



A-570-909
Sunset Review
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November 13, 2013

MEMORANDUM TO: Ronald K. Lorentzen
Acting Assistant Secretary
for Enforcement and Compliance

FROM: Christian Marsh
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations

SUBJECT: Certain Steel Nails from the People's Republic of China: Issues
and Decision Memorandum for the Final Results of Expedited
First Sunset Review of the Antidumping Duty Order

Summary

In the sunset review of the antidumping duty order covering certain steel nails (“nails”) from the People’s Republic of China (“PRC”), domestic interested party, Mid Continent Nail Corporation (“Petitioner”), submitted an adequate substantive response on July 31, 2013.¹ No respondent submitted a substantive response. In accordance with our analysis of Petitioner’s Substantive Response, we recommend adopting the positions described in the instant memorandum.

Background

On July 1, 2013, the Department of Commerce (the “Department”) published a notice of initiation of the sunset review of the antidumping duty order on nails from the PRC.² As noted above, on July 31, 2013, Petitioner submitted its Substantive Response within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i). Also as noted above, the Department did not receive a substantive response from any respondent interested party. As a result, pursuant to section 751(c)(3)(B) of the Tariff Act of 1930, as amended (the “Act”) and 19 CFR 351.218(e)(1)(ii)(C)(2), the Department conducted an expedited (120-day) sunset review of the antidumping duty order on nails from the PRC.

As explained in the memorandum from the Assistant Secretary for Enforcement and Compliance, the Department has exercised its discretion to toll deadlines for the duration of the closure of the Federal Government from October 1, through October 16, 2013.³ Therefore, all deadlines in this segment of the proceeding have been extended by 16 days. If the new deadline

¹ See Petitioner’s July 31, 2013, submission (“Substantive Response”).

² See *Initiation of Five-Year (“Sunset”) Review*, 78 FR 39256 (July 1, 2013).

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

falls on a non-business day, in accordance with the Department's practice, the deadline will become the next business day.⁴ The revised deadline for the final results of this review is now November 14, 2013.

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 include, but are not limited to, nails made of round wire and nails that are cut. Certain steel nails may be of one piece construction or constructed of two or more pieces. Certain steel nails may be produced from any type of steel, and have a variety of finishes, heads, shanks, point types, shaft lengths and shaft diameters. Finishes include, but are not limited to, coating in vinyl, zinc (galvanized, whether by electroplating or hot dipping one or more times), phosphate cement, and paint. Head styles include, but are not limited to, flat, projection, cupped, oval, brad, headless, double, countersunk, and sinker. Shank styles include, but are not limited to, smooth, barbed, screw threaded, ring shank and fluted shank styles. Screw-threaded nails subject to this proceeding are driven using direct force and not by turning the fastener using a tool that engages with the head. Point styles include, but are not limited to, diamond, blunt, needle, chisel and no point. Finished nails may be sold in bulk, or they may be collated into strips or coils using materials such as plastic, paper, or wire. 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 and 7317.00.75.

Excluded from the scope of the order are steel roofing nails of all lengths and diameter, whether collated or in bulk, and whether or not galvanized. Steel roofing nails are specifically enumerated and identified in ASTM Standard F 1667 (2005 revision) as Type I, Style 20 nails. Also excluded from the scope are the following steel nails: 1) Non-collated (*i.e.*, hand-driven or bulk), two-piece steel nails having plastic or steel washers (caps) already assembled to the nail, having a bright or galvanized finish, a ring, fluted or spiral shank, an actual length of 0.500" to 8", inclusive; and an actual shank diameter of 0.1015" to 0.166", inclusive; and an actual washer or cap diameter of 0.900" to 1.10", inclusive; 2) Non-collated (*i.e.*, hand-driven or bulk), steel nails having a bright or galvanized finish, a smooth, barbed or ringed shank, an actual length of 0.500" to 4", inclusive; an actual shank diameter of 0.1015" to 0.166", inclusive; and an actual head diameter of 0.3375" to 0.500", inclusive; 3) Wire collated steel nails, in coils, having a galvanized finish, a smooth, barbed or ringed shank, an actual length of 0.500" to 1.75", inclusive; an actual shank diameter of 0.116" to 0.166", inclusive; and an actual head diameter of 0.3375" to 0.500", inclusive; and 4) Non-collated (*i.e.*, hand-driven or bulk), steel nails having a convex head (commonly known as an umbrella head), a smooth or spiral shank, a galvanized finish, an actual length of 1.75" to 3", inclusive; an actual shank diameter of 0.131" to 0.152", inclusive; and an actual head diameter of 0.450" to 0.813", inclusive.

