#### **HUSCH BLACKWELL**

# Trade Law Update

March 2025



#### **HIGHLIGHTS FROM MARCH**

# FCA Enforcement May Increase in a Tariff Focused Trade Policy Regime

The first seven weeks of the second Trump Administration has revealed that tariffs are going to be a primary tool in the administration's trade arsenal to address both domestic and foreign trade policy goals. What is critical to understand is that tariffs are only a viable tool if CBP can properly enforce and collect those tariffs.

### <u>Petition Summary: Polypropylene Corrugated Boxes</u> <u>from the People's Republic of China and the Socialist</u> Republic of Vietnam

On March 18, 2025, CoolSeal USA Inc., Inteplast Group Corporation, SeaCa Plastic Packaging, and Technology Container Corp. filed a petition for the imposition of antidumping and countervailing duties on U.S. imports of polypropylene corrugated boxes from the People's Republic of China and the imposition of antidumping duties on imports of such boxes from the Socialist Republic of Vietnam.

# <u>Petition Summary: Fiberglass Door Panels from the People's Republic of China</u>

On March 20, 2025, American Fiberglass Door Coalition ("Petitioner") filed a petition for the imposition of antidumping and countervailing duties on U.S. imports of fiberglass door panels from the People's Republic of China. In addition, the same day, Petitioner filed another petition for the imposition of antidumping and countervailing duties on U.S. imports of fiberglass door panels from the People's Republic of China.

#### 100 Days of Trade

In the ten weeks since President Trump began his second term, the administration has issued dozens of executive orders and other actions that are reshaping trade policies across various sectors. To help you stay informed, Husch Blackwell's International Trade & Supply Chain team has launched a dedicated series tracking these new actions and their implications for your business.

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- U.S. International Trade Commission
- U.S. Customs and Border Protection
- Court of International Trade

### U.S. DEPARTMENT OF COMMERCE DECISIONS

#### **Investigations**

- Hexamethylenetetramine From India: On March 7, 2025, Commerce issued its Preliminary Affirmative Countervailing Duty <u>Determination</u> and Alignment of Final Determination With Final Antidumping Duty Determination.
- Hexamethylenetetramine From the People's Republic of China:
   On March 7, 2025, Commerce issued its Preliminary Affirmative Countervailing Duty <u>Determination</u> and Alignment of Final Determination With Final Antidumping Duty Determination.
- Disposable Aluminum Containers, Pans, Trays, and Lids From the People's Republic of China: On March 11, 2025, Commerce issued its Final Affirmative Countervailing Duty <u>Determination</u> and Final Affirmative Determination of Critical Circumstances.
- Disposable Aluminum Containers, Pans, Trays, and Lids From the People's Republic of China: On March 11, 2025, Commerce issued its Final Affirmative <u>Determination</u> of Sales at Less Than Fair Value and Final Affirmative Determination of Critical Circumstances.
- Methylene Diphenyl Diisocyanate From the People's Republic of China: On March 11, 2025, Commerce issued its <u>Initiation</u> of Less-Than-Fair-Value Investigation.
- Thermoformed Molded Fiber Products From the People's Republic of China: On March 14, 2025, Commerce issued its Preliminary Affirmative Countervailing Duty <u>Determination</u> and Alignment of Final Determination With Final Antidumping Duty Determination.
- Thermoformed Molded Fiber Products From the Socialist Republic of Vietnam: On March 14, 2025, Commerce issued its Preliminary Affirmative Countervailing Duty <u>Determination</u>, Preliminary Affirmative Critical Circumstances Determination, and Alignment of Final Determination With Final Antidumping Duty Determination.
- Monosodium Glutamate From the People's Republic of China: On March 17, 2025, Commerce issued its Preliminary Affirmative <u>Determination</u> of Circumvention; Correction.
- Mattresses From Indonesia: On March 20, 2025, Commerce issued its Notice of Court Decision Not In Harmony With the Final Determination of Antidumping Duty Investigation; Notice of Amended Final <u>Determination</u>; Notice of Revocation of Antidumping Order; Correction.
- Certain Chassis and Subassemblies Thereof From Mexico and Thailand: On March 24, 2025, Commerce issued its <u>Initiation</u> of Countervailing Duty Investigations.
- Certain Chassis and Subassemblies Thereof From Mexico, Thailand, and the Socialist Republic of Vietnam: On March 24, 2025, Commerce issued its <u>Initiation</u> of Less-Than-Fair-Value Investigations.
- Ferrosilicon From Brazil: On March 28, 2025, Commerce issued its Final Affirmative Countervailing Duty <u>Determination</u> and Final Affirmative Critical Circumstances Determination, in Part.
- Ferrosilicon From Malaysia: On March 28, 2025, Commerce issued its Final Affirmative Countervailing Duty <u>Determination</u> and Final Affirmative Determination of Critical Circumstances, in Part.
- Ferrosilicon From the Republic of Kazakhstan: On March 28, 2025, Commerce issued its Final Affirmative Countervailing Duty <u>Determination</u>.

