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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-110]

Vertical Metal File Cabinets from the People's Republic of China: Final Determination of Sales at Less Than Fair Value

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

SUMMARY: The Department of Commerce (Commerce) determines that vertical metal file cabinets (file cabinets) from the People's Republic of China (China) are being, or are likely to be, sold in the United States at less than fair value (LTFV).

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

FOR FURTHER INFORMATION CONTACT: Kathryn Wallace, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-6251.

SUPPLEMENTARY INFORMATION:

Background

On August 1, 2019, Commerce published its *Preliminary Determination* of sales at LTFV of file cabinets from China and gave parties an opportunity to comment.¹ Commerce received no comments or requests for a hearing. As there are no changes from, or comments upon, the *Preliminary Determination*, Commerce finds that there is no reason to modify its analysis.

¹ See *Vertical Metal File Cabinets from the Republic of China: Preliminary Affirmative Determination of Sales at Less Than Fair Value*, 84 FR 37618 (August 1, 2019) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum.

Accordingly, no decision memorandum accompanies this *Federal Register* notice. For further details of the issues addressed in this proceeding, *see* the *Preliminary Determination*.²

Period of Investigation

The period of investigation (POI) is October 1, 2017 through March 31, 2018.

Scope of the Investigation

The merchandise covered by this investigation is file cabinets from China. For a complete discussion of the scope of this investigation, *see* the Appendix to this notice.

Separate Rates

As no company subject to this investigation submitted an application for separate rate status, Commerce preliminarily determined that none of the companies subject to this investigation demonstrated eligibility for separate rate status and were thus found to be part of the China-wide entity.³ In this final determination, we continue to treat all 62 exporters or producers subject to this investigation as part of the China-wide entity.⁴

China-Wide Entity

As explained in the *Preliminary Determination*, Commerce did not receive timely responses to its quantity and value (Q&V) questionnaire from exporters and/or producers of subject merchandise that were named in the petition and to which Commerce issued Q&V questionnaires.⁵ As noted above, these non-responsive companies also did not demonstrate separate rate eligibility, and accordingly, were determined to be a part of the China-wide entity. Furthermore, as explained in the *Preliminary Determination*, the China-wide entity failed to provide necessary information, withheld information requested by Commerce, failed to provide

² *See Preliminary Determination*, 84 FR at 37618.

³ *Id.*

⁴ *Id.*

⁵ *See Preliminary Decision Memorandum* at 6.

information in a timely manner, and significantly impeded this proceeding by not submitting the requested information. Moreover, the China-wide entity was found to be non-cooperative.⁶

Thus, we continue to find that the use of adverse facts available (AFA) pursuant to section 776(a)-(b) of the Act is appropriate, and we are continuing to base the China-wide entity's rate on AFA.

China-Wide Rate

In selecting the AFA rate for the China-wide entity, Commerce's practice is to select a rate that is sufficiently adverse to ensure that the uncooperative party does not obtain a more favorable result by failing to cooperate than if it had fully cooperated.⁷ Specifically, it is Commerce's practice to select, as an AFA rate, the higher of: (a) the highest dumping margin alleged in the petition; or (b) the highest calculated dumping margin of any respondent in the investigation.⁸ As AFA, Commerce has continued to assign to the China-wide entity the highest petition rate, 198.5 percent.⁹

Final Determination

Commerce determines that the following weighted-average dumping margins exist for the period October 1, 2018 through March 31, 2019:

⁶ *Id.* at 6-7.

⁷ *See, e.g., Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Purified Carboxymethyl cellulose from Finland*, 69 FR 77216, 77219 (December 27, 2004), unchanged in *Notice of Final Determination of Sales at Less Than Fair Value: Purified Carboxymethyl Cellulose from Finland*, 70 FR 28279, 28279 (May 17, 2005).

⁸ *See, e.g., Certain Stilbenic Optical Brightening Agents from the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 77 FR 17436, 17438 (March 26, 2012); *Final Determination of Sales at Less Than Fair Value: Certain Cold-Rolled Flat-Rolled Carbon Quality Steel Products from the People's Republic of China*, 65 FR 34660 (May 31, 2000), and accompanying Issues and Decision Memorandum.

⁹ *See Preliminary Determination* at 84 FR 37618.

Producer/Exporter	Estimated Weighted-Average Dumping Margin	Estimated Weighted-Average Dumping Margin Adjusted for Export Subsidy Offset
China-Wide Entity	198.5 percent	160.77 percent

Disclosure

Normally, Commerce discloses to interested parties the calculations performed in connection with a preliminary determination within five days of its public announcement or, if there is no public announcement, within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). However, because Commerce applied total AFA to the China-wide entity in this investigation in accordance with section 776 of the Act, and the applied AFA rate is based solely on the petition, there are no calculations to disclose.

Continuation of Suspension of Liquidation

In accordance with 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 appropriate entries of file cabinets from China, as described in the appendix to this notice, which were entered, or withdrawn from warehouse, for consumption on or after August 1, 2019, the date of publication of the *Preliminary Determination* of this investigation in the *Federal Register*. Further, Commerce will instruct CBP to require a cash deposit equal to the estimated amount by which the normal value exceeds the U.S. price as shown above.