Also excluded from the scope of the order are corrugated nails. A corrugated nail is made of a small strip of corrugated steel with sharp points on one side. Also excluded from the scope of the order are fasteners suitable for use in powder-actuated hand tools, not threaded and threaded, which are currently classified under HTSUS 7317.00.20 and 7317.00.30. Also excluded from

⁴ See Notice of Clarification: Application of "Next Business Day" Rule for Administrative Determination Deadlines Pursuant to the Tariff Act of 1930, As Amended, 70 FR 24533 (May 10, 2005).

the scope of the order are thumb tacks, which are currently classified under HTSUS 7317.00.10.00.

Also excluded from the scope of the order are certain brads and finish nails that are equal to or less than 0.0720 inches in shank diameter, round or rectangular in cross section, between 0.375 inches and 2.5 inches in length, and that are collated with adhesive or polyester film tape backed with a heat seal adhesive. Also excluded from the scope of the order are fasteners having a case hardness greater than or equal to 50 HRC, a carbon content greater than or equal to 0.5 percent, a round head, a secondary reduced-diameter raised head section, a centered shank, and a smooth symmetrical point, suitable for use in gas-actuated hand tools. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the order is dispositive.

History of the Order

On June 16, 2008, the Department published its final determination in the less than fair value (“LTFV”) investigation of nails from the PRC.⁵ On August 1, 2008, the Department published the order on nails from the PRC,⁶ and found the following weighted-average dumping margins:

| Exporter | Weighted-Average Margin |
|---|-------------------------|
| Paslode Fasteners (Shanghai) Co., Ltd. | 0.00 % ⁷ |
| Xingya Group | 21.24 % |
| Jisco Corporation | 21.24 % |
| Koram Panagene Co., Ltd. | 21.24 % |
| Handuk Industrial Co., Ltd. | 21.24 % |
| Kyung Dong Corp. | 21.24 % |
| Xi’an Metals & Minerals Import and Export Co., Ltd. | 21.24 % |
| Hebei Cangzhou New Century Foreign Trade Co., Ltd. | 21.24 % |
| Chongqing Hybest Tools Group Co., Ltd. | 21.24 % |
| China Silk Trading & Logistics Co., Ltd. | 21.24 % |
| Beijing Daruixing Global Trading Co., Ltd. | 21.24 % |
| Huanghua Jinhai Hardware Products Co., Ltd. | 21.24 % |
| Beijing Daruixing Nail Products Co., Ltd. | 21.24 % |
| Beijing Tri-Metal Co., Ltd. | 21.24 % |

⁵ See *Certain Steel Nails from the People’s Republic of China: Final Determination of Sales at Less Than Fair Value and Partial Affirmative Determination of Critical Circumstances*, 73 FR 33977 (June 16, 2008) (“*Investigation Final*”).

⁶ See *Notice of Antidumping Duty Order: Certain Steel Nails from the People’s Republic of China*, 73 FR 44961 (August 1, 2008) (“*Order*”).

⁷ Because the Department found that the weighted-average dumping margin for subject merchandise produced and exported by Paslode Fasteners (Shanghai) Co., Ltd. is *de minimis*, the Department instructed CBP not to suspend liquidation of any entries of nails from the PRC as described in the “Scope of the Order” section that are entered, or withdrawn from warehouse, for consumption on or after the date of publication of the *Investigation Final*. See *Investigation Final*, 73 FR at 33984.