- Paper File Folders From the Kingdom of Cambodia: On March 28, 2025, Commerce issued its Preliminary Affirmative Countervailing Duty <u>Determination</u> and Alignment of Final Determination With Final Antidumping Duty Determination.
- Dioctyl Terephthalate From Malaysia: On March 28, 2025, Commerce issued its Final Affirmative <u>Determination</u> of Sales at Less Than Fair Value.
- Dioctyl Terephthalate From Poland: On March 28, 2025, Commerce issued its Final Affirmative <u>Determination</u> of Sales at Less Than Fair Value.
- Dioctyl Terephthalate From Taiwan: On March 28, 2025, Commerce issued its Final Affirmative <u>Determination</u> of Sales at Less Than Fair Value.
- Dioctyl Terephthalate From the Republic of Tu "rkiye: On March 28, 2025, Commerce issued its Final Affirmative <u>Determination</u> of Sales at Less Than Fair Value.
- Ferrosilicon From Brazil: On March 28, 2025, Commerce issued its Final Affirmative <u>Determination</u> of Sales at Less Than Fair Value.
- Ferrosilicon From Kazakhstan: On March 28, 2025, Commerce issued its Final Affirmative <u>Determination</u> of Sales at Less-Than-Fair-Value and Final Negative Determination of Critical Circumstances.
- Ferrosilicon From Malaysia: On March 28, 2025, Commerce issued its Final Affirmative <u>Determination</u> of Sales at Less Than Fair Value and Final Negative Determination of Critical Circumstances.
- Hard Empty Capsules From Brazil: On March 31, 2025, Commerce issued its Preliminary Affirmative Countervailing Duty <u>Determination</u> and Alignment of Final Determination With Final Antidumping Duty Determination.
- Hard Empty Capsules From India: On March 31, 2025,
   Commerce issued its Preliminary Affirmative Countervailing Duty <u>Determination</u> and Alignment of Final Determination With Final Antidumping Duty Determination.
- Hard Empty Capsules From the People's Republic of China: On March 31, 2025, Commerce issued its Preliminary Affirmative Countervailing Duty <u>Determination</u> and Alignment of Final Determination With Final Antidumping Duty Determination.
- Hard Empty Capsules From the Socialist Republic of Vietnam:
   On March 31, 2025, Commerce issued its Preliminary Affirmative
   Countervailing Duty <u>Determination</u> and Alignment of Final
   Determination With Final Antidumping Duty Determination.
- Thermoformed Molded Fiber Products From the People's Republic of China: On March 31, 2025, Commerce issued its Preliminary Affirmative Countervailing Duty <u>Determination</u> and Alignment of Final Determination With Final Antidumping Duty Determination; Correction.
- Thermoformed Molded Fiber Products From the Socialist Republic of Vietnam: On March 31, 2025, Commerce issued its Preliminary Affirmative Countervailing Duty <u>Determination</u>, Preliminary Affirmative Critical Circumstances Determination, and Alignment of Final Determination With Final Antidumping Duty Determination; Correction.

