



UNITED STATES DEPARTMENT OF COMMERCE  
International Trade Administration  
Washington, D.C. 20230

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Admin. Review 12/01/2012 – 11/30/13

**Public Document**

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December 31, 2014

MEMORANDUM TO: Paul Piquado  
Assistant Secretary  
for Enforcement and Compliance

FROM: Gary Taverman   
Associate Deputy Assistant Secretary  
for Antidumping and Countervailing Duty Operations

SUBJECT: Decision Memorandum for Preliminary Results of Antidumping  
Duty Administrative Review: Multilayered Wood Flooring from  
the People's Republic of China

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## SUMMARY

In response to requests from interested parties, the Department of Commerce (“the Department”) is conducting an administrative review of the antidumping duty (“AD”) order on multilayered wood flooring (“MLWF”) from the People’s Republic of China (“PRC”) for the period of review (“POR”) from December 1, 2012 through November 30, 2013. The Department has preliminarily determined that respondent Jiangsu Senmao Bamboo and Wood Industry Co., Ltd. (“Jiangsu Senmao”) sold subject merchandise in the United States at prices below normal value (“NV”) during the POR, and that respondent Dalian Dajen Wood Co., Ltd. (“Dalian Dajen”) did not.

If these preliminary results are adopted in our final results of review, we will instruct U.S. Customs and Border Protection (“CBP”) to assess AD duties on all appropriate entries of subject merchandise during the POR. Interested parties are invited to comment on these preliminary results. We intend to issue final results no later than 120 days from the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Tariff Act of 1930, as amended (the “Act”).



## Background

On December 8, 2011, the Department published in the *Federal Register* an AD order on MLWF from the PRC.<sup>1</sup> On December 3, 2013, the Department published in the *Federal Register* a notice of opportunity to request administrative review on MLWF from the PRC.<sup>2</sup> Between December 3, 2013, and December 31, 2013, the Department received requests from 45 foreign and domestic interested parties for administrative reviews of MLWF from the PRC.<sup>3</sup> Additionally, on December 31, 2013, the Department received a request from the Coalition for American Hardwood Parity (“CAHP”), the petitioner in the underlying investigation, to conduct administrative reviews of numerous producers/exporters of MLWF from the PRC, many of which were already the subject of review requests filed by other parties. On February 3, 2014, the Department published in the *Federal Register* a notice of initiation for companies for which a timely request for an administrative review of the applicable AD order was submitted.<sup>4</sup> On February 28, 2014, the Department published in the *Federal Register* a second notice of initiation for three companies that were inadvertently not included in the February 3, 2014 initiation notice, and one other company, the name of which had been spelled incorrectly in the February 3, 2014 initiation notice.<sup>5</sup>

## Period of Review

The POR is December 1, 2012 through November 30, 2013.

## Extension of Preliminary Results

On July 18, 2014, the Department extended the deadline for the preliminary results by a total of 90 days, to December 1, 2014.<sup>6</sup> On November 13, 2014, the Department extended the time period for issuing these preliminary results by an additional 30 days, until December 31, 2014.<sup>7</sup>

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<sup>1</sup> See *Multilayered Wood Flooring From the People’s Republic of China: Notice of Amended Final Affirmative Determination of Sales at Less than Fair Value and Antidumping Duty Order*, 76 FR 76690 (December 8, 2011).

<sup>2</sup> See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 78 FR 72636 (December 3, 2013).

<sup>3</sup> On December 3, 2013, Fine Furniture (Shanghai) Limited (“Fine Furniture”) requested that the Department conduct an administrative review of Fine Furniture’s sales during the POR. In the same submission, Fine Furniture requested precedence in eligibility to participate in this review as a voluntary respondent if it was not selected as a mandatory respondent.

<sup>4</sup> See *Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part*, 79 FR 6147 (February 3, 2014) (“*Initiation Notice*”).

<sup>5</sup> *Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part*, 79 FR 11401 (February 28, 2014) (“*Second Initiation Notice*”).

<sup>6</sup> See Memorandum to Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, “Multilayered Wood Flooring from the People’s Republic of China: Extension of Deadline for Preliminary Results of Antidumping Duty Administrative Review” (July 18, 2014).

<sup>7</sup> See Memorandum to Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, “Multilayered Wood Flooring from the People’s Republic of China: Extension of Deadline for Preliminary Results of Antidumping Duty Administrative Review” (November 13, 2014).

## Scope of the Order

Multilayered wood flooring is composed of an assembly of two or more layers or plies of wood veneer(s). Veneer is referred to as a ply when assembled in combination with a core. The several layers, along with the core, are glued or otherwise bonded together to form a final assembled product. Multilayered wood flooring is often referred to by other terms, *e.g.*, “engineered wood flooring” or “plywood flooring.” Regardless of the particular terminology, all products that meet the description set forth herein are intended for inclusion within the definition of subject merchandise.

All multilayered wood flooring is included within the definition of subject merchandise, without regard to: dimension (overall thickness, thickness of face ply, thickness of back ply, thickness of core, and thickness of inner plies; width; and length); wood species used for the face, back and inner veneers; core composition; and face grade. Multilayered wood flooring included within the definition of subject merchandise may be unfinished (*i.e.*, without a finally finished surface to protect the face veneer from wear and tear) or “prefinished” (*i.e.*, a coating applied to the face veneer, including, but not exclusively, oil or oil-modified or water-based polyurethanes, ultraviolet light cured polyurethanes, wax, epoxy-ester finishes, moisture-cured urethanes and acid-curing formaldehyde finishes). The veneers may be also soaked in an acrylic-impregnated finish. All multilayered wood flooring is included within the definition of subject merchandise regardless of whether the face (or back) of the product is smooth, wire brushed, distressed by any method or multiple methods, or hand-scraped. In addition, all multilayered wood flooring is included within the definition of subject merchandise regardless of whether or not it is manufactured with any interlocking or connecting mechanism (for example, tongue-and-groove construction or locking joints). All multilayered wood flooring is included within the definition of the subject merchandise regardless of whether the product meets a particular industry or similar standard.

The core of multilayered wood flooring may be composed of a range of materials, including but not limited to hardwood or softwood veneer, particleboard, medium-density fiberboard, high-density fiberboard (“HDF”), stone and/or plastic composite, or strips of lumber placed edge-to-edge.

Multilayered wood flooring products generally, but not exclusively, may be in the form of a strip, plank, or other geometrical patterns (*e.g.*, circular, hexagonal). All multilayered wood flooring products are included within this definition regardless of the actual or nominal dimensions or form of the product.

Specifically excluded from the scope are cork flooring and bamboo flooring, regardless of whether any of the sub-surface layers of either flooring are made from wood. Also excluded is laminate flooring. Laminate flooring consists of a top wear layer sheet not made of wood, a decorative paper layer, a core-layer of HDF, and a stabilizing bottom layer.

Imports of the subject merchandise are provided for under the following subheadings of the Harmonized Tariff Schedule of the United States (“HTSUS”): 4412.31.0520; 4412.31.0540; 4412.31.0560; 4412.31.2510; 4412.31.2520; 4412.31.4040; 4412.31.4050; 4412.31.4060;

4412.31.4070; 4412.31.5125; 4412.31.5135; 4412.31.5155; 4412.31.5165; 4412.31.6000; 4412.31.9100; 4412.32.0520; 4412.32.0540; 4412.32.0560; 4412.32.2510; 4412.32.2520; 4412.32.3125; 4412.32.3135; 4412.32.3155; 4412.32.3165; 4412.32.3175; 4412.32.3185; 4412.32.5600; 4412.39.1000; 4412.39.3000; 4412.39.4011; 4412.39.4012; 4412.39.4019; 4412.39.4031; 4412.39.4032; 4412.39.4039; 4412.39.4051; 4412.39.4052; 4412.39.4059; 4412.39.4061; 4412.39.4062; 4412.39.4069; 4412.39.5010; 4412.39.5030; 4412.39.5050; 4412.94.1030; 4412.94.1050; 4412.94.3105; 4412.94.3111; 4412.94.3121; 4412.94.3131; 4412.94.3141; 4412.94.3160; 4412.94.3171; 4412.94.4100; 4412.94.5100; 4412.94.6000; 4412.94.7000; 4412.94.8000; 4412.94.9000; 4412.94.9500; 4412.99.0600; 4412.99.1020; 4412.99.1030; 4412.99.1040; 4412.99.3110; 4412.99.3120; 4412.99.3130; 4412.99.3140; 4412.99.3150; 4412.99.3160; 4412.99.3170; 4412.99.4100; 4412.99.5100; 4412.99.5710; 4412.99.6000; 4412.99.7000; 4412.99.8000; 4412.99.9000; 4412.99.9500; 4418.71.2000; 4418.71.9000; 4418.72.2000; 4418.72.9500; and 9801.00.2500.

While HTSUS subheadings are provided for convenience and customs purposes, the written description of the subject merchandise is dispositive.