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| Cana (Tianjin) Hardware Ind., Co., Ltd. | 21.24 % |
| China Staple Enterprise (Tianjin) Co., Ltd. | 21.24 % |
| Hengshui Mingyao Hardware & Mesh Products Co, Ltd. | 21.24 % |
| Nanjing Dayu Pneumatic Gun Nails Co., Ltd. | 21.24 % |
| Qidong Liang Chyuan Metal Industry Co., Ltd. | 21.24 % |
| Romp (Tianjin) Hardware Co., Ltd. | 21.24 % |
| Shandong Dinglong Import & Export Co., Ltd. | 21.24 % |
| Tianjin Jinchi Metal Products Co., Ltd. | 21.24 % |
| Tianjin Jurun Metal Products Co., Ltd. | 21.24 % |
| Zhejiang Gem-Chun Hardware Accessory Co., Ltd. | 21.24 % |
| Huanghua Xionghua Hardware Products Co., Ltd. | 21.24 % |
| Zhaoqing Harvest Nails Co., Ltd. | 21.24 % |
| SDC International Australia Pty., Ltd. | 21.24 % |
| Tianjin Universal Machinery Imp & Exp Corporation | 21.24 % |
| Certified Products International Inc. | 21.24 % |
| Dezhou Hualude Hardware Products Co., Ltd. | 21.24 % |
| Shanxi Tianli Industries Co. | 21.24 % |
| Suntec Industries Co., Ltd. | 21.24 % |
| Sinochem Tianjin Imp & Exp Shenzhen Corp. | 21.24 % |
| Qingdao D&L Group Ltd. | 21.24 % |
| Tianjin Xiantong Material & Trade Co., Ltd. | 21.24 % |
| Zhongshan Junlong Nail Manufactures Co., Ltd. | 21.24 % |
| Shandong Minmetals Co., Ltd. | 21.24 % |
| Shouguang Meiqing Nail Industry Co., Ltd. | 21.24 % |
| S-mart (Tianjin) Technology Development Co., Ltd. | 21.24 % |
| Tianjin Lianda Group Co., Ltd. | 21.24 % |
| Union Enterprise (Kunshan) Co., Ltd. | 21.24 % |
| Beijing Hong Sheng Metal Products Co., Ltd. | 21.24 % |
| PT Enterprise Inc. | 21.24 % |
| Shanxi Hairui Trade Co., Ltd. | 21.24 % |
| Shanxi Pioneer Hardware Industrial Co., Ltd. | 21.24 % |
| Shanxi Yuci Broad Wire Products Co., Ltd. | 21.24 % |
| Yitian Nanjing Hardware Co., Ltd. | 21.24 % |
| Chieh Yung Metal Ind. Corp. | 21.24 % |
| Shanghai Seti Enterprise International Co., Ltd. | 21.24 % |
| Shanghai Curvet Hardware Products Co., Ltd. | 21.24 % |
| Shanghai Tengyu Hardware Tools Co., Ltd. | 21.24 % |
| Xuzhou CIP International Group Co., Ltd. | 21.24 % |
| Wuhu Shijie Hardware Co., Ltd. | 21.24 % |
| Wuhu Xin Lan De Industrial Co., Ltd. | 21.24 % |
| Tianjin Zhonglian Metals Ware Co., Ltd. | 21.24 % |
| Huarong Hardware Products Co., Ltd. | 21.24 % |

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|---|----------|
| Mingguang Abundant Hardware Products Co., Ltd. | 21.24 % |
| Shandong Oriental Cherry Hardware Group Co., Ltd. | 21.24 % |
| Shandong Oriental Cherry Hardware Import and Export Co., Ltd. | 21.24 % |
| Shanghai Chengkai Hardware Product. Co., Ltd. | 21.24 % |
| Shanghai Jade Shuttle Hardware Tools Co., Ltd. | 21.24 % |
| Shanghai Yueda Nails Industry Co., Ltd. | 21.24 % |
| Besco Machinery Industry (Zhejiang) Co., Ltd. | 21.24 % |
| The Stanley Works (Langfang) Fastening Systems Co., Ltd. | 21.24 % |
| Guangdong Foreign Trade Import & Export Corporation | 21.24 % |
| Tianjin Jinghai County Hongli Industry and Business Co., Ltd. | 21.24 % |
| PRC-Wide Rate | 118.04 % |

