



DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-124, C-570-125]

Certain Vertical Shaft Engines Between 99cc and 225cc, and Parts Thereof, From the People's Republic of China: Initiation of Circumvention Inquiry on the Antidumping and Countervailing Duty Orders

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

SUMMARY: In response to a circumvention inquiry request from Briggs & Stratton, LLC (Briggs & Stratton), the U.S. Department of Commerce (Commerce) is initiating a circumvention inquiry to determine whether certain models of vertical shaft engines exported from the People's Republic of China (China) are circumventing the antidumping duty (AD) and countervailing duty (CVD) orders on vertical shaft engines between 99cc and 225cc, and parts thereof (small vertical engines) from China.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Mark Hoadley, 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) 482-3148.

SUPPLEMENTARY INFORMATION:

Background

On June 18, 2025, Briggs & Stratton, a domestic interested party, requested that Commerce initiate a circumvention inquiry to determine whether two models of vertical shaft engines produced in China by Chongqing Zongshen General Power Machine Co., Ltd.

(Zongshen) are circumventing the AD and CVD orders¹ on small vertical engines from China.²

Briggs & Stratton alleges that these two models were developed after the initiation of the original AD/CVD investigations of small vertical engines from China specifically to fall outside the scope of the *Orders* and, as such, constitute later-developed merchandise. Thus, they argue, these two models should be included within the scope of the *Orders*, pursuant to section 781(d) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.226(k).

Scope of the *Orders*

The merchandise subject to the *Orders* are small vertical engines from China. For a complete description of the scope of the *Orders*, see Appendix II of this notice.

Merchandise Subject to the Circumvention Inquiry

The two models that Briggs & Stratton alleges are circumventing the order are engine models 5C65M0 and BC70M0 produced by Zongshen. Briggs & Stratton acknowledges that these two models are currently excluded from the scope of the *Orders* as falling under the “Commercial” or “Heavy Commercial” scope exclusion. Commerce intends to consider whether the inquiry should apply to all imports of small commercial vertical shaft engines, lacking certain commercial engine features or including certain residential engine features, regardless of producer, exporter, or importer, from China.

Initiation of Circumvention Inquiry

Section 351.226(d) of Commerce’s regulations states that if Commerce determines that a request for a circumvention inquiry satisfies the requirements of 19 CFR 351.226(c), then Commerce “will accept the request and initiate a circumvention inquiry.” Section 351.226(c)(1) of Commerce’s regulations, in turn, requires that each request for a circumvention inquiry allege “that the elements necessary for a circumvention determination under section 781 of the Act

¹ See *Certain Vertical Shaft Engines Between 99cc and Up to 225cc, and Parts Thereof from the People’s Republic of China: Antidumping and Countervailing Duty Orders*, 86 FR 23675 (May 4, 2021) (*Orders*).

² See Briggs & Stratton’s Letter, “Request for Anti-Circumvention Inquiry Pursuant to Section 781(d) of the Tariff Act of 1930,” dated June 18, 2025.

exist” and be “accompanied by information reasonably available to the interested party supporting these allegations.” Briggs & Stratton alleges circumvention pursuant to section 781(d) of the Act (merchandise developed after an investigation is initiated).

Section 351.226(m)(2) of Commerce’s regulations states, for companion AD and CVD duty proceedings, that “the Secretary will initiate and conduct a single inquiry with respect to the product at issue for both orders only on the record of the antidumping duty proceeding.” Further, once “the Secretary issues a final circumvention determination on the record of the antidumping duty proceeding, the Secretary will include on the record of the countervailing duty proceeding copies of the final circumvention determination memoranda, the final circumvention determination *Federal Register* notice, the preliminary circumvention determination memoranda, the preliminary circumvention determination *Federal Register* notice, and all relevant instructions to U.S. Customs and Border Protection.” Accordingly, once Commerce concludes this circumvention inquiry, Commerce intends to place its final circumvention determination on the record of the companion CVD proceeding.

Section 781(d) of the Act provides that Commerce may find circumvention of an AD or CVD order when merchandise is developed after an investigation is initiated. In conducting a later-developed merchandise inquiry under section 781(d)(1) of the Act and 19 CFR 351.226(k), Commerce will consider whether: (1) The later-developed merchandise has the same general physical characteristics as the merchandise with respect to which the order was originally issued; (2) the expectations of the ultimate purchasers of the later-developed merchandise are the same as for the earlier product; (3) the ultimate use of the earlier product and the later-developed merchandise are the same; (4) the later-developed merchandise is sold through the same channels of trade as the earlier product; and (5) the later-developed merchandise is advertised and displayed in a manner similar to the earlier product.³ First, however, Commerce determines whether the merchandise subject to the inquiry was commercially available at the time of the

³ See section 781(d)(1) of the Act.

initiation of the underlying AD or CVD investigation (*i.e.*, the product was present in the commercial market or the product was tested and ready for commercial production).⁴

Analysis

After analyzing the record evidence and Briggs & Stratton's allegation, we determine that there is sufficient information to warrant initiation of a circumvention inquiry based on the allegation: Later-developed merchandise, pursuant to section 781(d) of the Act and 19 CFR 351.226(k). For a full discussion of the basis for our decision to initiate a circumvention inquiry regarding the later-developed merchandise allegations, *see* the Initiation Decision Memorandum.⁵ The Initiation 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 Initiation Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>. A list of topics discussed in the Initiation Decision Memorandum is included as Appendix I of this notice.