#### **Administrative Reviews**

 Steel Propane Cylinders From Thailand: On March 4, 2025, Commerce issued its Final <u>Results</u> of Antidumping Duty Administrative Review; 2022–2023.

- Silicon Metal From Malaysia: On March 11, 2025, Commerce issued its Final <u>Results</u> of Antidumping Duty Administrative Review: 2022–2023.
- Circular Welded Carbon Steel Standard Pipe and Tube Products
  From the Republic of Turkey: On March 17, 2025, Commerce
  issued its Final <u>Results</u> of Antidumping Duty Administrative
  Review; 2022–2023.
- Polyethylene Retail Carrier Bags From Malaysia: On March 21, 2025, Commerce issued its Final <u>Results</u> of Antidumping Duty Administrative Review; 2022–2023.
- Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe From Ukraine: On March 24, 2025, Commerce issued its Final <u>Results</u> of Antidumping Duty Administrative Review; 2022–2023.
- Certain Lined Paper Products From India: On March 27, 2025, Commerce issued its Final <u>Results</u> of Antidumping Duty Administrative Review; 2022–2023.

#### **Changed Circumstances Reviews**

 Certain Softwood Lumber Products From Canada: On March 6, 2025, Commerce issued its Final <u>Results</u> of Countervailing Duty Changed Circumstances Review.

#### **Sunset Reviews**

- Vertical Metal File Cabinets From the People's Republic of China: On March 5, 2025, Commerce issued its Final Results of the Expedited First Sunset Review of the Countervailing Duty Order.
- Acetone From Belgium, the Republic of Korea, Singapore, the Republic of South Africa, and Spain: On March 7, 2025, Commerce issued its Final Results of the First Expedited Sunset Reviews of the Antidumping Duty Orders.
- Certain Malleable Cast Iron Pipe Fittings From the People's Republic of China: On March 7, 2025, Commerce issued its Final <u>Results</u> of the Expedited Fourth Sunset Review of the Antidumping Duty Order.
- Circular Welded Austenitic Stainless Pressure Pipe From the People's Republic of China: On March 7, 2025, Commerce issued its Final <u>Results</u> of Expedited Third Sunset Review of the Countervailing Duty Order.
- Circular Welded Austenitic Stainless Pressure Pipe From the People's Republic of China: On March 7, 2025, Commerce issued its Final <u>Results</u> of the Expedited Third Sunset Review of the Antidumping Duty Order.
- Aluminum Wire and Cable From the People's Republic of China: On March 11, 2025, Commerce issued its Final <u>Results</u> of the Expedited First Sunset Review of the Countervailing Duty Order
- Aluminum Wire and Cable From the People's Republic of China: On March 11, 2024, Commerce issued its Final <u>Results</u> of the First Expedited Sunset Reviews of the Antidumping Duty Order
- Carbon and Alloy Steel Threaded Rod From India and the People's Republic of China: On March 11, 2025, Commerce issued its Final <u>Results</u> of the Expedited First Sunset Review of the Countervailing Duty Orders.
- Carbon and Alloy Steel Threaded Rod From India, Taiwan, and Thailand: On March 11, 2025, Commerce issued its Final Results of the Expedited First Sunset Reviews of the Antidumping Duty Orders.
- Welded Stainless Steel Pressure Pipe Orders From Malaysia, Thailand, and the Socialist Republic of Vietnam: On March 11, 2025, Commerce issued its Final <u>Results</u> of the Expedited

Second Sunset Reviews of the Antidumping Duty Orders.

#### Scope Ruling

• None.

#### Circumvention

• None.