Since the issuance of the *Order*, the Department has completed three administrative reviews with respect to nails from the PRC. In the *First AR*, we calculated a rate of 10.63 percent for the mandatory respondent, as well as for the separate rate companies.⁸ In the *Second AR*, we calculated rates of 3.80 percent, 47.76 percent and 78.27 percent for the mandatory respondents, and a rate of 19.30 percent for the separate rate companies.⁹ In the *Third AR*, we calculated a *de minimis* rate for one of the two mandatory respondents, and a rate of 33.25 percent for the other mandatory respondent as well as for the separate rate companies.¹⁰ The fourth administrative review currently is pending completion.

In addition, the Department conducted three new shipper reviews. We calculated a rate of 34.14 percent in the *First NSR*, and rescinded the other two new shipper reviews.¹¹ We also conducted

⁸ See *Certain Steel Nails From the People's Republic of China: Amended Final Results of the First Antidumping Duty Administrative Review*, 76 FR 23279 (April 26, 2011) (“*First AR*”).

⁹ See *Certain Steel Nails From the People's Republic of China: Amended Final Results of the Second Antidumping Duty Administrative Review*, 77 FR 24462 (April 24, 2012) (“*Second AR*”).

¹⁰ See *Certain Steel Nails From the People's Republic of China: Amended Final Results of the Third Antidumping Duty Administrative Review; 2010–2011*, 78 FR 24721 (April 26, 2013) (“*Third AR*”).

¹¹ See *Certain Steel Nails from the People's Republic of China: Final Results of the First New Shipper Review*, 75 FR 34425 (June 17, 2010) (“*First NSR*”); *Certain Steel Nails From the People's Republic of China: Rescission of New Shipper Review*, 75 FR 38080 (July 1, 2010); *Certain Steel Nails From the People's Republic of China: Final Rescission of Antidumping Duty New Shipper Review*, 76 FR 75871 (December 5, 2011).

a changed circumstances review with respect to nails.¹² Finally, we completed eight scope inquiries with respect to nails.¹³ There have been no duty absorption findings.

Discussion of the Issues

Legal Framework

In accordance with section 751(c)(1) of the Act, the Department is conducting this sunset review to determine whether revocation of the *Order* would likely lead to continuation or recurrence of dumping. Sections 752(c)(1)(A) and (B) of the Act provide that, in making this determination, the Department shall consider both the weighted-average dumping margins determined in the investigation and subsequent reviews, and the volume of imports of the subject merchandise for the periods before, and the periods after, the issuance of the *Order*.

In accordance with the guidance provided in the legislative history accompanying the Uruguay Round Agreements Act, specifically the Statement of Administrative Action, H.R. Doc. 103-316, vol. 1 (1994) (“SAA”), the House Report, H. Rep. No. 103-826, pt. 1 (1994) (House Report), and the Senate Report, S. Rep. No. 103-412 (1994) (Senate Report), the Department’s determinations of likelihood will be made on an order-wide, rather than company-specific, basis.¹⁴ In addition, the Department normally determines that revocation of an antidumping duty order is likely to lead to continuation or recurrence of dumping when, among other scenarios: (a) dumping continued at any level above *de minimis* after the issuance of the order; (b) imports of the subject merchandise ceased after issuance of the order; or (c) dumping was eliminated after the issuance of the order and import volumes for the subject merchandise declined significantly.¹⁵

Alternatively, the Department normally will determine that revocation of an antidumping duty order is not likely to lead to continuation or recurrence of dumping where dumping margins declined or were eliminated and import volumes remained steady or increased after issuance of

¹² See *Certain Steel Nails From the People's Republic of China: Final Results of Antidumping Duty Changed Circumstances Review*, 76 FR 30101 (May 24, 2011).