### Selection of Respondents

Section 777A(c)(1) of the Act directs the Department to calculate an individual weighted-average dumping margin for each known exporter and producer of the subject merchandise. However, section 777A(c)(2) of the Act gives the Department discretion to limit its examination to a reasonable number of exporters and producers if it is not practicable to make individual weighted-average dumping margin determinations because of the large number of exporters and producers involved in the review. When the Department limits the number of exporters examined in a review pursuant to section 777A(c)(2) of the Act, section 782(a) of the Act directs the Department to calculate individual weighted-average dumping margins for companies not initially selected for individual examination that voluntarily provide the information requested of the mandatory respondents if (1) the information is submitted by the due date specified for the mandatory respondents and (2) the number of such companies that have voluntarily provided such information is not so large that individual examination would be unduly burdensome and inhibit the timely completion of the review.

On March 10, 2014, the Department placed on the record CBP data for U.S. imports classified under the HTSUS subheadings identified in the scope of the AD order on MLWF from the PRC.<sup>8</sup> At that time, the Department invited interested parties to submit comments regarding the CBP data for use in respondent selection. On March 20, 2014, the Department received comments on respondent selection from CAHP, Fine Furniture, and Zhejiang Layo Wood Industry Co., Ltd. (“Layo Wood”).

On April 21, 2014, the Department determined that it was not practicable to examine all of the companies on which it initiated reviews, because this number of respondents was too large to individually examine given the Department’s current resource constraints, pursuant to section

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<sup>8</sup> See Memorandum to All Interested Parties from the Department, “Administrative Review of Multilayered Wood Flooring from the People’s Republic of China for 2012 – 2013: Results of U.S. Customs and Border Protection Database Query” (March 10, 2014).

777A(c)(2) of the Act. Therefore, in accordance with section 777A(c)(2)(B) of the Act, the Department selected for individual examination the two exporters accounting for the largest volume of MLWF exported from the PRC during the POR (*i.e.*, Dalian Dajen and Layo Wood) based on CBP data.<sup>9</sup> The Department also found that if it received voluntary responses in accordance with section 782(a) of the Act and 19 CFR 351.204(d), then it would evaluate the circumstances at that time in deciding whether to select an additional respondent for examination.

The Department issued its AD questionnaire to Layo Wood and Dalian Dajen on April 21 and April 25, 2014, respectively. On April 23, 2014, the United States Court of International Trade entered final judgment in *Zhejiang Layo Wood Industry Co., Ltd. v. United States*. As a result of that judgment, the Department amended the amended final less than fair value determination in this proceeding,<sup>10</sup> and because the revised weighted-average dumping margin for Layo Wood was *de minimis*, merchandise produced and exported by Layo Wood is excluded from the antidumping duty order on MLWF from the PRC. Accordingly, the Department discontinued Layo Wood's status as a mandatory respondent. Further, because the Department determined that there was sufficient time remaining in the administrative review to select an additional mandatory respondent, the Department selected Jiangsu Senmao (the next largest volume exporter based on CBP data) as a mandatory respondent in this review.<sup>11</sup> On May 15, 2014, the Department issued its AD questionnaire to Jiangsu Senmao. Between May 23, 2014 and November 4, 2014, Dalian Dajen and Jiangsu Senmao submitted timely responses to the Department's original and supplemental questionnaires.

In addition, on May 23, 2014, Fine Furniture submitted a voluntary questionnaire response. However, both companies selected for individual examination, Dalian Dajen and Jiangsu Senmao, are participating in this review. The Department has never individually examined either Dalian Dajen or Jiangsu Senmao. In addition to the fact that the Department has issued multiple supplemental questionnaires in order to become familiar with both companies' corporate structures, sales and factors of production, our analysis of Dalian Dajen has been especially complicated due to its possible affiliations with several other companies located in different countries. As a result, we are unable to calculate individual margins for the two individually examined companies in this review as well as an additional voluntary respondent that has submitted responses to the Department. The additional workload of selecting a voluntary respondent would be unduly burdensome given the Department's current resource availability and would inhibit timely completion of this review. Thus, consistent with section 782(a) of the Act, the Department has not considered Fine Furniture's unsolicited response.

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<sup>9</sup> See Memorandum to Abdelali Elouaradia, Director, Office IV, Antidumping and Countervailing Duty Operations: "Selection of Respondents for the 2012-2013 Administrative Review of the Antidumping Duty Order on Multilayered Wood Flooring from the People's Republic of China" (April 21, 2014).

<sup>10</sup> See *Multilayered Wood Flooring from the People's Republic of China: Notice of Court Decision Not in Harmony With the Final Determination and Amended Final Determination of the Antidumping Duty Investigation*, 79 FR 25109 (May 2, 2014).

<sup>11</sup> See Memorandum to Abdelali Elouaradia, Director, Office IV, Antidumping and Countervailing Duty Operations: "2012-2013 Administrative Review of the Antidumping Duty Order on Multilayered Wood Flooring from the People's Republic of China: Discontinuation of Mandatory Respondent Status for Zhejiang Layo Wood Industry Co., Ltd." (May 15, 2014).

## DISCUSSION OF THE METHODOLOGY

### Non-Market Economy Country

The Department considers the PRC to be a non-market economy (“NME”) country.<sup>12</sup> In accordance with section 771(18)(C)(i) of the Act, any determination that a foreign country is an NME country shall remain in effect until revoked by the administering authority. Therefore, we continue to treat the PRC as an NME country for purposes of these preliminary results.

### Separate Rate

There is a rebuttable presumption that all companies within an NME are subject to government control and, thus, should be assessed a single AD rate. In the *Initiation Notice*, the Department notified parties of the application process by which exporters and producers may obtain separate rate status in NME proceedings.<sup>13</sup> It is the Department’s policy to assign all exporters of the merchandise subject to review in NME countries a single rate unless an exporter can affirmatively demonstrate an absence of government control, both in law (*de jure*) and in fact (*de facto*), with respect to exports. To establish whether a company is sufficiently independent to be entitled to a separate, company-specific rate, the Department analyzes each exporting entity in an NME country under the test established in *Sparklers*,<sup>14</sup> as amplified by *Silicon Carbide*.<sup>15</sup> However, if the Department determines that a company is wholly foreign-owned or located in a market economy (“ME”), then a separate rate analysis is not necessary to determine whether it is independent from government control.<sup>16</sup>

#### A. Separate Rate Applicants

The Department received separate rate applications from eight companies (“Separate Rate Applicants”) on whom it initiated a review, and preliminarily determines that they demonstrated their eligibility for a separate rate.<sup>17</sup>

1. Dalian T-Boom Wood Products Co., Ltd.
2. Fusong Jinlong Wooden Group<sup>18</sup>

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<sup>12</sup> See, e.g., *Multilayered Wood Flooring From the People’s Republic of China: Preliminary Results of Antidumping Duty Administrative Review; 2011-2012*, 78 FR 70267, 70268 (November 25, 2013), unchanged in *Multilayered Wood Flooring From the People’s Republic of China: Final Results of Antidumping Duty Administrative Review; 2011-2012*, 79 FR 26712 (May 9, 2014).

<sup>13</sup> See *Initiation Notice*, 79 FR at 6148; *Second Initiation Notice*, 79 FR at 11402.

<sup>14</sup> See *Final Determination of Sales at Less Than Fair Value: Sparklers From the People’s Republic of China*, 56 FR 20588 (May 6, 1991) (“*Sparklers*”).

<sup>15</sup> See *Notice of Final Determination of Sales at Less Than Fair Value: Silicon Carbide From the People’s Republic of China*, 59 FR 22585 (May 2, 1994) (“*Silicon Carbide*”).

<sup>16</sup> See *Final Results of Antidumping Duty Administrative Review: Petroleum Wax Candles From the People’s Republic of China*, 72 FR 52355, 52356 (September 13, 2007).

<sup>17</sup> The Department received a separate rate application from one company not named in either of the initiation notices, *i.e.*, Xuzhou Meilinsen. No party requested a review of this company. Therefore, the Department rejected its separate rate application and is not considering its eligibility for a separate rate in this review. See Letter to Xuzhou Meilinsen: “Rejection of Separate Rate Application Filed in the 2012-2013 Administrative Review of the Antidumping Duty Order on Multilayered Wood Flooring from the People’s republic of China” (October 30, 2014).

3. Hangzhou Zhengtian Industrial Co., Ltd.
4. Jiangsu Guyu International Trading Co. Ltd.
5. Jiangsu Kentier Wood Co., Ltd.
6. Jiangsu Mingle Flooring Co., Ltd.
7. Tongxiang Jisheng Import and Export Co., Ltd.
8. Zhejiang Fuma Warm Technology Co., Ltd.

