



Billing Code: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

A-588-869

Notice of Affirmative Final Determination of Sales at Less Than Fair Value: Diffusion-Annealed, Nickel-Plated Flat-Rolled Steel Products from Japan

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

SUMMARY: On November 19, 2013, the Department of Commerce (the Department) published its preliminary determination of sales at less than fair value (LTFV) in the antidumping duty investigation of diffusion-annealed, nickel-plated flat-rolled steel products (certain nickel-plated, flat-rolled steel) from Japan.¹ The Department invited interested parties to comment on the *Preliminary Determination*. Based on the Department's analysis of the comments received, the Department made changes to the *Preliminary Determination*. The Department determines that certain nickel-plated, flat-rolled steel from Japan is being, or is likely to be, sold in the United States at LTFV, as provided in section 735 of the Tariff Act of 1930, as amended (the Act). The final weighted-average dumping margins are listed in the "Final Determination" section below.

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

FOR FURTHER INFORMATION CONTACT: Dena Crossland or David Cordell, AD/CVD

¹ See *Diffusion-Annealed, Nickel-Plated Flat-Rolled Steel Products From Japan: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination*, 78 FR 69371 (November 19, 2013) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum.

Operations, Office VI, Enforcement and Compliance, International Trade Administration,
U.S.

Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC
20230; telephone: (202) 482-3362 or (202) 482-0408, respectively.

SUPPLEMENTARY INFORMATION

Background

On November 19, 2013, the Department published the *Preliminary Determination* in the *Federal Register*.² In the *Preliminary Determination*, we stated that we were postponing the final determination until no later than 135 days after the publication of the *Preliminary Determination* in accordance with section 735(a)(2)(A) of the Act and 19 CFR 351.210(b)(2)(ii).

Based on the Department's findings at verification, as well as the minor corrections presented by Toyo Kohan at the start of verification, on January 23, 2014, the Department requested that Toyo Kohan submit revised sales and cost databases.³ On January 27, 2014, Toyo Kohan timely submitted its revised sales and cost databases.⁴

On January 30, 2014, Toyo Kohan and Nippon Steel & Sumitomo Metal Corporation (NSSMC) timely submitted their case briefs. On February 6, 2014, Thomas Steel Strip Corporation (Petitioner) timely submitted a rebuttal brief.

No hearing was held because Toyo Kohan, pursuant to 19 CFR 351.310(c), withdrew its request for one.⁵

Period of Investigation

² See *Preliminary Determination*.

³ See Letter from Angelica L. Mendoza, Program Manager, Office VI, to Toyo Kohan Co., Ltd., dated January 23, 2014.

⁴ See Toyo Kohan Co. Ltd.'s Letter with Attachments to the Secretary of Commerce, dated January 27, 2014.

⁵ See Letter to the Secretary of Commerce from Toyo Kohan Co., Ltd., dated February 11, 2014.

The period of investigation is January 1, 2012, to December 31, 2012.

Verification

As provided in section 782(i) of the Act, the Department verified the information submitted by Toyo Kohan for the final determination. The Department used standard verification procedures, including examination of relevant accounting and production records, as well as original source documents provided by Toyo Kohan.

Scope of the Investigation

The diffusion-annealed, nickel-plated flat-rolled steel products included in this investigation are flat-rolled, cold-reduced steel products, regardless of chemistry; whether or not in coils; either plated or coated with nickel or nickel-based alloys and subsequently annealed (*i.e.*, “diffusion-annealed”); whether or not painted, varnished or coated with plastics or other metallic or nonmetallic substances; and less than or equal to 2.0 mm in nominal thickness. For purposes of this investigation, “nickel-based alloys” include all nickel alloys with other metals in which nickel accounts for at least 80 percent of the alloy by volume.

Imports of merchandise included in the scope of this investigation are classified primarily under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7212.50.0000 and 7210.90.6000, but may also be classified under HTSUS subheadings 7210.70.6090, 7212.40.1000, 7212.40.5000, 7219.90.0020, 7219.90.0025, 7219.90.0060, 7219.90.0080, 7220.90.0010, 7220.90.0015, 7225.99.0090, or 7226.99.0180. The foregoing HTSUS subheadings are provided only for convenience and customs purposes. The written description of the scope of this investigation is dispositive.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties to this antidumping investigation are addressed in the Issues and Decision Memo, which is dated concurrently with and hereby adopted by this notice.⁶ A list of the issues raised is attached to this notice as Appendix I. The Issues and Decision Memo is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). IA ACCESS is available to registered users at <http://iaaccess.trade.gov> and in the Central Records Unit (CRU), room 7046 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memo can be accessed directly on the internet at <http://enforcement.trade.gov/frn/index.html>. The signed Issues and Decision Memo and the electronic versions of the Issues and Decision Memo are identical in content.