¹³ See Memorandum for Stephen J. Claeys, Deputy Assistant Secretary for Import Administration, “Scope Determination: Certain Steel Nails From the People’s Republic of China” (September 15, 2008); Memorandum for John M. Andersen, Acting Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, “Certain Steel Nails From the People’s Republic of China: Final Scope Ruling on Shanghai March’s Horseshoe Nails” (June 5, 2009); Memorandum for John M. Andersen, Acting Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, “Certain Steel Nails From the People’s Republic of China: Final Scope Ruling on National Nail’s Plastic Cap Steel Nails” (January 13, 2010); Memorandum for John M. Andersen, Acting Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, “Certain Steel Nails From the People’s Republic of China: Final Scope Ruling on Itochu Building Product’s Plastic Cap Steel Nails” (May 14, 2010); Memorandum for Edward C. Yang, Acting Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, “Certain Steel Nails From the People’s Republic of China: Final Scope Ruling on Grip Rite Nails” (July 21, 2010); Memorandum for Edward C. Yang, Acting Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, “Final Scope Ruling - Certain Steel Nails From the People’s Republic of China, Request by Target Corporation” (August 10, 2010); Memorandum for Gary Taverman, Acting Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, “Certain Steel Nails From the People’s Republic of China: Final Scope Ruling on Mazel’s Steel Roofing Nails” (December 22, 2010); Memorandum for Gary Taverman, Senior Advisor for Antidumping and Countervailing Duty Operations, “Certain Steel Nails From the People’s Republic of China: Cobra Anchor Co. Ltd. Final Scope Ruling” (September 19, 2013).

¹⁴ See SAA, at 879 and House Report at 56.

¹⁵ See SAA at 889-90, House Report at 63-64, and Senate Report at 52.

the order.¹⁶ In addition, as a base period of import volume comparison, it is the Department's practice to use the one-year period immediately preceding the initiation of the investigation, rather than the level of pre-order import volumes, as the initiation of an investigation may dampen import volumes and, thus, skew comparison.¹⁷

Further, section 752(c)(3) of the Act states that the Department shall provide to the International Trade Commission ("ITC") the magnitude of the margin of dumping likely to prevail if the order were revoked. Generally, the Department selects the antidumping duty margins from the final determination in the original investigation, as this is the only calculated rate that reflects the behavior of exporters without the discipline of an order in place.¹⁸

The Department recently announced it was modifying its practice in sunset reviews such that it will not rely on weighted-average dumping margins that were calculated using the methodology found to be World Trade Organization ("WTO")-inconsistent, *i.e.*, zeroing/the denial of offsets.¹⁹ In the *Final Modification for Reviews*, the Department stated that "only in the most extraordinary circumstances" would it rely on margins other than those calculated and published in prior determinations.²⁰ The Department further stated that apart from the "most extraordinary circumstances," it would "limit its reliance to margins determined or applied during the five-year sunset period that were not determined in a manner found to be WTO-inconsistent" and that it "may also rely on past dumping margins that were not affected by the WTO-inconsistent methodology, such as dumping margins recalculated pursuant to Section 129 proceedings, dumping margins determined based on the use of total adverse facts available, and dumping margins where no offsets were denied because all comparison results were positive."²¹

Finally, pursuant to section 752(c)(4)(A) of the Act, a dumping margin of zero or *de minimis* shall not by itself require the Department to determine that revocation of an antidumping duty order would not be likely to lead to a continuation or recurrence of sales at LTFV.²² Our analysis of the comments submitted by domestic interested parties' follows.

¹⁶ See SAA at 889-90, and House Report at 63.

¹⁷ See, e.g., *Stainless Steel Bar from Germany; Final Results of the Sunset Review of the Antidumping Duty Order*, 72 FR 56985 (October 5, 2007) and accompanying Issues and Decision Memorandum at Comment 1.

¹⁸ See SAA at 890; see also *Persulfates from the People's Republic of China: Notice of Final Results of Expedited Second Sunset Review of Antidumping Duty Order*, 73 FR 11868 (March 5, 2008), and accompanying Issues and Decision Memorandum at Comment 2.

¹⁹ See *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Duty Proceedings; Final Modification*, 77 FR 8101, 8103 (February 14, 2012) ("*Final Modification for Reviews*").