The eight Separate Rate Applicants listed above, as well as Dalian Dajen and Jiangsu Senmao, provided evidence that they are either joint ventures between Chinese and foreign companies or are wholly Chinese-owned companies.<sup>19</sup> The Department analyzed whether each of these companies has demonstrated an absence of *de jure* and *de facto* government control over its respective export activities.

a. Absence of *De Jure* Control

The Department considers the following *de jure* criteria in determining whether an individual company may be granted a separate rate: (1) an absence of restrictive stipulations associated with an individual exporter's business and export licenses; (2) legislative enactments decentralizing control over export activities of the companies; and (3) other formal measures by the government decentralizing control over export activities of companies.<sup>20</sup>

The evidence provided by the Separate Rate Applicants, Dalian Dajen, and Jiangsu Senmao supports a preliminary finding of an absence of *de jure* government control for each of these companies based on the following: (1) an absence of restrictive stipulations associated with the individual exporter's business and export licenses; (2) the existence of applicable legislative enactments decentralizing control of the companies; and (3) the implementation of formal measures by the government decentralizing control of Chinese companies.<sup>21</sup>

b. Absence of *De Facto* Control

Typically, the Department considers four factors in evaluating whether a respondent is subject to *de facto* government control of its export functions: (1) whether the export prices ("EP") are set by, or are subject to the approval of, a government agency; (2) whether the respondent has authority to negotiate and sign contracts and other agreements; (3) whether the respondent has autonomy from the government in making decisions regarding the selection of management; and (4) whether the respondent retains the proceeds of its export sales and makes independent decisions regarding the disposition of profits or financing of losses.<sup>22</sup> The Department has

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<sup>18</sup> Fusong Jinlong Wooden Group Co., Ltd. and Fusong Qianqiu Wooden Products Co., Ltd. submitted Separate Rate Applications. The Department has determined that The Fusong Jinlong Wooden Group is composed of four companies: Dalian Qianqiu Wooden Product Co., Ltd.; Fusong Jinlong Wooden Group Co., Ltd.; Fusong Jinqiu Wooden Product Co., Ltd.; and Fusong Qianqiu Wooden Product Co., Ltd.

<sup>19</sup> See company-specific Separate Rate Applications submitted to the Department between March 18, 2014 and April 4, 2014 ("Separate Rate Applications").

<sup>20</sup> See *Sparklers*, 56 FR at 20589.

<sup>21</sup> See Separate Rate Applications.

<sup>22</sup> See *Silicon Carbide*, 59 FR at 22586-87; see also *Notice of Final Determination of Sales at Less Than Fair Value: Furfuryl Alcohol From the People's Republic of China*, 60 FR 22544, 22545 (May 8, 1995).

determined that an analysis of *de facto* control is critical in determining whether respondents are, in fact, subject to a degree of government control which would preclude the Department from assigning separate rates.

The evidence provided by the Separate Rate Applicants, Dalian Dajen, and Jiangsu Senmao supports a preliminary finding of an absence of *de facto* government control based on record statements and supporting documentation showing that the companies: (1) set their own constructed export prices (“CEP”) or EPs independent of the government and without the approval of a government authority; (2) have the authority to negotiate and sign contracts and other agreements; (3) maintain autonomy from the government in making decisions regarding the selection of management; and (4) retain the proceeds of their respective export sales and make independent decisions regarding disposition of profits or financing of losses.<sup>23</sup>

Therefore, the evidence placed on the record of this review by the Separate Rate Applicants and the mandatory respondents demonstrates an absence of *de jure* and *de facto* government control under the criteria identified in *Sparklers* and *Silicon Carbide*.

#### B. Separate Rate Certifications

The Department received Separate Rate Certifications from 60 companies that received a separate rate from a prior segment of this proceeding and were not selected for individual investigation in this review. The evidence placed on the record in this review by these companies demonstrates a continued absence of *de jure* and *de facto* government control under the criteria identified in *Sparklers* and *Silicon Carbide*.<sup>24</sup> Accordingly, the Department has preliminarily determined that the 60 companies listed in Appendix 1 have demonstrated that they continue to be eligible for a separate rate.

#### C. No Shipment Certifications

1. Anhui Longhua Bamboo Product Co. Ltd.
2. Benxi Wood Company
3. Guangzhou Homebon Timber Manufacturing Co., Ltd.
4. Jiaying Brilliant Import & Export Co. Ltd.
5. Pinge Timber Manufacturing (Zhejiang) Co., Ltd.
6. Power Dekor Group Co., Ltd.
7. Shenyang Senwang Wooden Industry Co., Ltd.

The seven companies listed above submitted certifications that they did not ship subject merchandise to the United States during the POR.<sup>25</sup> The Department confirmed the companies’ certifications of no shipment with CBP. As a result, each of the companies will maintain its current rate and will not be included in the separate rate calculated by this review.

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<sup>23</sup> See Separate Rate Applications.

<sup>24</sup> See company-specific Separate Rate Certifications submitted to the Department between March 11, 2014 and April 4, 2014 (“Separate Rate Certifications”).

<sup>25</sup> See company-specific No Shipment Certifications submitted to the Department between December 20, 2012 and March 28, 2013 (“No Shipment Certifications”).

#### D. Companies Maintaining Their Separate Rate

The Department has not granted a separate rate to Dalian Huade Wood Product Co., Ltd. (“Dalian Huade”) or Zhejiang Fuerjia Wooden Co., Ltd. (“Zhejiang Fuerjia”) due to a lack of shipments during the POR to analyze for purposes of granting a separate rate. Although both companies had a shipment during the POR of this administrative review, these respective shipments were analyzed in the new shipper review conducted for each company. Therefore, Dalian Huade and Zhejiang Fuerjia will not be analyzed for the purposes of a separate rate in this review but will maintain the rate they received from their respective new shipper reviews.<sup>26</sup>

#### Rate for Non-Examined, Separate Rate Respondents

The statute and the Department’s regulations do not address the establishment of a rate to be applied to individual separate rate respondents not selected for examination when the Department limits its examination in an administrative review pursuant to section 777A(c)(2) of the Act. Generally, the Department looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in an investigation, for guidance when calculating the rate for separate rate respondents which were not examined in an administrative review.

Under section 735(c)(5)(A) of the Act, the all-others rate is normally “an amount equal to the weighted average of the estimated weighted average dumping margins established for exporters and producers individually investigated, excluding any zero and *de minimis* margins, and any margins determined entirely {on the basis of facts available}.” Accordingly, when only one weighted-average dumping margin for the individually investigated respondents is above *de minimis* and not based entirely on facts available, the separate rate will be equal to that single above *de minimis* rate.<sup>27</sup> In these preliminary results, the Department has calculated a rate for Jiangsu Senmao that is not zero, *de minimis*, or based entirely on facts available. Therefore, the Department has assigned to the companies that have not been individually examined but have demonstrated their eligibility for a separate rate a margin of 18.27 percent, which is the rate calculated for Jiangsu Senmao.

#### The PRC-wide Entity

Upon initiation of this administrative review, as explained above, we provided the opportunity for all companies for which we initiated the review to complete either the separate rate

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<sup>26</sup> See *Multilayered Wood Flooring From the People’s Republic of China: Final Results of Antidumping Duty New Shipper Reviews; 2012-2013*, 79 FR 66355 (November 7, 2014). The Department also conducted a new shipper review of Linyi Bonn Flooring Manufacturing Co., Ltd. (“Linyi Bonn”); however, in the instant review, Linyi Bonn has not submitted to the Department either a certification of no sales, a separate rate application, or a separate rate certification.

<sup>27</sup> See *Longkou Haimeng Mach. Co. v. United States*, 581 F. Supp. 2d 1344, 1357-60 (CIT 2008) (affirming the Department’s determination to assign a 4.22 percent dumping margin to the separate rate respondents in a segment where the three mandatory respondents received dumping margins of 4.22 percent, 0.03 percent, and zero percent, respectively); *Certain Kitchen Appliance Shelving and Racks From the People’s Republic of China: Final Determination of Sales at Less Than Fair Value*, 74 FR 36656, 36660 (July 24, 2009).

application or certification.<sup>28</sup> We have preliminarily determined that 20 companies did not demonstrate their eligibility for a separate rate and are properly considered part of the PRC-wide entity.<sup>29</sup> In NME proceedings, “‘rates’ may consist of a single dumping margin applicable to all exporters and producers.”<sup>30</sup> As explained above in the “Separate Rate” section, all companies within the PRC are considered to be subject to government control unless they are able to demonstrate an absence of government control with respect to their export activities. Such companies are thus assigned a single AD rate distinct from the separate rate(s) determined for companies that are found to be independent of government control with respect to their export activities. We consider the influence that the government has been found to have over the economy to warrant determining a rate for the entity that is distinct from the rates found for companies that have provided sufficient evidence to establish that they operate freely with respect to their export activities.<sup>31</sup> In this regard, we note that no party has submitted evidence to demonstrate that such government influence is no longer present or that our treatment of the NME entity is otherwise incorrect. Therefore, we are assigning the entity an *ad valorem* rate of 58.84 percent, the only rate ever determined for the PRC-wide entity in this proceeding.<sup>32</sup>