### **International Trade Commission**Investigations

- Steel Racks From China; On March 5, 2025, the ITC issued its
   <u>determination</u> to continue the antidumping and countervailing
   duty orders as revocation would lead to the recurrence or
   continuation of material injury within a reasonably foreseeable
   time
- Temporary Steel Fencing From China (Preliminary); On March 6, 2025, the ITC issued its affirmative <u>determination</u> of less-thanfair-value investigations.
- Steel Trailer Wheels From China; On March 13, 2025, the ITC issued its <u>determination</u> to continue the antidumping and countervailing duty orders as revocation would lead to the recurrence or continuation of material injury within a reasonably foreseeable time.
- Paper Plates From China, Thailand, and Vietnam (Final); On March 19, 2025, the ITC issued its affirmative <u>determination</u> of less-than-fair-value investigations.
- Circular Welded Carbon Quality Steel Line Pipe From China (Third Review); On March 20, 2025, the ITC issued its determination to continue the antidumping and countervailing duty orders as revocation would lead to the recurrence or continuation of material injury within a reasonably foreseeable time.
- Diffusion-Annealed, Nickel-Plated Flat- Rolled Steel Products
  From Japan (Second Review); On March 31, 2025, the ITC issued
  its <u>determination</u> to continue the antidumping order as
  revocation would lead to the recurrence or continuation of
  material injury within a reasonably foreseeable time.

## **U.S. CUSTOMS AND BORDER PROTECTION**Enforce and Protect Act

#### EAPA Conso. Case No. 7839: AXN Heavy Duty LLC

On March 11, 2025, CBP issued a Notice of Covered Merchandise Referral concerning the Investigation of Evasion of the Antidumping (AD) and Countervailing Duty (CVD) Orders on Certain Chassis and Subassemblies Thereof (Chassis) from the People's Republic of China (A-570-135 and C-570-136). CBP is unable to determine whether certain merchandise imported by AXN from an affiliated company located in China, Guangdong Fuwa Heavy Industries Co., Ltd. (Fuwa), is covered merchandise in accordance with the AD and CVD orders. Therefore, CBP has requested that the Department of Commerce (Commerce) make a determination as to whether the axle beams, slider boxes, landing gear sets and other merchandise is covered.

## <u>EAPA Case No. 7888: Various Importers – Quartz Surface Products</u>

On March 13, 2025, CBP issued the notice of determination as to evasion for EAPA consolidated case 7888 filed by Cambria Company, LLC., against U.S. importers, U.S. Atlanta International Inc., Global Source & Supply, Inc., Cosmos Granite (West), LLC., and Cosmos Granite (East) Marble, LLC., for evasion of the applicable antidumping duty and countervailing duty orders A-570-084 and C-570-085 (Orders) on QSP from China. Specifically, substantial evidence demonstrates that U.S. Atlanta International Inc., Global Source & Supply, Inc. and Cosmos Granite (West), LLC., evaded the Orders by importing Chinese-origin QSP from the People's Republic of China (China) that had been transshipped through Thailand. Also, CBP

determined that there is not substantial evidence that Cosmos Granite (East) Marble, LLC. entered covered QSP into the customs territory of the United States through evasion during the period of investigation. Consequently, CBP reversed any actions taken with respect to Cosmos Granite (East) Marble, LLC entries covered by this investigation. CBP has also issued a formal notice of determination as to evasion and has taken enforcement actions for U.S. Atlanta International Inc, Global Source & Supply, Inc and Cosmos Granite (West), LLC.

### EAPA Cons. Case No. 7887: Various Importers: Quartz Surface Products

On March 17, 2025, CBP issued the notice of determination as to evasion for EAPA consolidated case 7887, filed by Cambria Company LLC (Cambria) against U.S. importers Broadcreek Marketing Associates, Inc. (BMA), Dorado Surfaces LLC (Dorado), Kingka Cabinet Inc. (Kingka), and Multistone Enterprises Inc. & Multistone Imports Inc. (collectively, Multistone), for evasion of the applicable AD/CVD orders A-570-570-084 and C-570-085 on quartz surface products from China.

CBP has determined that there is not substantial evidence of evasion of AD/CVD duties by BMA, Dorado and Multistone, and reversed interim actions taken with respect to these companies. CBP has determined that there is substantial evidence of evasion of AD/CVD duties by Kingka, issued a formal notice of determination as to evasion, and has taken enforcement actions.