Changes Since the *Preliminary Determination*

Based on our analysis of the comments received and our findings at verifications, we have made certain changes to the margin calculation for Toyo Kohan.⁷

Final Determination

The Department determines that the following dumping margins exist for the period January 1, 2012, to December 31, 2012:

⁶ See Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance entitled "Issues and Decision Memorandum for the Final Affirmative Determination of Sales at Less-Than-Fair-Value: Diffusion-Annealed, Nickel-Plated Flat-Rolled Steel Products from Japan," dated concurrently with this notice (Issues and Decision Memo).

⁷ For a discussion of these changes, see Memorandum to the file, through Angelica Mendoza, Program Manager, Office VI, from Dena Crossland, International Trade Compliance Analyst, Office VI, entitled "Analysis of Data Submitted by Toyo Kohan Co., Ltd. in the Final Affirmative Determination of the Antidumping Duty Investigation of Diffusion-Annealed, Nickel-Plated Flat-Rolled Steel Products from Japan" dated April 3, 2014; see also Memorandum to Neal M. Halper, Director, Office of Accounting, through Michael P. Martin, Lead Accountant, from Gary Urso, Senior Accountant, entitled, "Cost of Production Calculation Adjustments for the Final Determination - Toyo Kohan Co., Ltd.," dated April 3, 2014.

Manufacturer/Exporter	Weighted-Average Margin (percent)
Toyo Kohan Co., Ltd.	45.42
Nippon Steel & Sumitomo Metal Corporation	77.70
All Others	45.42

Disclosure

We intend to disclose to parties in this proceeding the calculations performed within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b).

Continuation of Suspension of Liquidation

Pursuant to section 735(c)(1)(B) of the Act, we will instruct U.S. Customs and Border Protection (CBP) to continue to suspend liquidation of all entries of certain nickel-plated, flat-rolled steel from Japan which were entered, or withdrawn from warehouse, for consumption on or after November 19, 2013, the date of publication of the *Preliminary Determination*. We will instruct CBP to require a cash deposit equal to the weighted-average amount by which normal value exceeds U.S. price, as follows: (1) the rates for Toyo Kohan and NSSMC will be the rates we have determined in this final determination; (2) if the exporter is not a firm identified in this investigation but the producer is, the rate will be the rate established for the producer of the subject merchandise; (3) the rate for all other producers or exporters will be

45.42 percent, as discussed in the “All Others Rate” section, below. These suspension of liquidation instructions will remain in effect until further notice.

All Others Rate

Section 735(c)(5)(A) of the Act provides that the estimated “all others” rate shall be an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding any zero or *de minimis* margins and any margins determined entirely under section 776 of the Act. Toyo Kohan is the only respondent in this investigation for which we calculated a company-specific rate that is not zero, *de minimis*, or determined entirely under section 776 of the Act.

Therefore, for purposes of determining the “all others” rate and pursuant to section 735(c)(5)(A) of the Act, we are using the dumping margin calculated for Toyo Kohan, 45.42 percent, for the “all others” rate, as referenced above.

U.S. International Trade Commission Notification

In accordance with section 735(d) of the Act, we have notified the U.S. International Trade Commission (ITC) of our final determination. As our final determination is affirmative, in accordance with section 735(b)(2) of the Act the ITC will determine within 45 days whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports or sales (or the likelihood of sales) for importation of the subject merchandise. If the ITC determines that such injury does exist, the Department will issue an antidumping duty order directing CBP to assess, upon further instruction by the Department, antidumping duties on all imports of the subject merchandise entered, or

withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation.

Notification Regarding Administrative Protective Order

This notice also serves as a final reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely notification of the destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

This determination is issued and published pursuant to sections 735(d) and 777(i)(1) of the Act.

Dated: April 3, 2014.

Paul Piquado,
Assistant Secretary,
for Enforcement and Compliance.

Appendix I

Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Period of Investigation
- IV. Scope of the Investigation

V. Discussion of Issues

Issue 1: Whether Toyo Kohan's Overrun Sales Were Made Outside the Ordinary Course of Trade

Issue 2: Whether the Scope of the Investigation is Ambiguous

Issue 3: Whether the Final Determination Reflects the Department's Conclusions from Its Cost Verification

A. Scrap Revenue

B. Financial Expense Ratio

C. Alternative Cost Database

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