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DEPARTMENT OF COMMERCE

International Trade Administration

[A-122-864]

Certain Fabricated Structural Steel from Canada: 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 certain fabricated structural steel (fabricated structural steel) from Canada is being, or is likely to be, sold in the United States at less than fair value (LTFV). The period of investigation (POI) is January 1, 2018 through December 31, 2018. The final dumping margins of sales at LTFV are listed below in the “Final Determination” section of this notice.

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

FOR FURTHER INFORMATION CONTACT: David Goldberger or Ajay Menon, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4136 or (202) 482-1993, respectively.

SUPPLEMENTARY INFORMATION:

Background

On September 10, 2019, Commerce published the *Preliminary Determination* of sales at LTFV of fabricated structural steel from Canada, in which we also postponed the final determination to January 23, 2020.¹ The petitioner in this investigation is the American Institute

¹ See *Certain Fabricated Structural Steel from Canada: Preliminary Negative Determination of Sales at Less Than Fair Value and Postponement of Final Determination*, 84 FR 47481 (September 10, 2019) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum.

of Steel Construction Full Member Subgroup. The mandatory respondents in this investigation are Les Constructions Beauce-Atlas, Inc. (Beauce-Atlas) and Canatal Industries, Inc. (Canatal).

A summary of the events that occurred since Commerce published the *Preliminary Determination*, as well as a full discussion of the issues raised by parties for this final determination, are discussed in the Issues and Decision Memorandum, which is hereby adopted by this notice.² The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and it is available to all parties in the Central Records Unit, room B8024 of the main Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/index.html>. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

Scope of the Investigation

The product covered by this investigation is fabricated structural steel from Canada. For a complete description of the scope of the investigation, see Appendix I.

Scope Comments

In accordance with the preamble to Commerce's regulations,³ the *Initiation Notice* set aside a period of time for parties to raise issues regarding product coverage (*i.e.*, scope).⁴ Certain interested parties commented on the scope of the investigation as it appeared in the *Initiation Notice*. Commerce addressed these comments in the *Preliminary Determination*, wherein Commerce preliminarily modified the scope language.

² See Memorandum, "Issues and Decision Memorandum for the Final Affirmative Determination in the Less-Than-Fair-Value Investigation of Certain Fabricated Structural Steel from Canada," dated concurrently with this notice (Issues and Decision Memorandum).

³ See *Antidumping Duties; Countervailing Duties, Final Rule*, 62 FR 27296, 27323 (May 19, 1997).

⁴ See *Certain Fabricated Structural Steel from Canada, Mexico, and the People's Republic of China: Initiation of Less-Than-Fair-Value Investigations*, 84 FR 7330 (March 4, 2019) (*Initiation Notice*).

In addition, certain interested parties commented on Commerce's preliminary scope decisions. For a summary of the product coverage comments and rebuttal comments submitted to the record for this final determination, and accompanying discussion and analysis of all comments timely received, *see* the Final Scope Decision Memorandum.⁵ Based on the comments received, Commerce is modifying the scope language as it appeared in the *Preliminary Determination*. *See* the revised scope in Appendix I to this notice.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties in this investigation are addressed in the Issues and Decision Memorandum. A list of the issues raised is attached to this notice as Appendix II.

Verification

As provided in section 782(i) of the Tariff Act of 1930, as amended (the Act), in September and October 2019, we conducted verifications of the sales and cost information submitted by Beauce-Atlas and Canatal for use in our final determination. We used standard verification procedures, including an examination of relevant accounting and production records, and original source documents provided by Beauce-Atlas and Canatal.⁶

Changes Since the Preliminary Determination

Based on our analysis of the comments received and our findings at verification, we made certain changes to the margin calculations for Beauce-Atlas and Canatal. For a discussion

⁵ *See* Memorandum, "Fabricated Structural Steel from Canada, Mexico, and the People's Republic of China: Final Scope Decision Memorandum," dated concurrently with, and hereby adopted by, this notice (Final Scope Decision Memorandum).