The following companies named in the *Initiation Notice* did not submit to the Department either a certification of no sales, a separate rate application, or a separate rate certification: Baiying Furniture Manufacturer Co., Ltd.; Dunhua Jisheng Wood Industry Co., Ltd.; Dunhua Shengda Wood Industry Co., Ltd.; Fu Lik Timber (HK) Co., Ltd.; Guangdong Fu Lin Timber Technology Limited; Guangzhou Panyu Shatou Trading Co., Ltd.; Hunchun Xingjia Wooden Flooring Inc.; Huzhou Fuma Wood Bus. Co., Ltd.; Huzhou Ruifeng Imp. & Exp. Co., Ltd.; Jiazing Brilliant Import & Export Co., Ltd., Linyi Bonn Flooring Manufacturing Co., Ltd.; Sennorwell International Group (Hong Kong) Limited; Shenyang Sende Wood Co., Ltd.; Suzhou Anxin Weiguang Timber Co., Ltd.; Vicwood Industry (Suzhou) Co., Ltd.; Yekalon Industry, Inc.; Zhejiang AnJi XinFeng Bamboo & Wood Co., Ltd.; Zhejiang Desheng Wood Industry Co., Ltd.; Zhejiang Haoyun Wood Co., Ltd.; and Zhejiang Jeson Wood Co., Ltd. Thus, these companies have failed to demonstrate that they are eligible for a separate rate, and are considered part of the PRC entity.<sup>33</sup>

#### Surrogate Country and Surrogate Value Data

When the Department investigates imports from an NME country, section 773(c)(1) of the Act directs it to base NV, in most circumstances, on the NME producer’s factors of production (“FOP”), valued in a surrogate ME country or countries considered to be appropriate by the Department. In accordance with section 773(c)(4) of the Act, in valuing the FOP, the

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<sup>28</sup> See *Initiation Notice*, 78 FR 6291. The separate rate certification and separate rate application were available at: <http://ia.ita.doc.gov/nme/nme-sep-rate.html>.

<sup>29</sup> The Department is conducting a concurrent new shipper review of Linyi Anying Wood Co., Ltd. Therefore, although it was named in the *Initiation Notice*, its separate-rate status will be determined in the new shipper review.

<sup>30</sup> See 19 CFR 351.107(d).

<sup>31</sup> See Separate Rate section, above.

<sup>32</sup> See *Multilayered Wood Flooring From the People’s Republic of China: Notice of Amended Final Affirmative Determination of Sales at Less than Fair Value and Antidumping Duty Order*, 76 FR 76690 (December 8, 2011).

<sup>33</sup> See *Narrow Woven Ribbons With Woven Selvedge From the People’s Republic of China: Preliminary Results and Partial Rescission of Antidumping Duty Administrative Review*, 77 FR 47363, 47365 (August 8, 2012), unchanged in *Narrow Woven Ribbons With Woven Selvedge From the People’s Republic of China: Final Results of Antidumping Duty Administrative Review; 2010-2011*, 78 FR 10130 (February 13, 2013).

Department shall utilize, to the extent possible, the prices or costs of FOP in one or more ME countries that are: (1) at a level of economic development comparable to that of the NME country; and (2) significant producers of comparable merchandise.<sup>34</sup> The Department determined that Bulgaria, Colombia, Ecuador, Indonesia, South Africa, and Thailand are countries with *per capita* gross national incomes that are comparable to the PRC.<sup>35</sup>

On May 21, 2014, the Department received consolidated surrogate country comments from Dalian Dajen and Jiangsu Senmao,<sup>36</sup> as well as comments from interested parties Armstrong Wood Products (Kunshan) Co. Ltd. and Armstrong World Industries (collectively, “Armstrong”),<sup>37</sup> Fine Furniture,<sup>38</sup> Lumber Liquidators Services, LLC (“Lumber Liquidators”),<sup>39</sup> and CAHP.<sup>40</sup> Dalian Dajen and Jiangsu Senmao suggested that either Indonesia or Thailand could serve as the surrogate country. CAHP stated that all six of the companies identified in the surrogate country memo could be used as the surrogate country, but suggested that the Department also consider the Philippines as a surrogate country, stating that it met the criteria and has been used in prior segments of the proceeding. Armstrong and Lumber Liquidators also suggested that the Department consider the Philippines as a surrogate country. Fine Furniture initially stated that the Department could use Indonesia as the surrogate country, but also proposed the Department expand its list to consider the Philippines. Fine Furniture subsequently endorsed Thailand as the appropriate surrogate country and suggested Indonesia as a viable alternative.<sup>41</sup>

#### A. Economic Comparability

As explained in our letter to interested parties, Bulgaria, Colombia, Ecuador, Indonesia, South Africa, and Thailand are all at the same level of economic development as the PRC. Accordingly, unless we find that all of the countries determined to be equally economically comparable are not significant producers of comparable merchandise, do not provide a reliable source of publicly available surrogate data, or are unsuitable for use for other reasons, we will rely on data from one of these countries and will not rely on data from the Philippines, which the Department considers to be less economically comparable to the PRC. Therefore, we consider all six countries as having met this prong of the surrogate country selection criteria.

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<sup>34</sup> See Import Administration Policy Bulletin 04.1: Non-Market Economy Surrogate Country Selection Process (March 1, 2004) (“Policy Bulletin”).

<sup>35</sup> See Letter from the Department to Interested Parties, “2012-2013 Antidumping Duty Administrative Review of Multilayered Wood Flooring from the People’s Republic of China: Request for Surrogate Country and Surrogate Value Comments and Information” (April 11, 2014).

<sup>36</sup> See Letter from Dalian Dajen and Jiangsu Senmao, “Multilayered Wood Flooring from the People’s Republic of China: Surrogate Country Comments” (May 21, 2014).

<sup>37</sup> See Letter from Armstrong, “Multilayered Wood Flooring from the People’s Republic of China (12/1/12 – 11/30/13): Comments on Surrogate Country” (May 21, 2014).

<sup>38</sup> See Letter from Fine Furniture, “Administrative Review of the Antidumping Duty Order on Multilayered Wood Flooring from the People’s Republic of China: Surrogate Country Comments” (May 21, 2014).

<sup>39</sup> See Letter from Lumber Liquidators, “Comments on Surrogate Country Selection 2012-2013 Administrative Review Multilayered Wood Flooring from the People’s Republic of China” (May 21, 2014).

<sup>40</sup> See Letter from CAHP, “Multilayered Wood Flooring from the People’s Republic of China” (May 21, 2014).

<sup>41</sup> See Letter from Fine Furniture, “Administrative Review of the Antidumping Duty Order on Multilayered Wood Flooring from the People’s Republic of China: Surrogate Value Comments” (October 31, 2014) (“Fine Furniture Surrogate Value Comments”).

## B. Significant Producers of Identical or Comparable Merchandise

Section 773(c)(4)(B) of the Act requires the Department to value FOPs in a surrogate country that is a significant producer of comparable merchandise. Neither the statute nor the Department's regulations provide further guidance on what may be considered comparable merchandise. Given the absence of any definition in the statute or regulations, the Department looks to other sources such as the *Policy Bulletin* for guidance on defining comparable merchandise. The *Policy Bulletin* states that "in all cases, if identical merchandise is produced, the country qualifies as a producer of comparable merchandise."<sup>42</sup> Conversely, if identical merchandise is not produced, then a country producing comparable merchandise is sufficient in selecting a surrogate country. Further, when selecting a surrogate country, the statute requires the Department to consider the comparability of the merchandise, not the comparability of the industry.<sup>43</sup> Based on the information placed on record of this review, the Department finds that Colombia, Ecuador, Indonesia, South Africa, and Thailand are all significant producers of comparable merchandise.<sup>44</sup>

## C. Data Availability

When evaluating surrogate value ("SV") data, the Department considers several factors including whether the SV is publicly available, contemporaneous with the POR, represents a broad-market average, from an approved surrogate country, tax and duty-exclusive, and specific to the input.<sup>45</sup> There is no hierarchy among these criteria. It is the Department's practice to carefully consider the available evidence in light of the particular facts of each industry when undertaking its analysis.<sup>46</sup> The mandatory respondents, Dalian Dajen and Jiangsu Senmao, as well as Fine Furniture and CAHP, filed SV comments and information, and rebuttal comments. As a result of those submissions, the record of this review contains specific, contemporaneous, and high-quality data from Thailand, Indonesia and the Philippines to value all FOPs.<sup>47</sup>

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<sup>42</sup> See *Policy Bulletin*.

<sup>43</sup> See *Sebacic Acid from the People's Republic of China; Final Results of Antidumping Duty Administrative Review*, 62 FR 65674, 65675-76 (December 15, 1997) ("To impose a requirement that merchandise must be produced by the same process and share the same end uses to be considered comparable would be contrary to the intent of the statute.").

<sup>44</sup> See Memorandum to Abdelali Elouaradia, Director, Office IV, Enforcement and Compliance Operations, "Second Administrative Review of the Antidumping Duty Order on Multilayered Wood Flooring from the People's Republic of China: Selection of a Surrogate Country" (December 31, 2014) ("Surrogate Country Memo").

<sup>45</sup> See *Policy Bulletin*.