To determine the cash deposit rate, Commerce normally adjusts the estimated weighted-average dumping margin by the amount of domestic subsidy pass-through and export subsidies determined in a companion CVD proceeding when CVD provisional measures are in effect. Accordingly, where Commerce makes an affirmative determination for domestic subsidy pass-

through or export subsidies, Commerce offsets the calculated estimated weighted-average dumping margin by the appropriate rate(s). Commerce continues to find no domestic subsidy-pass through and to adjust for export subsidies, as explained in the *Preliminary Determination*.¹⁰

Pursuant to section 735(c)(1)(B)(ii) of the Act and 19 CFR 351.210(d), Commerce will instruct CBP to require a cash deposit equal to the weighted-average amount by which NV exceeds U.S. price as follows: (1) for all combinations of exporters/producers of merchandise under consideration that have not received their own separate rate, the cash-deposit rate will be the cash deposit rate established for the China-wide entity; and (2) for all non-Chinese exporters of the merchandise under consideration which have not received their own separate rate above, the cash-deposit rate will be the cash deposit rate applicable to the Chinese exporter/producer combination that supplied that non-Chinese exporter. These suspension of liquidation instructions will remain in effect until further notice.

International Trade Commission (ITC) Notification

In accordance with section 735(d) of the Act, we will notify the International Trade Commission (ITC) of the final affirmative determination of sales at LTFV. Because the final determination in this proceeding is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final determination as to 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 file cabinets from China before the later of 120 days after our preliminary determination or 45 days after our final determination. If the ITC determines that material injury or threat of material injury does not exist, the proceeding will be terminated, and all cash deposits will be refunded. If the ITC determines that such injury does exist,

¹⁰ See Preliminary Decision Memorandum at 9-10.

Commerce will issue an antidumping duty order directing CBP to assess, upon further instruction by Commerce, 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 Orders

This notice serves as the only reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely notification of the return or 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 violation subject to sanction.

Notification to Interested Parties

This determination is issued and published in accordance with sections 735(d) and 777(i)(1) of the Act and 19 CFR 351.210(c).

Dated: October 7, 2019.

Jeffrey I. Kessler,
Assistant Secretary
for Enforcement and Compliance.

Appendix

Scope of the Investigation

The scope of this investigation covers freestanding vertical metal file cabinets containing two or more extendable file storage elements and having an actual width of 25 inches or less.

The subject vertical metal file cabinets have bodies made of carbon and/or alloy steel and or other metals, regardless of whether painted, powder coated, or galvanized or otherwise coated for corrosion protection or aesthetic appearance. The subject vertical metal file cabinets must have two or more extendable elements for file storage (*e.g.*, file drawers) of a height that permits hanging files of either letter (8.5" x 11") or legal (8.5" x 14") sized documents.

An "extendable element" is defined as a movable load-bearing storage component including, but not limited to, drawers and filing frames. Extendable elements typically have suspension systems, consisting of glide blocks or ball bearing glides, to facilitate opening and closing.

The subject vertical metal file cabinets typically come in models with two, three, four, or five-file drawers. The inclusion of one or more additional non-file-sized extendable storage elements, not sized for storage files (*e.g.*, box or pencil drawers), does not remove an otherwise in-scope product from the scope as long as the combined height of the non-file-sized extendable storage elements does not exceed six inches. The inclusion of an integrated storage area that is not extendable (*e.g.*, a cubby) and has an actual height of six inches or less, also does not remove a subject vertical metal file cabinet from the scope. Accessories packaged with a subject vertical file cabinet, such as separate printer stands or shelf kits that sit on top of the in-scope vertical file cabinet are not considered integrated storage.

"Freestanding" means the unit has a solid top and does not have an open top or a top with holes punched in it that would permit the unit to be attached to, hung from, or otherwise used to support a desktop or other work surface. The ability to anchor a vertical file cabinet to a wall for stability or to prevent it from tipping over does not exclude the unit from the scope.

The addition of mobility elements such as casters, wheels, or a dolly does not remove the product from the scope. Packaging a subject vertical metal file cabinet with other accessories, including, but not limited to, locks, leveling glides, caster kits, drawer accessories (*e.g.*, including but not limited to follower wires, follower blocks, file compressors, hanger rails, pencil trays, and hanging file folders), printer stand, shelf kit and magnetic hooks, also does not remove the product from the scope. Vertical metal file cabinets are also in scope whether they are imported assembled or unassembled with all essential parts and components included.

Excluded from the scope are lateral metal file cabinets. Lateral metal file cabinets have a width that is greater than the body depth, and have a body with an actual width that is more than 25 inches wide.

Also excluded from the scope are pedestal file cabinets. Pedestal file cabinets are metal file cabinets with body depths that are greater than or equal to their width, are under 31 inches in

actual height, and have the following characteristics: (1) an open top or other the means for the cabinet to be attached to or hung from a desktop or other work surface such as holes punched in the top (*i.e.*, not freestanding); or (2) freestanding file cabinets that have all of the following: (a) at least a 90 percent drawer extension for all extendable file storage elements; (b) a central locking system; (c) a minimum weight density of 9.5 lbs./cubic foot; and (d) casters or leveling glides.

“Percentage drawer extension” is defined as the drawer travel distance divided by the inside depth dimension of the drawer. Inside depth of drawer is measured from the inside of the drawer face to the inside face of the drawer back. Drawer extension is the distance the drawer travels from the closed position to the maximum travel position which is limited by the out stops. In situations where drawers do not include an outstop, the drawer is extended until the drawer back is 3-1/2 inches from the closed position of inside face of the drawer front. The “weight density” is calculated by dividing the cabinet’s actual weight by its volume in cubic feet (the multiple of the product’s actual width, depth, and height). A “central locking system” locks all drawers in a unit.

Also excluded from the scope are fire proof or fire-resistant file cabinets that meet Underwriters Laboratories (UL) fire protection standard 72, class 350, which covers the test procedures applicable to fire-resistant equipment intended to protect paper records.

The merchandise subject to the investigation is classified under Harmonized Tariff Schedule of the United States (HTSUS) subheading 9403.10.0020. The subject merchandise may also enter under HTSUS subheadings 9403.10.0040, 9403.20.0080, and 9403.20.0090. While HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the investigation is dispositive.

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