### EAPA Cons. Case No. 7899: Highland USA International, Inc.

On March 26, 2025, CBP issued the notice of determination as to evasion for EAPA case 7899 filed by GEO Specialty Chemicals, Inc. (Geo Specialty) against U.S. importer, Highland USA International, Inc. (Highland), for evasion of the antidumping duty and countervailing duty orders A-570-836 and C-570-081 (Orders) on glycine from the People's Republic of China (China). Specifically, substantial evidence demonstrates that Highland evaded the Orders by importing Chinese-origin glycine that had been transshipped through Malaysia during the period of investigation.

#### Cargo Systems Messaging Service

- On March 24, 2025, CBP issued CSMS message updating additional subheadings on the list of commodities of energy and energy resources from Canada subject to the 10% IEEPA tariffs. This updates CBP's CSMS dated March 19 listing commodities subject to the tariffs, which includes petroleum products, uranium, coal and biofuels as well as rare earths.
- On March 21, 2025 CBP added a new set of FAQs to their
  website addressing issues with the section 232 tariffs on steel
  and aluminum derivatives. The new FAQ instructs importers on
  how to report melt-and-pour for steel derivatives if there is no
  melt-and-pour country, and how to report the smelt-and-cast
  for aluminum derivatives. This is particularly important for
  countries with no steel or aluminum within the product, yet the
  product is classified within the HTS code that is subject to the
  Section 232 tariffs.
  - In response to the question about how to determine the value of aluminum or steel content for derivative products outside of chapters 73 and 76, CBP advised: "The value of the steel/aluminum content should be determined in accordance with the principles of the Customs Valuation Agreement, as implemented in 19 U.S.C. 1401a. Thus, the value of the steel/aluminum content is the total price paid or payable for that content, which is the total price paid or payable for that content, which is the total payment (direct or indirect, and exclusive of any costs, charges, or expenses incurred for transportation, insurance, and related services incident to the international shipment of the merchandise from the country of exportation to the country of importation) made/to be made for the steel/aluminum content by the buyer to, or for the benefit of, the seller of the steel/aluminum content."
  - While CBP isn't requiring an aluminum certificate analysis to be filed at the time of entry, the agency can

- request the importer to provide an aluminum certificate of analysis if CBP needs one to ensure compliance with the entry requirements pertinent to the item being imported.
- On March 17, 2025, CBP via a CSMS added a target deployment of September 2025 for when the agency expects to implement Stage 3 of an enhancement aimed at withholding in ACE the release of de minimis shipments that exceed the \$800 per person/per day threshold.
- On March 11, 2025, CBP via CSMS issued updated Cargo Systems Messaging Service guidance previously issued on March 7 for both steel and aluminum to confirm that all derivatives, including those classified outside of chapter 76, would go into effect for entries made on or after 12:01 AM on March 12, 2025.
- On March 6, 2025, CBP issued updated CSMS message that goods that are entered for consumption or withdrawn from warehouse for consumption that qualify for USMCA preferential treatment, are exempt from the additional duty rates that were implemented March 4, 2025.

#### <u>Customs Bulletin Weekly</u>

- CBP <u>modified</u> a ruling letter concerning tariff classification of women's pants (style GTGH-24388). It is now CBP's position that women's pants style GTGH-24388 are properly classified under HTSUS subheading 6210.50.75.
- CBP modified a ruling letter concerning tariff classification of certain wheels and hubs. It is now CBP's position that wheels and hubs are properly classified under HTSUS subheading 8716.90.50.
- CBP <u>intends</u> to revoke one ruling letter concerning tariff classification of an optical patch panel. It is now CBP's position that the optical patch panel is properly classified under HTSUS subheading 9013.80.91.
- CBP modified three letter rulings concerning tariff classification
  of propafenone hydrochloride. It is now CBP's position that the
  propafenone hydrochloride is properly classified under HTSUS
  subheading 2922.19.09.
- CBP modified as letter ruling concerning tariff classification of earrings with cubic zirconia. It is now CBP's position that the earrings with cubic zirconia are properly classified under HTSUS subheading 7116.20.0500.

