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DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

A-570-909

Certain Steel Nails from the People's Republic of China: Preliminary Results of the Antidumping Duty Administrative Review; 2012-2013

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

SUMMARY: The Department of Commerce ("Department") is conducting the fifth administrative review of the antidumping duty order on certain steel nails ("nails") from the People's Republic of China ("PRC").¹ The Department preliminarily determines that Stanley Works (Langfang) Fastening Systems Co., Ltd. and Stanley Black & Decker, Inc. (collectively "Stanley") and Xi'an Metals & Minerals Import & Export Co. Ltd. ("Xi'an Metals") sold subject merchandise in the United States at prices below normal value ("NV") during the period of review ("POR"), August 1, 2012, through July 31, 2013. If these preliminary results are adopted in the final results, the Department will instruct U.S. Customs and Border Protection ("CBP") to assess antidumping duties on all appropriate entries of subject merchandise during the POR. Interested parties are invited to comment on these preliminary results.

EFFECTIVE DATE: Insert date of publication in the *Federal Register*.

FOR FURTHER INFORMATION CONTACT: Matthew Renkey or Susan Pulongbarit,
AD/CVD Operations, Office V, Enforcement and Compliance, International Trade
Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW,
Washington, DC 20230; telephone 202-482-2312 or 202-482-4031, respectively.

¹ See *Notice of Antidumping Duty Order: Certain Steel Nails From the People's Republic of China*, 73 FR 44961 (August 1, 2008) ("Order").

SUPPLEMENTARY INFORMATION:

Background

On October 2, 2013, the Department initiated the fifth administrative review of the antidumping duty order on nails from the PRC for the period August 1, 2012, through July 31, 2013.² As explained in the memorandum from the Assistant Secretary for Enforcement and Compliance, the Department exercised its discretion to toll deadlines for the duration of the closure of the Federal Government from October 1, through October 16, 2013.³ On April 28, 2014, the Department fully extended the deadline for issuing the preliminary results by 120 days.⁴ The revised deadline for the preliminary results of this administrative is now September 18, 2014.

Scope of the Order

The merchandise covered by the order includes certain steel nails having a shaft length up to 12 inches. Certain steel nails subject to the order are currently classified under the Harmonized Tariff Schedule of the United States (“HTSUS”) subheadings 7317.00.55, 7317.00.65, 7317.00.75, and 7907.00.6000.⁵ While the HTSUS subheadings are provided for

² See *Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part*, 78 FR 60834 (October 2, 2013) (“*Initiation Notice*”). On November 8, 2013, the Department published a second notice to list two companies that were inadvertently omitted from the *Initiation Notice*. See *Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part*, 78 FR 67104 (November 8, 2013).

³ See Memorandum for the Record from Paul Piquado, Assistant Secretary for Enforcement and Compliance, “Deadlines Affected by the Shutdown of the Federal Government” (October 18, 2013).

⁴ See Memorandum to Gary Taverman, Senior Advisor for Antidumping and Countervailing Duty Operations, through James C. Doyle, Director, Office V, Antidumping and Countervailing Duty Operations regarding “Certain Steel Nails from the People’s Republic of China: Extension of Deadline for Preliminary Results of 2012-2013 Antidumping Duty Administrative Review,” dated April 28, 2014.

⁵ The Department recently added the Harmonized Tariff Schedule category 7907.00.6000, “Other articles of zinc: Other,” to the language of the *Order*. See Memorandum to Gary Taverman, Senior Advisor for Antidumping and Countervailing Duty Operations, through James C. Doyle, Director, Office 9, Antidumping and Countervailing Duty Operations, regarding “Certain Steel Nails from the People’s Republic of China: Cobra Anchors Co. Ltd. Final Scope Ruling,” dated September 19, 2013.

convenience and customs purposes, the written description of the scope of the order is dispositive.⁶

Methodology

The Department conducted this review in accordance with sections 751(a)(1)(B) and 751(a)(2)(A) of the Tariff Act of 1930, as amended (“Act”). Constructed export prices and export prices have been calculated in accordance with section 772 of the Act. Because the PRC is a non-market economy country within the meaning of section 771(18) of the Act, NV has been calculated in accordance with section 773(c) of the Act.

For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum. The Preliminary Decision Memorandum 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 is available to all parties in the Central Records Unit, room 7046 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly on the internet at <http://enforcement.trade.gov/frn/>. The signed Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum are identical in content.

Use of Facts Available

For purposes of these preliminary results, we relied on facts available, in accordance with section 776(a)(1) the Act, in determining to use the wire drawing factors of production data from one of Stanley’s tollers in lieu of incomplete data provided by Stanley’s other toller, whose data

⁶ *See* “Certain Steel Nails from the People’s Republic of China: Decision Memorandum for the Preliminary Results of the 2012-2013 Antidumping Duty Administrative Review,” dated concurrently with and hereby adopted by this notice (“Preliminary Decision Memorandum”), for a complete description of the Scope of the Order.

accounted for a small portion of Stanley’s wire-drawing activity. For a full discussion of this issue, *see* the Preliminary Decision Memorandum at 9.