²⁰ *Id.*

²¹ *Id.*

²² See *Folding Gift Boxes from the People's Republic of China: Final Results of the Expedited Sunset Review of the Antidumping Duty Order*, 72 FR 16765 (April 5, 2007), and accompanying Issues and Decision Memorandum at Comment 1.

Analysis

1. *Likelihood of Continuation or Recurrence of Dumping*

Petitioner argues that revocation of the *Order* would likely result in the continuation of dumping in the United States. Specifically, Petitioner contends that, since the imposition of the *Order* in 2008, numerous respondents have continued dumping subject merchandise at above *de minimis* rates in each of the completed reviews.²³ Petitioner also points to a sharp drop in import volume during the year that the *Order* was imposed. According to the Petitioner, import volumes would have been much greater had there been no antidumping duties in place.²⁴

Department’s Position: As explained in the Legal Framework section above, when determining whether revocation of the order would be likely to lead to continuation of dumping, sections 752(c)(1)(A) and (B) of the Act instruct the Department to consider: (1) the weighted-average dumping margins determined in the investigation and subsequent reviews; and (2) the volume of imports of the subject merchandise for the period before and after the issuance of the antidumping duty order. According to the SAA, “[d]eclining import volumes accompanied by the continued existence of dumping margins after the issuance of an order may provide a strong indication that, absent an order, dumping would be likely to continue, because the evidence would indicate that the exporter needs to dump to sell at pre-order volumes.”²⁵ We find that revocation of the *Order* would likely result in the continuation of dumping in the United States due to the continued existence of dumping margins and a significant decline in import volume since the issuance of the *Order*.

In analyzing whether dumping is likely to continue or recur if the *Order* was revoked, we examined the extent of dumping during the five-year sunset period of 2008-2013. As noted above, the Department found positive margins for numerous companies in the completed reviews. According to the SAA, “[i]f companies continue to dump with the discipline of an order in place, it is reasonable to assume that dumping would continue if the discipline were removed.”²⁶ In particular, we note that the positive margins in the *Third AR* were not affected by zeroing, because the Department revised its practice and no offsets were denied.²⁷ As stated in the *Final Modification for Reviews*, “[i]f the dumping margins determined in a manner not found to be WTO-inconsistent in these disputes indicate that dumping continued with the discipline of the order in place, those dumping margins alone can form the basis for a determination that dumping will continue or recur if the order were to be revoked.”²⁸ Therefore, because the Department has found dumping of the subject merchandise to exist after the issuance of the *Order*, we find that the revocation of the *Order* is likely to lead to a continuation of dumping.

²³ See Substantive Response, at 17-18.

²⁴ *Id.*, at 17-19.

²⁵ See SAA, at 889.

²⁶ *Id.*, at 890.

²⁷ See *Certain Steel Nails from the People’s Republic of China: Preliminary Results and Partial Rescission of the Third Antidumping Duty Administrative Review*, 77 FR 53845, 53853-54 (September 4, 2012).

²⁸ See *Final Modification for Reviews*, 77 FR at 8103.

Our review of the import data from the period prior to the investigation to the sunset review period indicates that imports have declined after imposition of the *Order*.²⁹ The import volume remained low throughout the five-year sunset review period, never recovering to pre-investigation levels.³⁰ The Department finds the trend for this import volume as demonstrative of the effect of the *Order* on the companies that were subject to the *Order*, and this significant decrease in import volumes of subject merchandise, along with the continued existence of dumping margins, supports the finding of likelihood of continuation or recurrence of dumping absent of the *Order*.