## COURT OF INTERNATIONAL TRADE Summary of Decisions

#### Slip Op. 25-22: Daikin America, Inc. v. United States

The Court sustained Commerce's calculation of the antidumping duty rate in the 2021-2023 administrative review of granular polytetrafluorethylene resin from India. Plaintiff, Daikin, the domestic producer, challenged Commerce's decision to accept mandatory respondent Gujarat Fluorochemicals, Ltd. ("GFL") claims that it was not feasible to report movement expenses on a transaction-specific basis. Daikin argued that "feasible" means "physically possible" not what is practicable as Commerce suggests. The Court disagreed and found that Commerce was allowed to determine what is feasible as it relates to the practicability of reporting data in response to the agency's questionnaires Daikin further argued that record evidence suggests that GFL manipulated its movement expense calculation to mask dumping of PTFE resin. The Court found that Commerce had properly identified the discrepancies on the record and permitted GFL to correct those errors and therefore had discretion to accept those revisions. GFL challenged the administrative decision that Commerce improperly denied its constructed export price offset. The Court agreed with Commerce that GFL had failed to meet its burden of providing sufficient documentation to support the claimed offset and sustained the agency's decision.

### Slip Op. 25-23: PT Ecos Jaya Indonesia v. United States

The Court sustained in part and remanded in part Commerce final determination in the antidumping duty investigation on mattresses from Indonesia. The key issue in the case was whether floor sofas should be excluded from the scope of the order. The Court found that Commerce relied on product specification sheets of the floor mattresses that brought them within the plain language of the "multifunctional furniture' exclusion. Brooklyn Bedding also argued that Commerce should not have concluded that the tri-folding mattresses from PT Ecos/Grantec were excluded under the "mattress topper" exception. The Court held that 5 of the 10 exclusions were supported by substantial evidence and sustained the final determination as to those items. The Court remanded the other 5 items because Commerce relied only on the specification sheets for 4 of the improperly excluded products, which did not factually support the conclusion that these products fell within the plain language of the exclusion. For the remaining product, Commerce relied on marketing brochures and specification sheets, none of which said it could be used as a mattress supplement, required by the exclusion. The Court found that the documents Commerce relied on to make its determinations were not "substantial evidence" because they contained no information demonstrating how the products were intended to be used, and thus remanded the case for further explanation from Commerce, PT Ecos/Grantec challenged Commerce's use of surrogate financial statements. Commerce requested voluntary remand with no objection from any party, which the Court granted.

## Slip Op. 25-24: Catfish Farmers of America v. United States

The Court upheld Commerce's remand redetermination in the 15th administrative review of an antidumping order on Catfish from Vietnam. The Court had remanded to Commerce directing the agency to reconsider its selection of India, rather than Indonesia, as the primary surrogate country for three key inputs: whole live fish, fingerlings, and labor. In the redetermination, Commerce reaffirmed its choice of India, and the Court sustained, rejecting the arguments put forth by the domestic producers, the Catfish Farmers of America. Specifically, the Court agreed with Commerce that the Indian data, sourced from the trade publication Fishing Chimes, provided a broad market average and unlike the Indonesian data, was species-specific. Regarding fingerlings, the Court agreed with Commerce's assessment that the Indian data was superior, noting that the Indonesian data failed to provide key details, such as the number of districts, provinces, or respondents included in its pricing information. As for labor, the Court acknowledged that neither India's nor Indonesia's labor data was inherently superior. However, it agreed with Commerce's tie-breaker rationale for using data from a single country whenever possible to minimize distortions.

