supplemental questionnaire.⁵ In the first remand redetermination, issued in October 2023, Commerce: (1) recalculated Kenda's estimated weighted-average dumping margin to be 18.15 percent based on its reported data; (2) recalculated the separate rate and applied it to Shandong Linglong Tyre Co. (Linglong); and (3) continued to find Shandong Wanda Boto Tyre Co., Ltd. (Wanda Boto), Mayrun Tyre (Hong Kong) Limited (Mayrun), Shandong Hengyu Science & Technology Co.,

¹ See *Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China: Final Results of Antidumping Duty Administrative Review and Final Determination of No Shipments; 2016-2017*, 84 FR 17781 (April 26, 2019) (*Final Results*).

² See *YC Rubber Co. (North America) LLC., et al v. United States*, 2022 U.S. App. LEXIS 14259, (Fed. Cir. 2022).

³ See Memorandum, "Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China – Respondent Selection," dated March 10, 2023.

⁴ See Kenda's Letter, "Passenger Vehicle and Light Truck Tires from the People's Republic of China: Kenda's Response to Section A and Double Remedy Questionnaire," dated April 17, 2023; see also Kenda's Letter, "Certain Passenger Vehicle and Light Truck Tires from China: Kenda Section C Questionnaire Response," date May 2, 2023; Kenda's Letter, "Certain Passenger Vehicle and Light Truck Tires from China: Kenda Section D Questionnaire Response," dated May 9, 2023.

⁵ See Kenda's Letters, "Certain Passenger Vehicle and Light Truck Tires from China: Kenda First Supplemental Questionnaire Response: Questions 2, 3, and 5-12," dated June 22, 2023; and "Certain Passenger Vehicle and Light Truck Tires from China: Kenda First Supplemental Questionnaire Response: Questions 1, 4, and 13-15," dated June 27, 2023.

Ltd. (Hengyu), and Winrun Tyre Co., Ltd. (Winrun) to be part of the China-wide entity.⁶ The Court remanded for a second time, concluding that Commerce: (1) may have erred in the order in which it selected a second respondent; (2) did not support with substantial evidence its denial of separate rate status for Mayrun, Hengyu, Winrun, and Wanda Boto; and (3) did not sufficiently explain its denial of the new withdrawal requests submitted during the first remand.⁷

In its second remand redetermination, issued in October 2024, pursuant to the *Remand Order*, Commerce reexamined the U.S. Customs and Border Protection (CBP) data and determined that the correct order of selection for a second mandatory respondent was: (1) Wanda Boto; (2) Hengyu; (3) Mayrun; (4) Winrun; (5) Linglong, and (6) Kenda. Thus, on remand, Commerce selected Linglong as an additional mandatory respondent; however, because Linglong refused to participate, Commerce continued to rely on Kenda as the second mandatory respondent. In addition, Commerce found that: (1) Wanda Boto, Mayrun, Hengyu, Winrun, and Linglong failed to establish their entitlement to a separate rate and thus were part of the China-wide entity; and (2) that it is inappropriate to accept the untimely review withdrawal requests filed by Mayrun, Hengyu, Winrun, and Linglong. Finally, Commerce recalculated the cash deposit rate applicable to the China-wide entity to account for combined export subsidies and estimated domestic subsidy pass-through of 11.13 percent.⁸ In response to a motion by Kenda for partial judgement, the Court issued a partial judgment sustaining Commerce's final redetermination with respect to Kenda's dumping margin calculation.⁹

⁶ See *YC Rubber Co. (North America) LLC., et al. v. United States*, Consol. Court No. 19-000069, Slip Op. 21-1489 (CIT February 2, 2023), dated October 31, 2023 (*First Remand Results*), available at <https://access.trade.gov/public/FinalRemandRedetermination.aspx>.

⁷ See *YC Rubber Co. (North America) LLC., et al. v. United States*, 711 F. Supp. 3d 1387 (CIT 2024).

⁸ See *YC Rubber Co. (North America) LLC., et al. v. United States*, Consol. Court No. 19-000069, Slip Op. 24-74 (CIT June 18, 2024) (*Second Remand Results*).

⁹ See *YC Rubber Co. (North America) LLC., et al. v. United States*, Consol. Court No. 19-000069, ECF Nos. 124 and 125 (CIT November 26, 2024).

Timken Notice

In its decision in *Timken*,¹⁰ as clarified by *Diamond Sawblades*,¹¹ 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 Court’s November 26, 2024, judgment constitutes a final decision of the Court that is not in harmony with Commerce’s *Final Results*. Thus, this notice is published in fulfillment of the publication requirements of *Timken*.

Amended Final Results

Because there is now a final court judgment regarding the dumping margin calculation for Kenda, Commerce is amending its *Final Results* with respect to Kenda as follows:

Exporter/Producer	Weighted-Average Dumping Margin (percent)
Kenda Rubber (China) Co., Ltd.	18.15

Cash Deposit Requirements

Because Kenda has a superseding cash deposit rate, *i.e.*, there have been final results published in a subsequent administrative review, we will not issue revised cash deposit instructions to CBP. Accordingly, this notice will not affect Kenda’s current cash deposit rate.

Liquidation of Suspended Entries

Commerce intends to instruct CBP to assess antidumping duties on unliquidated entries of subject merchandise produced and/or exported by Kenda in accordance with 19 CFR 351.212(b). We will instruct CBP to assess antidumping duties on all appropriate entries covered by this review when the importer-specific *ad valorem* assessment rate is not zero or *de*

¹⁰ See *Timken Co. v. United States*, 893 F.2d 337 (Fed. Cir. 1990) (*Timken*).

¹¹ See *Diamond Sawblades Manufacturers Coalition v. United States*, 626 F.3d 1374 (Fed. Cir. 2010) (*Diamond Sawblades*).

minimis. Where an import-specific *ad valorem* assessment rate is zero or *de minimis*,¹² we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

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: March 6, 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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¹² See 19 CFR 351.106(c)(2).