⁶ For discussion of our verification findings, *see* the following memoranda: Memorandum, "Verification of the Sales Responses of Les Constructions Beauce-Atlas," dated October 18, 2019; Memorandum, "Verification of the Sales Responses of Canatal Industries, Inc.," dated October 22, 2019; Memorandum, "Verification of Canatal Steel USA Inc.," dated November 4, 2019; Memorandum, "Verification of the Cost Response of Industries Canatal, Inc. in the Antidumping Duty Investigation of Fabricated Structural Steel from Canada," dated November 5, 2019; and Memorandum, "Verification of the Cost Response of Les Constructions Beauce-Atlas, Inc. in the Antidumping Duty Investigation of Fabricated Structural Steel from Canada," dated November 5, 2019.

of these changes, *see* the Issues and Decision Memorandum and the Final Calculation Memoranda.⁷

In addition, we revised the margin calculation for Canatal to reflect the application of partial facts available with an adverse inference pursuant to section 776 of the Act. For a discussion of this change, *see* Comment 11 of the Issues and Decision Memorandum.

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 margins determined entirely under section 776 of the Act. Beauce-Atlas is the only respondent for which Commerce calculated an estimated weighted-average dumping margin that is not zero, *de minimis*, or based entirely on facts otherwise available. Therefore, for purposes of determining the all-others rate, pursuant to section 735(c)(5)(A) of the Act, we are using the estimated weighted-average dumping margin calculated for Beauce-Atlas, as referenced in the “Final Determination” section below.

Final Determination

The final estimated weighted-average dumping margins are as follows:

Exporter/Manufacturer	Estimated Weighted-Average Dumping Margin (percent)	Cash Deposit Rate ⁸
Les Constructions Beauce-Atlas, Inc.	6.70	6.70

⁷ *See* Memoranda, “Final Determination Margin Calculation for Beauce-Atlas;” “Cost of Production and Constructed Value Calculation Adjustments for the Final Determination – Beauce-Atlas;” “Final Determination Margin Calculation for Canatal;” and “Cost of Production and Constructed Value Calculation Adjustments for the Final Determination – Industries Canatal Inc.,” dated concurrently with this notice (collectively Final Calculation Memoranda).

⁸ Because Commerce is making a negative determination in the companion CVD investigation of fabricated structural steel from Canada, we are not adjusting the cash deposit rate for export subsidies. *See* section 772(c)(1)(C) of the Act.

Canatal Industries, Inc.	0.00	0.00
All-Others	6.70	6.70

Disclosure

Commerce intends to disclose the calculations performed in connection with this final determination within five days of the date of publication of this notice to parties in this proceeding in accordance with 19 CFR 351.224(b).

Suspension of Liquidation

In accordance with section 735(c)(1)(B) and (C) of the Act, Commerce will instruct U.S. Customs and Border Protection (CBP) to suspend liquidation of all appropriate entries of fabricated structural steel from Canada, as described in Appendix I of this notice, which were entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the *Federal Register*, other than entries of fabricated structural steel produced and exported by Canatal, because its rate is zero.

Pursuant to section 735(c)(1)(B)(ii) of the Act, we will instruct CBP to require a cash deposit for such entries of merchandise equal to the estimated weighted-average dumping margin as follows: (1) the cash deposit rate for the respondents listed above will be equal to the respondent-specific estimated weighted-average dumping margin determined in this final determination; (2) if the exporter is not a respondent identified above but the producer is, then the cash deposit rate will be equal to the respondent-specific estimated weighted-average dumping margin established for that producer of the subject merchandise; and (3) the cash deposit rate for all other producers and exporters will be equal to the all-others estimated weighted-average dumping margin. 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 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)(3) 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 of fabricated structural steel from Canada no later than 75 days after our final determination. If the ITC determines that material injury or threat of material injury does not exist, this proceeding will be terminated and all cash deposits will be refunded. If the ITC determines that such injury does exist, 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, as discussed above in the “Suspension of Liquidation” section.