2. *Magnitude of the Margin of Dumping Likely to Prevail*

Petitioner contends that the Department should consider selecting the rates from the original investigation as the dumping margin likely to prevail upon revocation.³¹

Department's Position: Normally, the Department will provide to the ITC the company-specific, weighted-average antidumping duty margin from the investigation for each company.³² The Department's preference for selecting a rate from the investigation is based on the fact that it is the only calculated rate that reflects the behavior of exporters without the discipline of an order or suspension agreement in place.³³ For companies not investigated individually, or for companies that did not begin shipping until after the order was issued, the Department will normally provide a rate based on the "All-Others" rate from the investigation.³⁴ However, for the PRC, which the Department considers to be a non-market economy under section 771(18)(A) of the Act, the Department does not have an "All-Others" rate. Thus, in non-market economy cases, instead of an "All-Others" rate, the Department uses an established country-wide rate, which it applies to all imports from exporters that have not established their eligibility for a separate rate.³⁵

The Department has determined that the weighted-average antidumping duty margins established in the *Investigation Final* represent the magnitude of the margins of dumping most likely to prevail if the *Order* were revoked. We further determine that these margins were not affected by the denial of offsets in accordance with the *Final Modification for Reviews*.³⁶ Specifically, the rates for the respondents were calculated without zeroing because the *Investigation Final*

²⁹ See Substantive Response, at 18.

³⁰ *Id.*

³¹ *Id.*, at 23-24.

³² See *Eveready Battery Co., Inc. v. United States*, 77 F. Supp. 2d 1327, 1333 (CIT 1999).

³³ *Id.*; see also SAA at 890.

³⁴ See *Certain Hot-Rolled Carbon Steel Flat Products from Argentina, the People's Republic of China, India, Indonesia, Kazakhstan, Romania, South Africa, Taiwan, Thailand, and Ukraine; Final Results of Expedited Sunset Reviews of the Antidumping Duty Orders*, 71 FR 70506 (December 5, 2006), and accompanying Issues and Decision Memorandum at Comment 2.

³⁵ See *Bristol Metals L.P. v. United States*, 703 F. Supp. 2d 1370, 1378 (CIT 2010) (citation omitted); see also *Amanda Foods (Vietnam) Ltd. v. United States*, 647 F. Supp. 2d 1368, 1379 (CIT 2009) (citation omitted).

³⁶ See *Final Modification for Reviews*, 77 FR at 8103.

occurred after the Department ceased zeroing in investigations.³⁷ Furthermore, the final antidumping duty margin for the PRC-wide entity was based on total adverse facts available and did not involve the denial of offsets.³⁸ Accordingly, we find it appropriate to provide the ITC with the final determination rates from the *Investigation Final* because these rates best reflect the behavior of exporters without the discipline of an order in place. As a result, we will report to the ITC the margins of dumping likely to prevail listed in the “Final Results of Review” section below.

Final Results of Review

We determine that revocation of the *Order* on certain steel nails from the PRC would likely lead to continuation or recurrence of dumping and that the magnitudes of the margins of dumping likely to prevail are as follows:

| Exporter | Weighted-Average Margin |
|---|-------------------------|
| Xingya Group | 21.24 % |
| Jisco Corporation | 21.24 % |
| Koram Panagene Co., Ltd. | 21.24 % |
| Handuk Industrial Co., Ltd. | 21.24 % |
| Kyung Dong Corp. | 21.24 % |
| Xi'an Metals & Minerals Import and Export Co., Ltd. | 21.24 % |
| Hebei Cangzhou New Century Foreign Trade Co., Ltd. | 21.24 % |
| Chongqing Hybest Tools Group Co., Ltd. | 21.24 % |
| China Silk Trading & Logistics Co., Ltd. | 21.24 % |
| Beijing Daruixing Global Trading Co., Ltd. | 21.24 % |
| Huanghua Jinhai Hardware Products Co., Ltd. | 21.24 % |
| Beijing Daruixing Nail Products Co., Ltd. | 21.24 % |
| Beijing Tri-Metal Co., Ltd. | 21.24 % |
| Cana (Tianjin) Hardware Ind., Co., Ltd. | 21.24 % |
| China Staple Enterprise (Tianjin) Co., Ltd. | 21.24 % |
| Hengshui Mingyao Hardware & Mesh Products Co, Ltd. | 21.24 % |
| Nanjing Dayu Pneumatic Gun Nails Co., Ltd. | 21.24 % |
| Qidong Liang Chyuan Metal Industry Co., Ltd. | 21.24 % |
| Romp (Tianjin) Hardware Co., Ltd. | 21.24 % |
| Shandong Dinglong Import & Export Co., Ltd. | 21.24 % |
| Tianjin Jinchi Metal Products Co., Ltd. | 21.24 % |
| Tianjin Jurun Metal Products Co., Ltd. | 21.24 % |

³⁷ The nails investigation was initiated on July 16, 2007. See *Certain Steel Nails from the People's Republic of China and the United Arab Emirates: Initiation of Antidumping Duty Investigations*, 72 FR 38816 (July 16, 2007). The Department announced that it would cease zeroing in investigations initiated on or after January 16, 2007. See *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin During an Antidumping Investigation; Final Modification*, 71 FR 77722 (December 27, 2006).