### Slip Op. 25-25: Elysium Tiles, Inc. v. United States

The Court remanded Commerce's final decision that found Elysium Tiles Inc. and Elysium Tile Florida, Inc.'s (collectively "Elysium") tiles were within the scope of the antidumping and countervailing duty orders on ceramic tile from China. The key issue was whether Elysium's tiles should be classified as ceramic tiles, which are within the scope of the order, or as marble tiles, which fall outside its scope. In its second remand, Commerce concluded that Elysium's composite tiles fall within the scope of the order as a "ceramic tile with decorative features." Commerce also determined that the marble top layer does not exclude the tiles from the scope. The Court disagreed, noting that the term "decorative" was undefined and pointing out that all ceramic tiles could inherently be considered decorative. Additionally, in response to Elysium's argument that the scope language was determinative, the Court observed that the composite nature of the tiles placed them in an ambiguous middle ground between ceramic and marble tiles, making it unclear whether they fell within the scope of the order. As a result, the Court remanded the issue to Commerce, instructing it to consider the five additional factors outlined in 19 C.F.R. § 351.225(k)(2)(i) to resolve the ambiguity.

### Slip Op. 25-26: Southwest Airlines Co. v. United States

The court granted Southwest Airline Co.'s ("Southwest") motion for summary judgment and denied CBP's cross-motion in a case concerning airplane passenger processing fees. Specifically, the dispute involved fees paid by customers who canceled their airline tickets and never traveled. The core issue was whether CBP is authorized to collect a fee when no passenger physically arrives on an aircraft and no customs services are rendered by CBP. The Court concluded that (1) CBP was not entitled to a fee where no passenger travels and CBP provides no customs services and that (2) neither CBP guidance nor federal common law empowers CBP to collect a fee where not expressly empowered by Congress. Therefore, the Court granted Southwest's motion for summary judgment.

### Slip Op. 25-27: Nucor Corp. v. United States

The Court sustained Commerce's third remand results for the 2018 administrative review of the countervailing duty order on certain carbon and alloy steel cut-to-length plate from Korea. Plaintiff Nucor Corporation ("Nucor") challenged Commerce's determination not to initiate an investigation into the alleged provision of off-peak electricity for less than adequate remuneration ("LTAR") of the Korea Electric Power Corporation ("KEPCO"). The Court found Nucor's claims insufficient, as it failed to meet three statutory criteria required to justify an investigation. Particularly, Nucor did not provide evidence showing that KEPCO's tariff-setting methodology (1) conflicts with market principles, (2) is not a recognized method for pricing electricity, and (3) failed to ensure that electricity prices fully cover costs at all times. The Court also rejected Nucor's alternative argument to investigate off-peak electricity pricing without considering KEPCO's market-based tariff schedule and time-of-usage system. The Court pointed out that Commerce had determined that KEPCO's aggregated rates, including off-peak prices, ensure cost recovery, and generate profit, aligned with market principles under the applicable statute. Accordingly, the Court sustained the third remand results.

### Slip Op. 25-28: Jiangsu Senmao Bamboo & Wood Indus. Co. v. United States

This opinion is not publicly available.

### Slip Op. 25-29: Natural Resources Defense Council, Inc. v. United States

In a case concerning the U.S. government's alleged noncompliance with the Marine Mammal Protection Act, the Court agreed to dismiss the matter after the Natural Resources Defense Council, Inc., the Center for Biological Diversity, and the Animal Welfare Institute (collectively, "Plaintiffs") reached a settlement with the U.S. government. The Court granted the Stipulation and Proposed Order of Voluntary Dismissal but retained jurisdiction to oversee compliance with the non-monetary terms of the settlement and to address any motions to modify those terms.

### Slip Op. 25-31: United States v. Koehler Oberkirch GmbH

The Court denied defendant Koehler Oberkirch's motion to dismiss in an action brought by the United States to compel payment of close to \$200 million in outstanding duties. The Court ruled that the CIT had personal jurisdiction over the exporter as well as its affiliate articulating that the test for personal jurisdiction is whether the exporter had "minimal jurisdictional" contacts with the nation as a whole. Koehler Oberkirch was found by the court to have inherited the jurisdictional touchpoints and contacts as successor-in-interest of a predecessor entity Papierfabrik August Koehler AG which had been restructured and through a course of events now does business as Koehler Oberkirch. The court further noted that an intermediary entity Koehler Paper had claimed to be Koehler Oberkirch's successor-in-interest in a 2021 filing and is therefore now judicially estopped from disavowing that prior claim. The court opined that it could not accept Koehler Oberkirch's argument that there are a limited set of circumstances where a successor-in-interest inherits a predecessor entity's jurisdictional contacts and while fraud is not one of them the court found that in this case accepting Defendant's argument would create a "fraud exception to the general rule that successor liability begets successor

jurisdiction."