Notification Regarding Administrative Protective Order

In the event that the ITC issues a final negative injury determination, this notice will serve as the only reminder to parties subject to the APO of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

Notification to Interested Parties

This determination and this notice are issued and published pursuant to sections 735(d) and 777(i)(1) of the Act and 19 CFR 351.210(c).

Dated: January 23, 2020.

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

Appendix I

Scope of the Investigation

The merchandise covered by the investigation is carbon and alloy fabricated structural steel. Fabricated structural steel is made from steel in which: (1) iron predominates, by weight, over each of the other contained elements; and (2) the carbon content is two percent or less by weight. Fabricated structural steel products are steel products that have been fabricated for erection or assembly into structures, including, but not limited to, buildings (commercial, office, institutional, and multi-family residential); industrial and utility projects; parking decks; arenas and convention centers; medical facilities; and ports, transportation and infrastructure facilities. Fabricated structural steel is manufactured from carbon and alloy (including stainless) steel products such as angles, columns, beams, girders, plates, flange shapes (including manufactured structural shapes utilizing welded plates as a substitute for rolled wide flange sections), channels, hollow structural section (HSS) shapes, base plates, and plate-work components. Fabrication includes, but is not limited to cutting, drilling, welding, joining, bolting, bending, punching, pressure fitting, molding, grooving, adhesion, beveling, and riveting and may include items such as fasteners, nuts, bolts, rivets, screws, hinges, or joints.

The inclusion, attachment, joining, or assembly of non-steel components with fabricated structural steel does not remove the fabricated structural steel from the scope.

Fabricated structural steel is covered by the scope of the investigation regardless of whether it is painted, varnished, or coated with plastics or other metallic or non-metallic substances and regardless of whether it is assembled or partially assembled, such as into modules, modularized construction units, or sub-assemblies of fabricated structural steel.

Subject merchandise includes fabricated structural steel that has been assembled or further processed in the subject country or a third country, including but not limited to painting, varnishing, trimming, cutting, drilling, welding, joining, bolting, punching, bending, beveling, riveting, galvanizing, coating, and/or slitting or any other processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the country of manufacture of the fabricated structural steel.

All products that meet the written physical description of the merchandise covered by the investigation are within the scope of the investigation unless specifically excluded or covered by the scope of an existing antidumping duty order.

Specifically excluded from the scope of the investigation are:

1. Fabricated steel concrete reinforcing bar (rebar) if: (i) it is a unitary piece of fabricated rebar, not joined, welded, or otherwise connected with any other steel product or part; or (ii) it is joined, welded, or otherwise connected only to other rebar.
2. Fabricated structural steel for bridges and bridge sections that meets American Association of State and Highway and Transportation Officials (AASHTO) bridge construction requirements or any state or local derivatives of the AASHTO bridge construction requirements.

3. Pre-engineered metal building systems, which are defined as complete metal buildings that integrate steel framing, roofing and walls to form one, pre-engineered building system, that meet Metal Building Manufacturers Association guide specifications. Pre-engineered metal building systems are typically limited in height to no more than 60 feet or two stories.

4. Steel roof and floor decking systems that meet Steel Deck Institute standards.

5. Open web steel bar joists and joist girders that meet Steel Joist Institute specifications.

6. Also excluded from the scope of the investigation is scaffolding, and parts and accessories thereof, that comply with ANSI/ASSE A10.8 – 2011 - Scaffolding Safety Requirements, and/or Occupational Safety and Health Administration regulations at 29 C.F.R. Part 1926 subpart L - Scaffolds. The outside diameter of the scaffold tubing covered by this exclusion ranges from 25mm to 150mm.

7. Excluded from the scope of the investigation are access flooring systems panels and accessories, where such panels have a total thickness ranging from 0.75 inches to 1.75 inches and consist of concrete, wood, other non-steel materials, or hollow space permanently attached to a top and bottom layer of galvanized or painted steel sheet or formed coil steel, the whole of which has been formed into a square or rectangle having a measurement of 24 inches on each side +/- 0.1 inch; 24 inches by 30 inches +/- 0.1 inch; or 24 by 36 inches +/- 0.1 inch.