<sup>46</sup> *Id.*

<sup>47</sup> See Consolidated Letter from Dalian Dajen and Jiangsu Senmao, "Multilayered Wood Flooring from the People's Republic of China: Surrogate Value Comments" (August 11, 2014) ("Consolidated Dalian Dajen and Jiangsu Senmao SV Comments"), see also Letter from CAHP, "Multilayered Wood Flooring from the People's Republic of China" (August 11, 2014) ("CAHP SV Comments"); Consolidated Letter from Dalian Dajen and Jiangsu Senmao, "Multilayered Wood Flooring from the People's Republic of China: Rebuttal Surrogate Value Information" (August 25, 2014) ("Consolidated Dalian Dajen and Jiangsu Senmao Rebuttal SV Comments"); Letter from CAHP, "Multilayered Wood Flooring from the People's Republic of China" (August 25, 2014) ("CAHP Rebuttal SV Comments"); Fine Furniture Surrogate Value Comments.

As explained above and in more detail in the Surrogate Country Memo, regarding the countries for which we have data, the Department finds that Thailand and Indonesia are at the same level of economic development as the PRC. Further, these two countries are significant producers of comparable merchandise. However, data considerations lead us to preliminarily select Thailand, rather than Indonesia, as the most appropriate primary surrogate country. Thailand has publicly available and reliable data with which to value the mandatory respondents' FOPs because of complete SVs and useable financial statements submitted in this review. As discussed in more detail below, there are no contemporaneous surrogate financial statements on the record for Indonesia.<sup>48</sup> Therefore, in accordance with section 773(c)(4) of the Act and 19 CFR 351.408(c)(2), the Department preliminarily determines that Thailand is the most appropriate primary surrogate country for purposes of this administrative review.

### Date of Sale

In identifying the date of sale of the merchandise under consideration, the Department will normally, in accordance with 19 CFR 351.401(i), "use the date of invoice, as recorded in the exporter or producer's records kept in the ordinary course of business." In *Allied Tube*, the CIT noted that a "party seeking to establish a date of sale other than invoice date bears the burden of producing sufficient evidence to 'satisfy' the Department that 'a different date better reflects the date on which the exporter or producer establishes the material terms of sale.'"<sup>49</sup> Additionally, the Department may use a date other than the date of invoice if it is satisfied that a different date better reflects the date on which the exporter or producer establishes the material terms of sale.<sup>50</sup> This normally includes the price, quantity, delivery terms and payment terms.<sup>51</sup> For the respondents Dalian Dajen and Jiangsu Senmao, the Department has preliminarily determined to use the invoice date as the date of sale.

### Fair Value Comparisons

To determine whether Dalian Dajen's and Jiangsu Senmao's sales of subject merchandise were made at less than NV, we compared EP or CEP to NV, as described in the "Export Price," "Constructed Export Price" and "Normal Value" sections below.<sup>52</sup>

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<sup>48</sup> See also Surrogate Country Memo.

<sup>49</sup> See *Allied Tube & Conduit Corp. v. United States* 132 F. Supp. 2d 1087, 1090 (CIT 2001) (quoting 19 CFR 351.401(i)) ("*Allied Tube*").

<sup>50</sup> See 19 CFR 351.401(i); see also *Allied Tube*, 132 F. Supp. 2d at 1090-1092.

<sup>51</sup> See, e.g., *Carbon and Alloy Steel Wire Rod From Trinidad and Tobago: Final Results of Antidumping Duty Administrative Review*, 72 FR 62824 (November 7, 2007), and accompanying Issue and Decision Memorandum at Comment 1; *Notice of Final Determinations of Sales at Less Than Fair Value; Certain Cold-Rolled Flat-Rolled Carbon Quality Steel Products from Turkey*, 65 FR 15123 (March 21, 2000), and accompanying Issues and Decision Memorandum at Comment 1.

<sup>52</sup> In these preliminary results, 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 Duty Proceedings; Final Modification*, 77 FR 8101 (February 14, 2012) ("*Final Modification for Reviews*").

## A. Determination of Comparison Method

Pursuant to 19 CFR 351.414(c)(1), the Department calculates dumping margins by comparing weighted-average NVs to weighted-average EPs (or CEPs) (the average-to-average method) unless the Department determines that another method is appropriate in a particular situation. In AD investigations, the Department examines whether to use the average-to-transaction method as an alternative comparison method using an analysis consistent with section 777A(d)(1)(B) of the Act. Although section 777A(d)(1)(B) of the Act does not strictly govern the Department's examination of this question in the context of administrative reviews, the Department nevertheless finds that the issue arising under 19 CFR 351.414(c)(1) in administrative reviews is, in fact, analogous to the issue in AD investigations.<sup>53</sup> In recent investigations and reviews, the Department applied a "differential pricing" analysis to determine whether application of average-to-transaction comparisons is appropriate in a particular situation pursuant to 19 CFR 351.414(c)(1) and consistent with section 777A(d)(1)(B) of the Act.<sup>54</sup> The Department finds the differential pricing analysis used in those recent investigations and reviews may be instructive for purposes of examining whether to apply an alternative comparison method in this administrative review. The Department will continue to develop its approach in this area based on comments received in this and other proceedings, and on the Department's additional experience with addressing the potential masking of dumping that can occur when the Department uses the average-to-average method in calculating weighted-average dumping margins.

The differential pricing analysis used in these preliminary results requires a finding of a pattern of EPs (or CEPs) for comparable merchandise that differ significantly among purchasers, regions, or time periods. If such a pattern is found, then the differential pricing analysis evaluates whether such differences can be taken into account when using the average-to-average method to calculate the weighted-average dumping margin. The differential pricing analysis used here evaluates all purchasers, regions, and time periods to determine whether a pattern of prices that differ significantly exists. The analysis incorporates default group definitions for purchasers, regions, time periods, and comparable merchandise. Purchasers are based on the reported customer names. Regions are defined using the reported destination code (*i.e.*, city name, zip code, *etc.*) and are grouped into regions based upon standard definitions published by the U.S. Census Bureau. Time periods are defined by the quarter within the POR being examined based upon the reported date of sale. For purposes of analyzing sales transactions by purchaser, region and time period, comparable merchandise is considered using the product control number and any characteristics of the sales, other than purchaser, region and time period, that the Department uses in making comparisons between EP (or CEP) and NV for the individual dumping margins.

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<sup>53</sup> See *Ball Bearings and Parts Thereof From France, Germany, and Italy: Final Results of Antidumping Duty Administrative Reviews; 2010–2011*, 77 FR 73415 (December 10, 2012), and accompanying Issues and Decision Memorandum at Comment 1.

<sup>54</sup> See *Xanthan Gum From the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 78 FR 33351 (June 4, 2013) and accompanying Issues and Decision Memorandum at Comment 3; see also *Hardwood and Decorative Plywood From the People's Republic of China: Antidumping Duty Investigation*, 78 FR 25946 (May 3, 2013), unchanged in *Hardwood and Decorative Plywood From the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 78 FR 58273 (September 23, 2013) and accompanying Issues and Decision Memorandum at Comment 3.

In the first stage of the differential pricing analysis used here, the “Cohen’s *d* test” is applied. The Cohen’s *d* test is a generally recognized statistical measure of the extent of the difference between the mean of a test group and the mean of a comparison group. First, for comparable merchandise, the Cohen’s *d* test is applied when the test and comparison groups of data each have at least two observations, and when the sales quantity for the comparison group accounts for at least five percent of the total sales quantity of the comparable merchandise. Then, the Cohen’s *d* coefficient is calculated to evaluate the extent to which the net prices to a particular purchaser, region or time period differ significantly from the net prices of all other sales of comparable merchandise. The extent of these differences can be quantified by one of three fixed thresholds defined by the Cohen’s *d* test: small, medium or large. Of these thresholds, the large threshold provides the strongest indication that there is a significant difference between the means of the test and comparison groups, while the small threshold provides the weakest indication that such a difference exists. For this analysis, the difference was considered significant if the calculated Cohen’s *d* coefficient is equal to or exceeds the large (*i.e.*, 0.8) threshold.

Next, the “ratio test” assesses the extent of the significant price differences for all sales as measured by the Cohen’s *d* test. If the value of sales to purchasers, regions, and time periods that pass the Cohen’s *d* test account for 66 percent or more of the value of total sales, then the identified pattern of EPs that differ significantly supports the consideration of the application of the average-to-transaction method to all sales as an alternative to the average-to-average method. If the value of sales to purchasers, regions, and time periods that pass the Cohen’s *d* test accounts for more than 33 percent and less than 66 percent of the value of total sales, then the results support consideration of the application of an average-to-transaction method to those sales identified as passing the Cohen’s *d* test as an alternative to the average-to-average method, and application of the average-to-average method to those sales identified as not passing the Cohen’s *d* test. If 33 percent or less of the value of total sales passes the Cohen’s *d* test, then the results of the Cohen’s *d* test do not support consideration of an alternative to the average-to-average method.