Preliminary Results of Review

The Department preliminarily determines that the following weighted-average dumping margins exist for the period August 1, 2012, through July 31, 2013:

Exporter	Weighted-Average Margin (Percent)
Stanley	6.69
Xi’an Metals	72.40
Chiieh Yung Metal Ind. Corp.	10.48
Dezhou Hualude Hardware Products Co., Ltd.	10.48
Huanghua Jinhai Hardware Products Co. Ltd.	10.48
Nanjing Yuechang Hardware Co., Ltd.	10.48
Qingdao D&L Group Ltd.	10.48
Qingdao JISCO Co., Ltd.	10.48
SDC International Aust. PTY. LTD.	10.48
Shandong Dinglong Import & Export Co., Ltd.	10.48
Shanghai Curvet Hardware Products Co., Ltd.	10.48
Shanghai Yueda Nails Industry Co., Ltd.	10.48
Shanxi Hairui Trade Co., Ltd.	10.48
Shanxi Pioneer Hardware Industrial Co., Ltd.	10.48
Shanxi Tianli Industries Co., Ltd.	10.48
S-Mart (Tianjin) Technology Development Co., Ltd.	10.48
Suntec Industries Co., LTD.	10.48
Tianjin Jinghai County Hongli Industry and Business Co., Ltd.	10.48
Tianjin Universal Machinery Imp. & Exp. Corporation	10.48
Tianjin Zhonglian Metals Ware Co., Ltd.	10.48

Disclosure, Public Comment & Opportunity to Request a Hearing

The Department will disclose the calculations used in our analysis to parties in this review within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b).

Interested parties may submit case briefs within 30 days after the date of publication of these preliminary results of review in the *Federal Register*.⁷ Rebuttals to case briefs, which must be limited to issues raised in the case briefs, must be filed within five days after the time limit for filing case briefs.⁸ Parties who submit arguments are requested to submit with the argument (a) a statement of the issue, (b) a brief summary of the argument, and (c) a table of authorities.⁹ Parties submitting briefs should do so pursuant to the Department's electronic filing system, IA ACCESS.

Any interested party may request a hearing within 30 days of publication of this notice.¹⁰ Hearing requests should contain the following information: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Oral presentations will be limited to issues raised in the briefs. If a request for a hearing is made, parties will be notified of the time and date for the hearing to be held at the U.S. Department of Commerce, 14th Street and Constitution Avenue NW, Washington, DC 20230.¹¹

The Department intends to issue the final results of this administrative review, which will include the results of our analysis of all issues raised in the case briefs, within 120 days of publication of these preliminary results in the *Federal Register*, pursuant to section 751(a)(3)(A) of the Act.

⁷ See 19 CFR 351.309(c)(1)(ii).

⁸ See 19 CFR 351.309(d)(1)-(2).

⁹ See 19 CFR 351.309(c)(2), (d)(2).

¹⁰ See 19 CFR 351.310(c).

¹¹ See 19 CFR 351.310(d).

Assessment Rates

Upon issuance of the final results, the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review.¹² The Department intends to issue assessment instructions to CBP 15 days after the publication date of the final results of this review.

For assessment purposes, the Department applied the assessment rate calculation method adopted in *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification*.¹³ For any individually examined respondent whose weighted average dumping margin is above *de minimis* (*i.e.*, 0.50 percent) in the final results of this review, the Department will calculate importer-specific assessment rates on the basis of the ratio of the total amount of dumping calculated for the importer's examined sales to the total entered value of sales, in accordance with 19 CFR 351.212(b)(1). Where an importer- (or customer-) specific *ad valorem* rate is greater than *de minimis*, the Department will instruct CBP to collect the appropriate duties at the time of liquidation.¹⁴ Where either a respondent's weighted average dumping margin is zero or *de minimis*, or an importer- (or customer-) specific *ad valorem* is zero or *de minimis*, the Department will instruct CBP to liquidate appropriate entries without regard to antidumping duties.¹⁵ For the respondents that were not selected for individual examination in this administrative review and that qualified for a separate rate, the assessment rate will be based on

¹² See 19 CFR 351.212(b).

¹³ See *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification*, 77 FR 8101 (February 14, 2012).

¹⁴ See 19 CFR 351.212(b)(1).

¹⁵ See 19 CFR 351.106(c)(2).

the average of the mandatory respondents.¹⁶ We intend to instruct CBP to liquidate entries containing subject merchandise exported by the PRC-wide entity at the PRC-wide rate.

Pursuant to the Department's practice, for entries that were not reported in the U.S. sales databases submitted by companies individually examined during the administrative review, the Department will instruct CBP to liquidate such entries at the PRC-wide rate. Additionally, if the Department determines that an exporter had no shipments of the subject merchandise, any suspended entries that entered under that exporter's case number (*i.e.*, at that exporter's rate) will be liquidated at the PRC-wide rate.¹⁷

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this review for shipments of the subject merchandise from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by sections 751(a)(2)(C) of the Act: (1) for the companies listed above that have a separate rate, the cash deposit rate will be that established in the final results of this review (except, if the rate is zero or *de minimis*, then zero cash deposit will be required); (2) for previously investigated or reviewed PRC and non-PRC exporters not listed above that received a separate rate in a prior segment of this proceeding, the cash deposit rate will continue to be the existing exporter-specific rate; (3) for all PRC exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be that for the PRC-wide entity; and (4) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporter that supplied that non-PRC exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

¹⁶ See Preliminary Decision Memorandum.

¹⁷ For a full discussion of this practice, see *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694 (October 24, 2011).

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during the POR. Failure to comply with this requirement could result in the Department's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

This preliminary determination is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.221(b)(4).

Dated: September 18, 2014.

Ronald K. Lorentzen,
Acting Assistant Secretary
for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum:

1. Case History
2. Scope of the Order
3. Preliminary Determination of No Shipments
4. Non-Market Economy Country Status
5. Separate Rates
6. PRC-Wide Entity
7. Facts Available
8. Surrogate Country
9. Date of Sale
10. Comparisons to Normal Value
11. Determination of Comparison Method
12. Results of Differential Pricing Analysis
13. U.S. Price
14. Normal Value
15. Factor Valuations
16. Currency Conversion

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