8. Excluded from the investigation are the following types of steel poles, segments of steel poles, and steel components of those poles:

- Steel Electric Transmission Poles, or segments of such poles, that meet (1) the American Society of Civil Engineers (ASCE) – Design of Steel Transmission Pole Structures, ASCE/SEI 48 or (2) the USDA RUS bulletin 1724E-214 Guide specification for standard class Steel Transmission Poles. The exclusion for steel electric transmission poles also encompasses the following components thereof: transmission arms which attach to poles; pole bases; angles that do not exceed 8” x 8” x 0.75”; steel vangs, steel brackets, steel flanges, and steel caps; safety climbing cables; ladders; and steel templates.

- Steel Electric Substation Poles, or segments of such poles, that meet the American Society of Civil Engineers (ASCE) - Manuals and Reports on Engineering Practice No. 113. The exclusion for steel electric substation poles also encompasses the following components thereof: substation dead end poles; substation bus stands; substation mast poles, arms, and cross-arms; steel brackets, steel flanges, and steel caps; pole bases; safety climbing cables; ladders; and steel templates.

- Steel Electric Distribution Poles, or segments of such poles, that meet (1) American Society of Civil Engineers (ASCE) – Design of Steel Transmission Pole Structures, ASCE/SEI 48, (2) USDA RUS bulletin 1724E-204 Guide specification for steel single pole and H-frame structures, or (3) ANSI 05.1 height and class requirements for steel poles. The exclusion for steel electric distribution

poles also encompasses the following components thereof: distribution arms and cross-arms; pole bases; angles that do not exceed 8" x 8" x 0.75"; steel vang, steel brackets, steel flanges, and steel caps; safety climbing cables; ladders; and steel templates.

- Steel Traffic Signal Poles, Steel Roadway Lighting Poles, Steel Parking Lot Lighting Poles, and Steel Sports Lighting Poles, or segments of such poles, that meet (1) the American Association of State Highway and Transportation Officials (AASHTO) – Specifications for Structural Supports for Highway Signs, Luminaires, and Traffic Signals, (2) any state or local derivatives of the AASHTO highway sign, luminaries, and traffic signals requirements, or (3) American National Standard Institute (ANSI) C136 - American National Standard for Roadway and Area Lighting Equipment standards. The exclusion for steel traffic signal poles, steel roadway lighting poles, steel parking lot lighting poles, and steel sports lighting poles also encompasses the following components thereof: luminaire arms; hand hole rims; hand hole covers; base plates that connect to either the shaft or the arms; mast arm clamps ; mast arm tie rods; transformer base boxes; formed full base covers that hide anchor bolts; step lugs; internal cable guides; lighting cross arms; lighting service platforms; angles that do not exceed 8" x 8" x 0.75"; stainless steel hand hole door hinges and wind restraints; steel brackets, steel flanges, and steel caps; safety climbing cables; ladders; and steel templates.

- Communication Poles, or segments of such poles, that meet (1) Telecommunications Industry Association (TIA) ANSI/TIA-222 Structural Standards for Steel Antenna Towers and Antenna Supporting Structures, or (2) American Association of State Highway and Transportation Officials (AASHTO) – Specifications for Structural Supports for Highway Signs, Luminaires, and Traffic Signals. The exclusion for communication poles also encompasses the following components thereof: luminaire arms; hand hole rims; hand hole covers; base plate that connects the pole to the foundation or arm to the pole; safety climbing cables; ladders; service ground platforms; step lugs; pole steps; steel brackets, steel flanges, and steel caps; angles that do not exceed 8" x 8" x 0.75"; coax, and safety brackets; subcomponent kits for antenna mounts weighing 80 lbs. or less; service platforms; ice bridges; stainless steel hand hole door hinges and wind restraints; and steel templates.