If both tests in the first stage (*i.e.*, the Cohen’s *d* test and the ratio test) demonstrate the existence of a pattern of prices that differ significantly such that an alternative comparison method should be considered, then in the second stage of the differential pricing analysis, we examine whether using only the average-to-average method can appropriately account for such differences. In considering this question, the Department tests whether using an alternative method, based on the results of the Cohen’s *d* and ratio tests described above, yields a meaningful difference in the weighted-average dumping margin as compared to that resulting from the use of the average-to-average method only. If the difference between the two calculations is meaningful, this demonstrates that the average-to-average method cannot account for differences such as those observed in this analysis, and, therefore, an alternative method would be appropriate. A difference in the weighted-average dumping margins is considered meaningful if 1) there is a 25 percent relative change in the weighted-average dumping margin between the average-to-average method and the appropriate alternative method where both rates are above the *de minimis* threshold, or 2) the resulting weighted-average dumping margin moves across the *de minimis* threshold.

Interested parties may present arguments and justifications in relation to the above-described differential pricing approach used in these preliminary results, including arguments for modifying the group definitions used in this proceeding.

## B. Results of the Differential Pricing Analysis

Based on the results of the differential pricing analysis, the Department finds that 50 percent of Dalian Dajen's export sales confirm the existence of a pattern of EPs and CEPs for comparable merchandise that differs significantly among purchasers, regions, or time periods.<sup>55</sup> As such, the Department finds that these results support consideration of an alternative to the average-to-average method. When comparing the weighted-average dumping margin calculated based on the standard method (*i.e.*, the average-to-average method for all U.S. sales) and the weighted-average dumping margin calculated based on the appropriate alternative method, there is no meaningful difference in the results.<sup>56</sup> Accordingly, the Department has determined to use the average-to-average method in making comparisons of EP or CEP and NV for Dalian Dajen.

For Jiangsu Senmao, the Department finds that 53.2 percent of Jiangsu Senmao's export sales confirm the existence of a pattern of EPs for comparable merchandise that differs significantly among purchasers, regions, or time periods.<sup>57</sup> As such, the Department finds that these results support consideration of an alternative to the average-to-average method. When comparing the weighted-average dumping margin calculated based on the standard method (*i.e.*, the average-to-average method for all U.S. sales) and the weighted-average dumping margin calculated based on the appropriate alternative method, there is a meaningful difference in the results.<sup>58</sup> Accordingly, the Department has determined to use the average-to-transaction method for the U.S. sales which pass the Cohen's *d* test and the average-to-average methodology for the remaining U.S. sales in making comparisons of EP and NV for Jiangsu Senmao.

### Affiliation and Single Entity Status

Based on the evidence presented in Dalian Dajen's questionnaire responses, we preliminarily find that Dalian Dajen and HK Artflor International Trading Co., Ltd. ("HK Artflor"), a Hong Kong trading company, are affiliated under sections 771(33)(A) and (G) of the Act and comprise a single entity pursuant to 19 CFR 351.401(f). Specifically, there is a significant amount of common ownership of Dalian Dajen and HK Artflor, and Dalian Dajen is operationally in a position to exercise restraint or direction over HK Artflor. We also preliminarily determine that Dalian Dajen and HK Artflor constitute a single entity because, in addition to the common ownership noted above, the record indicates that there was significant overlap of managers between Dalian Dajen and HK Artflor, and that operations of Dalian Dajen and HK Artflor were intertwined during the period of review such that HK Artflor has no business other than to act on behalf of Dalian Dajen.<sup>59</sup> We also preliminarily find that Dalian Dajen and Johnson Premium

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<sup>55</sup> See company-specific analysis memoranda.

<sup>56</sup> *Id.*

<sup>57</sup> See company-specific analysis memoranda.

<sup>58</sup> *Id.*

<sup>59</sup> See Memorandum to Abdelali Elouaradia re: "Administrative Review of the Antidumping Duty Order on

Hardwood Flooring Inc. (“Johnson Flooring”), a U.S. reseller of subject merchandise, are affiliated under section 771(33)(F) of the Act because Johnson Flooring and Dalian Dajen are under the common control of the same persons.<sup>60</sup> As a result, for sales made through HK Artflor sold directly to an unaffiliated customer in the United States, we based U.S. price on EP; where the merchandise was sold through Johnson Flooring we based U.S. price on CEP.

The Department also preliminarily determined that Dalian Dajen and Zhejiang Shiyou Timber Co., Ltd., a separate-rate respondent in this review, are not affiliated under section 771(33) of the Act.<sup>61</sup>

## U.S. Price

### A. Export Price

In accordance with section 772(a) of the Act, EP is “the price at which subject merchandise is first sold (or agreed to be sold) before the date of importation by the producer or exporter of the subject merchandise outside of the United States to an unaffiliated purchaser in the United States or to an unaffiliated purchaser for exportation to the United States,” as adjusted under section 772(c) of the Act. We used the EP methodology, in accordance with section 772(a) of the Act, for sales in which the subject merchandise was first sold prior to importation by the exporter outside the United States directly to an unaffiliated purchaser in the United States and for sales in which CEP was not otherwise indicated. We find that certain sales by Dalian Dajen and all of Jiangsu Senmao’s sales in this review are EP sales.

We based EP on the price to unaffiliated purchasers in the United States. In accordance with section 772(c)(2)(A) of the Act, where appropriate, we made deductions from the starting price (gross unit price) for foreign inland freight, domestic brokerage and handling, international movement expenses and billing adjustments, as applicable.<sup>62</sup>

### B. Constructed Export Price

In accordance with section 772(b) of the Act, CEP is “the price at which the subject merchandise is first sold (or agreed to be sold) in the United States before or after the date of importation by or for the account of the producer or exporter of such merchandise or by a seller affiliated with the producer or exporter, to a purchaser not affiliated with the producer or exporter, as adjusted under subsections (c) and (d).” We used CEP for certain of Dalian Dajen’s sales and we based CEP on prices to the first unaffiliated purchaser in the United States. Where appropriate, we made deductions from the starting price (gross unit price) for: billing adjustments, foreign movement expenses, including inland freight from warehouse to port; brokerage and handling expenses; international movement expenses, including ocean freight; U.S. warehousing expenses; U.S. movement expenses, including U.S. inland freight from port to warehouse and

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Multilayered Wood Flooring from the People’s Republic of China: Dalian Dajen Wood Co., Ltd.: Affiliation and Single Entity Status” (December 31, 2014).

<sup>60</sup> *Id.*

<sup>61</sup> *Id.*

<sup>62</sup> See company-specific preliminary analysis memoranda.

U.S. inland freight from warehouse to unaffiliated customer; and other expenses, including U.S. duties and appropriate selling expenses, in accordance with section 772(c)(2)(A) of the Act.

In accordance with section 772(d)(1) of the Act, we also deducted those selling expenses associated with economic activities occurring in the United States, where appropriate. Specifically, we deducted, where appropriate, commissions, inventory carrying costs, credit expenses, warranty, and indirect selling expenses. Where foreign movement expenses were provided by PRC service providers or paid for in PRC currency, we valued these services using SVs. For those expenses that were provided by an ME provider and paid for in an ME currency, we used the reported expense. Moreover, we adjusted CEP for interest revenue and repacking costs, where applicable, in accordance with section 772(d)(1) and section 772(c)(2)(A) of the Act.<sup>63</sup>

### Value Added Tax

In 2012 the Department announced a change of methodology with respect to the calculation of EP and CEP to include an adjustment for the amount of any un-refunded (herein “irrecoverable”) value added tax (“VAT”) in certain NMEs, in accordance with section 772(c)(2)(B) of the Act.<sup>64</sup> Information placed on the record of this review by the Department indicates that according to the Chinese VAT schedule, the standard VAT levy is 17 percent and the rebate rate for subject merchandise is 9 percent.<sup>65</sup>

In both the initial and supplemental questionnaires, the Department instructed Dalian Dajen and Jiangsu Senmao to report value-added taxes on merchandise sold to the U.S. and identify which taxes are not rebated upon export.<sup>66</sup> In response, both respondents stated their disagreement with our product-specific methodology and reported that their total VAT refund exceeded VAT paid for export sales during the POR and, thus, reported no value in the VAT field of their respective sales databases.<sup>67</sup> Nevertheless, our practice is that we will not consider allocations across all company sales or across sales of products with different VAT schedules but, rather, will use the difference between the VAT rate and the refund rate, consistent with the PRC regulations contained in Circular 7, unless the company can show otherwise for the subject merchandise.<sup>68</sup> Instead, the Department’s methodology, as explained above and applied in this review, incorporates two basic steps: (1) determine the irrecoverable VAT on subject merchandise, and

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<sup>63</sup> See Dalian Dajen preliminary analysis memorandum.

<sup>64</sup> See *Methodological Change for Implementation of Section 772(c)(2)(B) of the Tariff Act of 1930, as Amended, In Certain Non-Market Economy Antidumping Proceedings*, 77 FR 36484 (June 19, 2012).