Suspension of Liquidation

Pursuant to 19 CFR 351.226(l)(1), Commerce will notify U.S. Customs and Border Protection (CBP) of the initiation of this circumvention inquiry and direct CBP to continue the suspension of liquidation of entries of products subject to the circumvention inquiry that were already subject to the suspension of liquidation under the *Orders* and to apply the cash deposit rate that would be applicable if the product was determined to be covered by the scope of the *Orders*. Should Commerce issue preliminary or final circumvention determinations, Commerce will follow the suspension of liquidation rules under 19 CFR 351.226(l)(2)-(4).

Notification to Interested Parties

⁴ *See* 19 CFR 351.226(k).

⁵ *See* Memorandum, "Decision Memorandum for Initiation of Circumvention Inquiry," dated concurrently with, and hereby adopted by, this notice (Initiation Decision Memorandum).

In accordance with 19 CFR 351.226(d) and section 781(d) of the Act, Commerce determines that Briggs & Stratton's request for a circumvention inquiry satisfies the requirements of 19 CFR 351.226(c). Accordingly, Commerce is notifying all interested parties of the initiation of this circumvention inquiry to determine whether certain vertical shaft engines between 99cc and 225cc, such as Zongshen's engine models 5C65M0 and BC70M0, currently excluded from the scope of the *Orders* as falling under the "Commercial" or "Heavy Commercial" scope exclusion, produced in and exported from China circumvent the *Orders*. In addition, we have included a description of the products that are the subject to this inquiry and an explanation of Commerce's decision to initiate this inquiry in the accompanying Initiation Decision Memorandum. In accordance with 19 CFR 351.226(e)(1), Commerce intends to issue its preliminary circumvention determination no later than 150 days from the date of publication of the notice of initiation of this circumvention inquiry in the *Federal Register*.

This notice is issued and published in accordance with section 781(d) of the Act, and 19 CFR 351.226(d)(1)(ii).

Dated: July 7, 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.

Appendix I

List of Topics Discussed in the Initiation Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the *Orders*
- IV. Merchandise Subject to the Circumvention Inquiry
- V. Legal Framework
- VI. Allegation
- VII. Analysis
- VIII. Recommendation

Appendix II

Scope of the Orders

The merchandise covered by these *Orders* consists of spark-ignited, non-road, vertical shaft engines, whether finished or unfinished, whether assembled or unassembled, whether mounted or unmounted, primarily for walk-behind lawn mowers. Engines meeting this physical description may also be for other non-hand-held outdoor power equipment, including but not limited to, pressure washers. The subject engines are spark ignition, single-cylinder, air cooled, internal combustion engines with vertical power take off shafts with a minimum displacement of 99 cubic centimeters (cc) and a maximum displacement of up to, but not including, 225cc. Typically, engines with displacements of this size generate gross power of between 1.95 kilowatts (kw) to 4.75 kw.

Engines covered by these *Orders* normally must comply with and be certified under Environmental Protection Agency (EPA) air pollution controls title 40, chapter I, subchapter U, part 1054 of the Code of Federal Regulations standards for small non-road spark-ignition engines and equipment. Engines that otherwise meet the physical description of the scope but are not certified under 40 CFR part 1054 and are not certified under other parts of subchapter U of the EPA air pollution controls are not excluded from the scope of the orders. Engines that may be certified under both 40 CFR part 1054 as well as other parts of subchapter U remain subject to the scope of the orders.

Certain small vertical shaft engines, whether or not mounted on non-hand-held outdoor power equipment, including but not limited to walk-behind lawn mowers and pressure washers, are included in the scope. However, if a subject engine is imported mounted on such equipment, only the engine is covered by the scope. Subject merchandise includes certain small vertical shaft engines produced in the subject country whether mounted on outdoor power equipment in the subject country or in a third country. Subject engines are covered whether or not they are accompanied by other parts.

For purposes of these *Orders*, an unfinished engine covers at a minimum a sub-assembly comprised of, but not limited to, the following components: Crankcase, crankshaft, camshaft, piston(s), and connecting rod(s). Importation of these components together, whether assembled or unassembled, and whether or not accompanied by additional components such as a sump, carburetor spacer, cylinder head(s), valve train, or valve cover(s), constitutes an unfinished engine for purposes of these orders. The inclusion of other products such as spark plugs fitted into the cylinder head or electrical devices (*e.g.*, ignition coils) for synchronizing with the engine to supply tension current does not remove the product from the scope. The inclusion of any other components not identified as comprising the unfinished engine subassembly in a third country does not remove the engine from the scope.

Specifically excluded from the scope of these orders are “Commercial” or “Heavy Commercial” engines under 40 CFR 1054.107 and 1054.135 that have (1) a displacement of 160 cc or greater, (2) a cast iron cylinder liner, (3) an automatic compression release, and (4) a muffler with at least three chambers and volume greater than 400 cc.

The engines subject to these *Orders* are predominantly classified under the Harmonized Tariff Schedule of the United States (HTSUS) subheading 8407.90.1010. The engine subassemblies that are subject to these *Orders* are classified under HTSUS subheading 8409.91.9990. The mounted engines that are subject to these *Orders* are classified under HTSUS subheadings 8433.11.0050, 8433.11.0060, and 8424.30.9000. Engines subject to these *Orders* may also be classified under HTSUS subheadings 8407.90.1020, 8407.90.9040, and 8407.90.9060. The HTSUS subheadings are provided for convenience and customs purposes only, and the written description of the merchandise is dispositive.

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