³⁸ See *Final Modification for Reviews*, 77 FR at 8103.

| | |
|---|---------|
| Zhejiang Gem-Chun Hardware Accessory Co., Ltd. | 21.24 % |
| Huanghua Xionghua Hardware Products Co., Ltd. | 21.24 % |
| Zhaoqing Harvest Nails Co., Ltd. | 21.24 % |
| SDC International Australia Pty., Ltd. | 21.24 % |
| Tianjin Universal Machinery Imp & Exp Corporation | 21.24 % |
| Certified Products International Inc. | 21.24 % |
| Dezhou Hualude Hardware Products Co., Ltd. | 21.24 % |
| Shanxi Tianli Industries Co. | 21.24 % |
| Suntec Industries Co., Ltd. | 21.24 % |
| Sinochem Tianjin Imp & Exp Shenzhen Corp. | 21.24 % |
| Qingdao D&L Group Ltd. | 21.24 % |
| Tianjin Xiantong Material & Trade Co., Ltd. | 21.24 % |
| Zhongshan Junlong Nail Manufactures Co., Ltd. | 21.24 % |
| Shandong Minmetals Co., Ltd. | 21.24 % |
| Shouguang Meiqing Nail Industry Co., Ltd. | 21.24 % |
| S-mart (Tianjin) Technology Development Co., Ltd. | 21.24 % |
| Tianjin Lianda Group Co., Ltd. | 21.24 % |
| Union Enterprise (Kunshan) Co., Ltd. | 21.24 % |
| Beijing Hong Sheng Metal Products Co., Ltd. | 21.24 % |
| PT Enterprise Inc. | 21.24 % |
| Shanxi Hairui Trade Co., Ltd. | 21.24 % |
| Shanxi Pioneer Hardware Industrial Co., Ltd. | 21.24 % |
| Shanxi Yuci Broad Wire Products Co., Ltd. | 21.24 % |
| Yitian Nanjing Hardware Co., Ltd. | 21.24 % |
| Chieeh Yung Metal Ind. Corp. | 21.24 % |
| Shanghai Seti Enterprise International Co., Ltd. | 21.24 % |
| Shanghai Curvet Hardware Products Co., Ltd. | 21.24 % |
| Shanghai Tengyu Hardware Tools Co., Ltd. | 21.24 % |
| Xuzhou CIP International Group Co., Ltd. | 21.24 % |
| Wuhu Shijie Hardware Co., Ltd. | 21.24 % |
| Wuhu Xin Lan De Industrial Co., Ltd. | 21.24 % |
| Tianjin Zhonglian Metals Ware Co., Ltd. | 21.24 % |
| Huarong Hardware Products Co., Ltd. | 21.24 % |
| Mingguang Abundant Hardware Products Co., Ltd. | 21.24 % |
| Shandong Oriental Cherry Hardware Group Co., Ltd. | 21.24 % |
| Shandong Oriental Cherry Hardware Import and Export Co., Ltd. | 21.24 % |
| Shanghai Chengkai Hardware Product. Co., Ltd. | 21.24 % |
| Shanghai Jade Shuttle Hardware Tools Co., Ltd. | 21.24 % |
| Shanghai Yueda Nails Industry Co., Ltd. | 21.24 % |
| Besco Machinery Industry (Zhejiang) Co., Ltd. | 21.24 % |
| The Stanley Works (Langfang) Fastening Systems Co., Ltd. | 21.24 % |
| Guangdong Foreign Trade Import & Export Corporation | 21.24 % |