- OEM Round or Polygonal Tapered Steel Poles, segments or shaft components of such poles, that meet the (1) ASCE 48 or AASHTO, (2) ANSI/TIA 222, (3) ANSI 05.1, (4) RUS bulletin 1724E-204, or (5) RUS bulletin 1724E-214. The exclusion for OEM round or polygonal tapered steel poles also encompasses the following components thereof: subcomponent kits for antenna mounts weighing 80 lbs. or less; mounts and platforms; steel brackets, steel flanges, and steel caps; angles that do not exceed 8" x 8" x 0.75"; bridge kits; safety climbing cables; ladders; and steel templates.

The inclusion or attachment of one or more of the above-referenced steel poles in a structure containing fabricated structural steel does not remove the fabricated structural steel from the scope of the investigation. No language included in this exclusion should be read or understood to have applicability to any other aspect of this scope or to have applicability to or to exclude any product, part, or component other than those specifically identified in the exclusion.

9. Also excluded from the scope of the investigation are Shuttering, Formworks, Propping and Shoring and parts and accessories thereof that comply with ANSI/ASSE A10.9 –Safety Requirements for Concrete and Masonry Work and ACI-347 – Recommended Practice for Concrete Formwork. For Shoring and propping made from tube, the outside diameter of the tubing covered by this exclusion ranges from 48mm to 250mm. For Shuttering and Formworks, the panel sizes covered by this exclusion range from 25mm X 600mm to 3000mm X 3000mm.

10. Also excluded from the scope of the investigation are consumer items for do-it-yourself assembly that are prepackaged for retail sale. For the purposes of this exclusion, prepackaged for retail sale means that, at the time of importation, all components necessary to assemble the merchandise, including all steel components, all accessory parts (*e.g.*, screws, bolts, washers, nails), and instructions providing guidance on the assembly of the finished merchandise or directions on where to find such instructions, are enclosed in retail packaging, such that an end-use, retail consumer could assemble the completed product with no additional components. The items may enter the United States in one or in multiple retail packages as long as all of the components are imported together.

The products subject to the investigation are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings: 7308.90.3000, 7308.90.6000, and 7308.90.9590.

The products subject to the investigation may also enter under the following HTSUS subheadings: 7216.91.0010, 7216.91.0090, 7216.99.0010, 7216.99.0090, 7222.40.6000, 7228.70.6000, 7301.10.0000, 7301.20.1000, 7301.20.5000, 7308.40.0000, 7308.90.9530, and 9406.90.0030.

The HTSUS subheadings above are provided for convenience and customs purposes only. The written description of the scope of the investigation is dispositive.

Appendix II
List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Investigation
- IV. Scope Comments
- V. Changes Since the Preliminary Determination
- VI. Analysis of Comments

General

- Comment 1: Whether There was Sufficient Industry Support to Initiate this Investigation
- Comment 2: Calculation of U.S. Price
- Comment 3: Revisions to the Fabricated Structural Steel Ratio
- Comment 4: Whether to Deduct Use Taxes from U.S. Price

Beauce-Atlas

- Comment 5: Beauce-Atlas' Reporting of the Substantial Completion Date for Certain Projects
- Comment 6: Collapsing Beauce-Atlas' Affiliate, Les Dessins de Structures Steltec
- Comment 7: Whether Commerce Double Counted a Billing Adjustment in the *Preliminary Determination*
- Comment 8: Adjusting Revenue for One Home Market Project With a Delayed Payment
- Comment 9: Calculating General and Administrative Expenses and Interest Expenses Based on the Revised Cost of Manufacturing

Canatal

- Comment 10: Treatment of All of Canatal's U.S. Sales as Constructed Export Price Sales
- Comment 11: Canatal's Further Manufacturing Costs for a Constructed Export Price Sale
- Comment 12: Whether One U.S. Project is In-Scope Merchandise
- Comment 13: Revisions to Canatal's Data Based on Commerce's Verification Findings
- Comment 14: Calculation of Constructed Value Selling Expenses and Profit

VII. Recommendation

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