<sup>65</sup> See June 20, 2014 Memo to the File: Placing on the Record “Ministry of Finance and State Administration of Taxation, Circular on Further Promotion of ‘Exemption, Deduction and Refund’ of Tax for Exported Merchandise” (“Circular 7”).

<sup>66</sup> See “Antidumping Questionnaire,” C-26-27, issued to Dalian Dajen on April 21, 2014 and to Jiangsu Senmao on May 15, 2014. See June 20, 2014 letter to Dalian Dajen: “Sections A, C and D Supplemental Questionnaire,” at 2; and September 15, 2014 letter to Jiangsu Senmao: “Sections A, C and D Supplemental Questionnaire,” at 4.

<sup>67</sup> See Dalian Dajen’s June 17, 2014 Section C response at C-35 and July 3, 2014 Supplemental Section A, C & D Response at 6-7; and Jiangsu Senmao’s June 30, 2014 Sections C and D response at C-34-36, and September 29, 2014 Supplemental Section A, C & D Response at 4-5.

<sup>68</sup> See, e.g., *Diamond Sawblades and Part Thereof From the People’s Republic of China: Final Results of Antidumping Duty Administrative Review; 2011-2012*, 79 FR 35723 (June 24, 2014), and accompanying Issues and Decision Memorandum at Comment 6.

(2) reduce U.S. price by the amount determined in step one. For the purposes of these preliminary results, therefore, we removed from U.S. price the difference between the rates (*i.e.*, eight percent), which is the irrecoverable VAT as defined under Chinese tax law and regulation.<sup>69</sup>

### Normal Value

Section 773(c)(1) of the Act provides that the Department shall determine the NV using an FOP methodology if the merchandise is exported from an NME and the information does not permit the calculation of NV using home-market prices, third-country prices, or constructed value under section 773(a) of the Act. The Department bases NV on the FOP because the presence of government controls on various aspects of NMEs renders price comparisons and the calculation of production costs invalid under the Department's normal methodologies. Under section 773(c)(3) of the Act, FOPs include, but are not limited to: (1) hours of labor required; (2) quantities of raw materials employed; and (3) representative capital costs. The Department used FOPs reported by the respondents for materials, labor, packing and by-products.

### Factor Valuations

In accordance with section 773(c) of the Act, we calculated NV based on FOP reported by the respondents for the POR. In accordance with 19 CFR 351.408(c)(1), the Department will normally use publicly available information to find an appropriate SV to value FOP. Both Dalian Dajen and Jiangsu Senmao reported that all material inputs were sourced from NME suppliers during the POR. To calculate NV, we multiplied the reported per-unit factor-consumption rates by publicly available SVs (except as discussed below). Our practice when selecting the best available information for valuing FOPs is to select, to the extent practicable, SVs which are product-specific, representative of a broad market average, publicly available, contemporaneous with the POR, and exclusive of taxes and duties.<sup>70</sup>

As appropriate, we adjusted input prices by including freight costs to make them delivered prices. Specifically, we added to import SVs the surrogate freight cost using the shorter of the reported distance from the domestic supplier to the factory or the distance from the nearest seaport to the factory, where appropriate. This adjustment is in accordance with the Court of Appeals for the Federal Circuit's decision in *Sigma Corp v. United States*, 117 F.3d 1401, 1408 (Fed. Cir. 1997).

For the preliminary results, except where noted below, we used data from the Thai import statistics in Global Trade Atlas ("GTA") and other publicly available Thai sources in order to calculate SVs for the respondents' FOPs (*i.e.*, direct materials and packing materials) and certain movement expenses. As noted above, when selecting the best available information for valuing FOPs, the Department's practice is to select, to the extent practicable, SVs which are non-export

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<sup>69</sup> See company-specific analysis memoranda.

<sup>70</sup> See, *e.g.*, *Electrolytic Manganese Dioxide From the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 73 FR 48195 (August 18, 2008), and the accompanying I&D Memo at Comment 2.

average values, most contemporaneous with the POR, product-specific, and tax-exclusive.<sup>71</sup> The record shows Thai import statistics obtained through GTA are publicly available, contemporaneous with the POR, product-specific, tax-exclusive, and represent broad market averages.<sup>72</sup>

In accordance with the legislative history of the Omnibus Trade and Competitiveness Act of 1988, the Department continues to apply its long-standing practice of disregarding SVs if it has a reason to believe or suspect the source data may be subsidized.<sup>73</sup> In this regard, the Department has previously found that it is appropriate to disregard such prices from India, Indonesia, South Korea, and Thailand because we have determined that these countries maintain broadly available, non-industry specific export subsidies.<sup>74</sup> Based on the existence of these subsidy programs that were generally available to all exporters and producers in these countries at the time of the POR, the Department finds that it is reasonable to infer that all exporters from India, Indonesia, South Korea and Thailand may have benefitted from these subsidies. Therefore, the Department has not used prices from India, Indonesia, South Korea and Thailand in calculating the import-based SVs. Additionally, we disregarded prices from NME countries.<sup>75</sup> Finally, imports that were labeled as originating from an “unspecified” country were excluded from the average value, because the Department could not be certain that they were not from either an NME country or a country with generally available export subsidies.<sup>76</sup>

We valued truck freight expenses using average truck rates from the World Bank’s report, *Doing Business 2014: Thailand (“Doing Business”)*.<sup>77</sup> This World Bank report gathers information

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<sup>71</sup> See *Notice of Preliminary Determination of Sales at Less Than Fair Value, Negative Preliminary Determination of Critical Circumstances and Postponement of Final Determination: Certain Frozen and Canned Warmwater Shrimp From the Socialist Republic of Vietnam*, 69 FR 42672, 42682 (July 16, 2004), unchanged in *Final Determination of Sales at Less Than Fair Value: Certain Frozen and Canned Warmwater Shrimp from the Socialist Republic of Vietnam*, 69 FR 71005 (December 8, 2004).

<sup>72</sup> See Surrogate Value Memorandum for the Preliminary Results of the Administrative Review of the Antidumping Duty Order on Multilayered Wood Flooring from the People’s Republic of China (December 31, 2014) (“Prelim SV Memorandum”).

<sup>73</sup> See Omnibus Trade and Competitiveness Act of 1988, Conf. Report to Accompany H.R. 3, H.R. Rep. No. 576, 100th Cong., 2nd Sess. (1988) at 590.

<sup>74</sup> See *Carbazole Violet Pigment 23 from India: Final Results of the Expedited Five-year (Sunset) Review of the Countervailing Duty Order*, 75 FR 13257 (March 19, 2010), and accompanying Issues and Decision Memorandum at 4-5; *Certain Cut-to-Length Carbon-Quality Steel Plate from Indonesia: Final Results of Expedited Sunset Review*, 70 FR 45692 (August 8, 2005), and accompanying Issues and Decision Memorandum at 4; *Corrosion-Resistant Carbon Steel Flat Products from the Republic of Korea: Final Results of Countervailing Duty Administrative Review*, 74 FR 2512 (January 15, 2009), and accompanying Issues and Decision Memorandum at 17, 19-20; *Final Affirmative Countervailing Duty Determination: Certain Hot-Rolled Carbon Steel Flat Products From Thailand*, 66 FR 50410 (October 3, 2001), and accompanying Issues and Decision Memorandum at 23.

<sup>75</sup> See *Certain Kitchen Appliance Shelving and Racks From the People’s Republic of China: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination*, 74 FR 9591, 9600 (March 5, 2009), unchanged in *Certain Kitchen Appliance Shelving and Racks From the People’s Republic of China: Final Determination of Sales at Less Than Fair Value*, 74 FR 36656 (July 24, 2009) and *Certain Kitchen Appliance Shelving and Racks from the People’s Republic of China: Amended Final Determination of Sales at Less Than Fair Value and Notice of Antidumping Duty Order*, 74 FR 46971 (September 14, 2009).