#### Slip Op. 25-32: OCP S.A. v. United States

On March 27, 2025, the Court held that the International Trade Commission's (ITC) "practice of automatically redacting questionnaire responses is unlawful," and that the ITC's practice does not comport with "statute, regulation, precedent, and common sense." The Court's concern was that the ITC practice ultimately leads to the treatment of publicly available information as confidential based on the manner in which the ITC obtained that information. The court was also concerned that the ITC was able to treat information as confidential on an unilateral basis. The appeal stems from the ITC's final injury determination on phosphate fertilizers from Morocco and Russia. In examining the record, the court concluded that the ITC improperly redacted and treated as confidential a significant portion of the record of its investigation. The court during the hearing in this case was concerned that the ITC practice led to the redaction of publicly available information. In the detailed opinion the Court found that the ITC's practice to be a violation of law and its own regulations which permit the ITC to review and determine if the designation of information as proprietary is "unwarranted" by nature of its public availability. If the ITC makes such a finding then it must notify the party which submitted that information and unless the submitting party can convince the ITC to retain the proprietary designation then the information is returned to the submitter. The court then turned to the ITC's own regulations which provide that information can be treated as confidential or business proprietary if it will impair the ITC's ability to obtain the information to perform its statutory functions or cause "substantial harm to the competitive position" of the entity submitting the information. The court went on to review the manner in which the CIT and the Court of Appeals for the Federal Circuit limit the use of confidential information. The court held that publicly available information is not entitled to confidential treatment because it fails both prongs of the ITC's tests which are (1) whether the information would impair the ITC's ability to obtain the information or (2) cause substantial harm to the submitting party's competitive position.

The court then examined three types of information that it was treated as confidential in the specific injury determination on appeal which were publicly available information, general characterizations and stale information. In all three categories the Court found that the ITC had improperly treated the public information as confidential. For publicly available information, the Court held that the ITC could structure its discussion that protects the confidential information without redacting the public information. With respect to general characterizations, the Court found that the ITC was too broad in its redactions since it was a broad discussion even if it is available from "subscription-based trade publications." Finally, the Court found that stale information cannot be treated as confidential because it could not cause specific competitive harm.

### Slip Op. 25-33: Evolutions Flooring, Inc. v. United States

The Court affirmed Commerce's determination that steel branch outlets are subject to the antidumping duty order on butt-weld pipe fittings from China on the grounds that the term "butt-weld" is ambiguous. The case was on appeal from the CIT decision in 2022 which also affirmed Commerce's underlying scope ruling which based the scope ruling on 19 C.F.R. 351.225(k)(2) factors rather than the plain language of the scope of the antidumping duty order. In reviewing the CIT's decision, found no issue with the lower court's decision given that scope rulings are case specific and fact intensive and would be inappropriately minimized should the Court substitute its judgment for the agency's inquiry and (k)(2) analysis.

### COURT OF APPEALS FOR THE FEDERAL CIRCUIT

**Summary of Decisions** 

#### <u>Appeal No. 23-1093 Vandewater International Inc. v.</u> United States

The Court affirmed Commerce's determination that steel branch outlets are subject to the antidumping duty order on butt-weld pipe fittings from China on the grounds that the term "butt-weld" is ambiguous. The case was on appeal from the CIT decision in 2022 which also affirmed Commerce's underlying scope ruling which based the scope ruling on 19 C.F.R. 351.225(k)(2) factors rather than the plain language of the scope of the antidumping duty order. In reviewing the CIT's decision, found no issue with the lower court's decision given that scope rulings are case specific and fact intensive and would be inappropriately minimized should the Court substitute its judgment for the agency's inquiry and (k)(2) analysis.