



DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-187]

Overhead Door Counterbalance Torsion Springs from the People's Republic of China: Preliminary Affirmative Determination of Critical Circumstances, in Part, in the Countervailing Duty Investigation

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

SUMMARY: The U.S. Department of Commerce (Commerce) preliminarily determines that
critical circumstances exist, in part, with respect to imports of overhead door counterbalance
torsion springs (overhead door springs) from certain producers and exporters from the People's
Republic of China (China). Interested parties are invited to comment on this preliminary
determination of critical circumstances.

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

FOR FURTHER INFORMATION CONTACT: Laurel Smalley, AD/CVD Operations, Office
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3456.

SUPPLEMENTARY INFORMATION:

Background

On October 29, 2024, Commerce received a countervailing duty (CVD) petition
concerning imports of overhead door springs from China filed in proper form on behalf of the
petitioners, IDC Group Inc., Iowa Spring Manufacturing, Inc., and Service Spring Corp

(collectively, the petitioners).¹ On November 25, 2024, we initiated this investigation² and, on April 3, 2025, Commerce published its affirmative *Preliminary Determination*.³

Commerce selected Foshan Nanhai Xulong Spring Factory (Xulong Spring) and Tianjin Wangxia Spring Co., Ltd. (Tianjin Wangxia) as the individually-examined respondents in this investigation.⁴

On June 24, 2025, the petitioners alleged that critical circumstances exist with respect to imports of overhead door springs from China, pursuant to section 703(e)(1) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 531.206.⁵

In accordance with section 703(e)(1) of the Act and 19 CFR 351.206(c)(1), because the petitioners submitted the critical circumstances allegation more than 30 days before the scheduled date of the final determination,⁶ Commerce will make a preliminary finding as to whether there is a reasonable basis to believe or suspect that critical circumstances exist. Commerce is issuing its preliminary finding of critical circumstances within 30 days after the petitioners submitted the allegation.⁷

Period of Investigation (POI)

The POI is January 1, 2023, through December 31, 2023.

Critical Circumstances Allegation

The petitioners allege that there was a massive increase of imports of overhead door springs from China and provided monthly import data for the period June 2024 through March

¹ See Petitioners' Letter, "Petitions for the Imposition of Antidumping and Countervailing Duties," dated October 29, 2024 (Petitions).

² See *Overhead Door Counterbalance Torsion Springs From the People's Republic of China and India: Initiation of Countervailing Duty Investigations*, 89 FR 92901 (November 25, 2024) (*Initiation Notice*).

³ See *Overhead Door Counterbalance Torsion Springs From the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination With Final Antidumping Duty Determination*, 90 FR 14630 (April 3, 2025) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum (PDM).

⁴ See Memorandum, "Respondent Selection," dated December 17, 2024.

⁵ See Petitioners' Letter, "Petitioners' Allegation of Critical Circumstances," dated June 24, 2025 (Critical Circumstances Allegation).

⁶ The final determination for this CVD investigation is currently due no later than August 11, 2025. See *Preliminary Determination*, 90 FR at 14631.

⁷ See 19 CFR 351.206(c)(2)(ii). In this case, 30 days after the petitioners submitted the allegation would place the deadline on Thursday, July 24, 2025.

2025.⁸ The petitioners state that a comparison of total imports, by quantity, for the base period June 2024 through October 2024 to the comparison period November 2024 through March 2025, shows that imports of overhead door springs from China increased by 25.44 percent,⁹ which is considered “massive” under 19 CFR 351.206(h)(2). The petitioners also allege that there is a reasonable basis to believe that there are subsidies in this investigation which are inconsistent with the Subsidies and Countervailing Measures Agreement of the World Trade Organization (SCM Agreement).¹⁰

Critical Circumstances Analysis

Section 703(e)(1) of the Act provides that Commerce will preliminarily determine that critical circumstances exist in a CVD investigation if there is a reasonable basis to believe or suspect that: (A) the alleged countervailable subsidy is inconsistent with the SCM Agreement;¹¹ and (B) there have been massive imports of the subject merchandise over a relatively short period.

In determining whether there are “massive imports” over a “relatively short period,” pursuant to section 703(e)(1)(B) of the Act and 19 CFR 351.206(h) and (i), Commerce normally compares the import volumes of the subject merchandise for at least three months immediately preceding the filing of the petition (*i.e.*, the base period) to a comparable period of at least three months following the filing of the petition (*i.e.*, the comparison period). However, the regulations also provide that if Commerce finds that importers, or exporters or producers, had reason to believe, at some time prior to the beginning of the proceeding, that a proceeding was likely, Commerce may consider a period of not less than three months from the earlier time.¹²

⁸ See Critical Circumstances Allegation at 7 and Attachment.

⁹ *Id.* at 7.

¹⁰ *Id.* at 4-5.

¹¹ Commerce limits its critical circumstances findings to those subsidies contingent upon export performance or use of domestic over imported goods (*i.e.*, those prohibited under Article 3 of the SCM Agreement). See, e.g., *Final Affirmative Countervailing Duty Determination and Final Negative Critical Circumstances Determination: Carbon and Certain Alloy Steel Wire from Germany*, 67 FR 55808-10 (August 30, 2002).

¹² See 19 CFR 351.206(i).

Imports must increase by at least 15 percent during the comparison period to be considered massive.¹³

Alleged Countervailable Subsidies Are Inconsistent with the SCM Agreement

Xulong Spring

In the *Preliminary Determination*, we found that Xulong Spring, pursuant to section 776(b) of the Act, received countervailable subsidies inconsistent with the SCM Agreement under section 703(e)(1)(A) of the Act.¹⁴ Such programs include the Export Loans from Chinese State-Owned Banks, Export Seller's Credit, Export Buyer's Credit, Export Credit Guarantees, Government of China and Sub-Central Government Subsidies for the Development of Famous Brands and China World Top Brands, Foreign Trade Development Fund Grants, Export Assistance Grants, Small and Medium-Sized Enterprises International Market Exploration/Development Fund programs, which were found to be export contingent in the *Preliminary Determination*.¹⁵ Thus, because we preliminarily found that these programs are export contingent, we preliminarily find that the criterion under section 703(e)(1)(A) of the Act has been met.¹⁶

Tianjin Wangxia

In the *Preliminary Determination*, we found that Tianjin Wangxia did not receive any measurable countervailable subsidies found to be inconsistent with the SCM Agreement under section 703(e)(1)(A) of the Act.¹⁷ However, on April 4, 2025, Tianjin Wangxia withdrew from the CVD investigation, and subsequently, Commerce cancelled verification of Tianjin Wangxia.¹⁸ Therefore, because Commerce was unable to verify Tianjin Wangxia's claims of non-use for certain countervailable, export-contingent programs, we find that Tianjin Wangxia

¹³ See 19 CFR 351.206(h)(2).

¹⁴ See *Preliminary Determination* PDM at 18-23.

¹⁵ *Id.*

¹⁶ *Id.*

¹⁷ See *Preliminary Determination* PDM at 31-36.

¹⁸ See Tianjin Wangxia's Letter, "Tianjin Wangxia's Withdrawal of Participation in the Investigation," dated April 4, 2025; see also Commerce's Letter, "Cancellation of Tianjin Wangxia Spring Co., Ltd. Verification," dated April 4, 2025.

also received export-contingent countervailable subsidies under the Export Loans from Chinese State-Owned Banks, Export Seller's Credit, Export Buyer's Credit, Export Credit Guarantees, Government of China and Sub-Central Government Subsidies for the Development of Famous Brands and China World Top Brands, Foreign Trade Development Fund Grants, Export Assistance Grants, Small and Medium-Sized Enterprises International Market Exploration/Development Fund programs. Thus, because we preliminarily found that these programs are export contingent, we preliminarily find that the criterion under section 703(e)(1)(A) of the Act has been met with respect to Tianjin Wangxia.

Non-Responsive Companies

As explained in the *Preliminary Determination*, we preliminarily applied total adverse facts available (AFA) to Beled Co., Ltd./Beled (Shenzhen) Commerce Co., Ltd.; Jiaxing Taike Springs Co., Ltd; Kowloon Metal Spring Factory; Ningbo I Promise Import Export; and Xiamen Globe Truth GT Industries, pursuant to section 776(b) of the Act.¹⁹ In applying total AFA to these five companies, we preliminarily determined that each benefited from countervailable subsidies under the Export Loans from Chinese State-Owned Banks, Export Seller's Credit, Export Buyer's Credit, Export Credit Guarantees, Government of China and Sub-Central Government Subsidies for the Development of Famous Brands and China World Top Brands, Foreign Trade Development Fund Grants, Export Assistance Grants, Small and Medium-Sized Enterprises International Market Exploration/Development Fund programs. Because we found that these programs are export contingent and therefore inconsistent with the SCM Agreement in the *Preliminary Determination*, we now preliminarily find, pursuant to section 776(b) of the Act, that the five non-responsive companies meet the criterion delineated by section 703(e)(1)(A) of the Act.

Massive Imports

¹⁹ See *Preliminary Determination* PDM at 18-19.

There are no cooperative respondents under investigation. Therefore, in accordance with section 703(e)(1), and sections 776(a) and (b) of the Act, Commerce preliminarily determines that critical circumstances exist with respect to imports of overhead door springs from China for Xulong Spring, Tianjin Wangxia, and the non-responsive companies.

To determine whether imports are massive within the meaning of 19 CFR 351.206(h) for all other exporters or producers, Commerce's normal practice is to subtract shipments reported by the cooperating mandatory respondents from the shipment data of subject merchandise. However, as stated above, there are no cooperative respondents under investigation. Therefore, for all other exporters and producers, we compared the monthly shipment data using import data from Trade Data Monitor (TDM) for the six months immediately preceding and following the filing of the petition. Because the petition was filed on October 29, 2024, in order to determine whether there was a massive surge in imports, Commerce compared the total volume of shipments during the period May 2024 through October 2024 with the volume of shipments during the period November 2024 through April 2025.²⁰ The quantity of shipments recorded in the TDM data for U.S. harmonized tariff schedule codes 7320.20.5020, 7320.20.5045, and 7320.20.5060 during the comparison period did not exceed the quantity of shipments recorded for the base period by 15 percent.²¹ Therefore, we determine that the record does not support a determination that there is a massive surge in imports between the base and comparison periods for all other exporters and producers of overhead door springs from China.²²

Accordingly, consistent with section 703(e)(1) of the Act, Commerce preliminarily determines that critical circumstances exist for imports of overhead door springs from China with respect to Xulong Spring, Tianjin Wangxia, and the non-responsive companies under investigation, and that critical circumstances do not exist for all other exporters or producers not

²⁰ See Memorandum, "Preliminary Critical Circumstances Analysis," dated concurrently with this memorandum (Critical Circumstances Analysis Memorandum), at Attachment.

²¹ *Id.*

²² See, e.g., *Prestressed Concrete Steel Wire from the Republic of Turkey: Preliminary Affirmative Countervailing Duty Determination, Preliminary Affirmative Critical Circumstances Determination in Part*, 85 FR 59287 (September 21, 2020), and accompanying PDM at 5-7.

individually examined. For the underlying data and results of Commerce's analysis, *see* the Critical Circumstances Analysis Memorandum.

Final Determination

We will make a final determination concerning critical circumstances in the final determination of this investigation, which is currently scheduled for August 11, 2025.

Public Comment

Case briefs or other written comments limited to Commerce's preliminary critical circumstances determination may be submitted to the Assistant Secretary for Enforcement and Compliance no later than seven days after the date on which this notice is published in the *Federal Register*. Rebuttal briefs, limited to issues raised in the case briefs, may be filed not later than five days after the date for filing case briefs.²³ Interested parties who submit case briefs or rebuttal briefs in this proceeding must submit: (1) a table of contents listing each issue; and (2) a table of authorities.²⁴

As provided under 19 CFR 351.309(c)(2) and (d)(2), in prior proceedings we have encouraged interested parties to provide an executive summary of their brief that should be limited to five pages total, including footnotes. In this investigation, we instead request that interested parties provide at the beginning of their briefs a public, executive summary for each issue raised in their briefs.²⁵ Further, we request that interested parties limit their executive summary of each issue to no more than 450 words, not including citations. We intend to use the executive summaries as the basis of the comment summaries included in the issues and decision memorandum that will accompany the final determination in this investigation. We request that interested parties include footnotes for relevant citations in the executive summary of each issue.

²³ *See* 19 CFR 351.309(d); *see also* *Administrative Protective Order, Service, and Other Procedures in Antidumping and Countervailing Duty Proceedings*, 88 FR 67069, 67077 (September 29, 2023) (*APO and Service Final Rule*).

²⁴ *See* 19 CFR 351.309(c)(2) and (d)(2)

²⁵ We use the term "issue" here to describe an argument that Commerce would normally address in a comment of the Issues and Decision Memorandum.

Note that Commerce has amended certain of its requirements pertaining to the service of documents in 19 CFR 351.303(f).²⁶

Suspension of Liquidation

In accordance with section 703(e)(2)(A) of the Act, for Xulong Spring, Tianjin Wangxia, and the non-responsive companies, we intend to direct U.S. Customs and Border Protection (CBP) to suspend liquidation of any unliquidated entries of subject merchandise from China entered, or withdrawn from warehouse for consumption, on or after January 3, 2025, which is 90 days prior to the date of publication of the *Preliminary Determination* in the *Federal Register*. For such entries, CBP shall require a cash deposit equal to the estimated preliminary subsidy rates established in the *Preliminary Determination*. This suspension of liquidation will remain in effect until further notice.

U.S. International Trade Commission (ITC) Notification

In accordance with section 703(f) of the Act, Commerce intends to notify the ITC of this preliminary determination of critical circumstances.

Notification to Interested Parties

This determination is issued and published pursuant to sections 703(f) and 777(i) of the Act, and 19 CFR 351.205(c).

Dated: July 11, 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.

[FR Doc. 2025-13323 Filed: 7/15/2025 8:45 am; Publication Date: 7/16/2025]

²⁶ See *APO and Service Final Rule*.