<sup>76</sup> *Id.*

<sup>77</sup> See Consolidated Dalian Dajen and Jiangsu Senmao SV Comments at exhibit 5. The Introduction to *Doing Business* states, “The data in this report are current as of June 1, 2013 (except for paying taxes indicators, which cover the period January-December 2012).” Therefore, the information is contemporaneous with the POR.

concerning the distance and cost to transport products in a 20-foot container from the periurban area (*i.e.*, Bangkok's Industrial Park Area) of the economy's largest business city (Bangkok) to the country's major port.<sup>78</sup> In *Prestressed Concrete*, the Department determined that there are two major ports in Thailand (Port of Bangkok (44.33 km from port to Bangkok Industrial Area); and Laem Chabang Port (110 km from port to Bangkok Industrial Area)).<sup>79</sup> Therefore, consistent with the Department's decision in *Prestressed Concrete*, we used the average distance of the two major ports (*i.e.*, 76.67 km) to calculate inland freight.<sup>80</sup> We calculated a per-kilogram/per-kilometer surrogate inland freight rate of 0.0002722 U.S. dollars per per-kilogram/per-kilometer based on using the full capacity of a 20-foot container as reported in the World Bank report.<sup>81</sup>

To calculate the labor input, we based our calculation on the methodology outlined by the Department in *Labor Methodologies*.<sup>82</sup> In *Labor Methodologies*, the Department determined that the best methodology to value the labor input is to use industry-specific labor rates from the primary surrogate country.<sup>83</sup> Additionally, the Department determined that Chapter 6A: Labor Cost in Manufacturing, from the International Labour Organization ("ILO") Yearbook of Labour Statistics ("Yearbook"), as compared to Chapter 5B data of the ILO Yearbook, is the preferred source where another source is not more appropriate.<sup>84</sup>

In these preliminary results, the Department calculated the labor input using data from the 2007 Industrial Census data published by Thailand's National Statistics Office (the "2007 NSO data").<sup>85</sup> Although the 2007 NSO data are not from the ILO, the Department finds that this fact does not preclude us from using this source for valuing labor. In *Labor Methodologies*, the Department decided to change the use of the ILO Chapter 6A data from the use of ILO Chapter 5B data on the rebuttable presumption that Chapter 6A data better account for all direct and indirect labor costs.<sup>86</sup> The Department did not, however, preclude all other sources for evaluating labor costs in NME antidumping proceedings. Rather, consistent with section 773(c)(1) of the Act, we continue to follow our practice of selecting the "best available information" to determine SVs for inputs, such as labor. Thus, we find that the 2007 NSO data are the best available information for valuing labor for this segment of the proceeding. Specifically, the 2007 NSO data are more contemporaneous than the ILO Chapter 6A data from Thailand. Additionally, the NSO data are industry-specific, and reflect all costs related to labor, including wages, benefits, housing, and training. For these preliminary results, we have calculated the wage rate as 73.63 Baht/hour.<sup>87</sup>

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<sup>78</sup> See *Doing Business* at 72.

<sup>79</sup> See *Final Determination of Sales at Less Than Fair Value: Prestressed Concrete Steel Rail Tie Wire from the People's Republic of China*, 79 FR 25572 (May 5, 2014), and accompanying Issues and Decision Memorandum at Comment 4 ("*Prestressed Concrete*").

<sup>80</sup> *Id.* See also Prelim SV Memorandum.

<sup>81</sup> See Prelim SV Memorandum.

<sup>82</sup> See *Antidumping Methodologies in Proceedings Involving Non-Market Economies: Valuing the Factor of Production: Labor*, 76 FR 36092 (June 21, 2011) ("*Labor Methodologies*").

<sup>83</sup> *Id.* at 36093.

<sup>84</sup> *Id.*

<sup>85</sup> See Prelim SV Memorandum.

<sup>86</sup> See *Labor Methodologies*, 76 FR at 36093.

<sup>87</sup> See Prelim SV Memorandum.

As stated above, to value labor, the Department used the 2007 NSO data reported by Thailand's National Statistics Office, which reflects all costs related to labor, including wages, benefits, housing, and training. Pursuant to *Labor Methodologies*, the Department's practice is to consider whether financial ratios reflect labor expenses that are included in other elements of the respondent's FOPs (e.g., general and administrative expenses). However, the financial statements used to calculate financial ratios in this review were insufficiently detailed to permit the Department to determine whether any labor expenses were included in other components of NV. Therefore, in this review, the Department made no adjustment to these financial statements.<sup>88</sup>

The record includes financial statements from six companies in the Philippines, one company in Indonesia, and four companies in Thailand. All of the surrogate financial statements on the record of this review from the Philippines and Thailand are for fiscal years ending December 31, 2012 or December 31, 2013, both of which are contemporaneous with this POR. The surrogate financial statements from Indonesia are from PT Tirta Makaham Resources Tbk., as discussed below, are not contemporaneous with this POR.<sup>89</sup> The mandatory respondents submitted the 2012 financial statements for Philippine company Mount Banahaw Wood Industries, Inc. ("Mount Banahaw").<sup>90</sup> The financial statements from companies in the Philippines also include the following: Mount Banahaw (2013), Mega Plywood (2013), Industrial Plywood (2013), and Winlex Development Corporation (2013),<sup>91</sup> Puyat Flooring Products, Inc. (2013)<sup>92</sup> and Tagum PPMC Wood Veneer, Inc. (2013).<sup>93</sup> The financial statements from companies in Thailand include: Neotech Plywood Company Limited ("Neotech") (2012), Lampang Product (2013), BNS Wood Industry Co., Ltd. ("BNS") (2013),<sup>94</sup> and Eiwlee Industrial Co., Ltd. ("Eiwlee") (2012)<sup>95</sup> and (2013).<sup>96</sup>

For these preliminary results, the Department used the 2013 surrogate financial statements from Eiwlee to calculate financial ratios for factory overhead, selling, general and administrative expenses and profit. We selected the 2013 statements because they cover 11 months of the POR, whereas the 2012 statements cover only the first month of the POR. In addition, Eiwlee is the only surrogate producer for which there is record evidence showing that it is a producer of identical (i.e., engineered wood flooring),<sup>97</sup> rather than comparable (e.g., plywood, solid wood flooring, etc.) merchandise. There is no evidence on the record showing that any of the other

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<sup>88</sup> See *Hand Trucks and Certain Parts Thereof From the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review: 2011-2012*, 79 FR 3779 (January 23, 2014), unchanged in *Hand Trucks and Certain Parts Thereof From the People's Republic of China: Final Results of Antidumping Duty Administrative Review: 2011-2012*, 79 FR 44008 (July 29, 2014).

<sup>89</sup> See Fine Furniture Surrogate Value Comments at exhibit SV-10.

<sup>90</sup> See Consolidated Dalian Dajen and Jiangsu Senmao Rebuttal SV Comments at exhibit 3.

<sup>91</sup> *Id.* at exhibit SV-11.

<sup>92</sup> See CAHP SV Comments at exhibit SV-14.

<sup>93</sup> *Id.* at exhibit SV-15.

<sup>94</sup> See Consolidated Dalian Dajen and Jiangsu Senmao SV Comments at exhibit 7.

<sup>95</sup> See CAHP's November 3, 2014 pre-preliminary comments and submission of factual information at exhibit 2.

<sup>96</sup> *Id.* at exhibit 1.

<sup>97</sup> *Id.* Specifically, in exhibit 1, the Notes to the Financial Statements state that "The Company manufactures and exports wooden housewares and wooden flooring . . ." In addition Eiwlee's web site states that the company "is one of Thailand's leading wood manufacturers and exporters of high quality wood flooring (engineered wood flooring, solid wood flooring and wood deck). *Id.* at exhibit 3.

surrogate companies in Thailand produces engineered wood flooring. Neotech is a plywood producer,<sup>98</sup> while BNS' web site explains that it is a manufacturer of solid hardwood flooring, worktops and sawn timber.<sup>99</sup> Finally, Lampang Product manufactures and sells processed wood and wood products made from reclaimed wood.<sup>100</sup> Accordingly, we have selected Eiwlee's 2013 financial statements as the best available information for the calculation of surrogate financial ratios for the preliminary results.<sup>101</sup>

Further, because we have complete, reliable surrogate financial statements from a producer of identical merchandise in the primary surrogate country (*i.e.*, Thailand), it is not necessary to consider surrogate financial statements from companies in the Philippines and Indonesia. In any event, the alternative surrogate financial statements are flawed. The Indonesian financial statements proffered by Fine Furniture are from a producer of plywood, *i.e.*, comparable merchandise, as opposed to identical merchandise, and are from 2011; thus they are not contemporaneous with the POR. Moreover, as previously noted, the Department has determined that the Philippines is less economically comparable to the PRC than Thailand.

It has been the Department's practice to grant offsets for waste or byproducts resulting from the production of the merchandise under consideration if the byproducts are sold.<sup>102</sup> Also, for waste or byproducts sold to unaffiliated parties, it is the Department's practice to offset NV costs with the sales revenue of the waste or byproduct.<sup>103</sup> Because Jiangsu Senmao reported that it sold its wood scrap, the Department has offset NV for byproducts. Jiangsu Senmao recommended that we value wood scrap using Thai imports under HTS code 4401.21.00, "Wood in chips or particles, coniferous."<sup>104</sup> CAHP argued that the appropriate HTS codes to value Jiangsu Senmao's wood scrap are either 4401.22.00-001 or 4401.22.00-090, "Wood in chips or particles, non-coniferous, eucalyptus," and "Wood in chips or particles, non-coniferous, other," respectively.<sup>105</sup> However, for the preliminary results we have used HTS code 4401.31.00, "Sawdust and wood waste and scrap, whether or not agglomerated in logs, briquettes, pellets or similar forms: wood pellets," which includes an explicit reference to "wood scrap" and is clearly identified as among the types of scrap generated by Jiangsu Senmao.

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<sup>98</sup> See Consolidated Dalian Dajen and Jiangsu Senmao SV Comments at exhibit 7.

<sup>99</sup> *Id.*

<sup>100</sup> *Id.*

<sup>101</sup> See *Notice of Final Determination of Sales at Less Than Fair Value, and Affirmative Critical Circumstances, In Part: Certain Lined Paper Products From the People's Republic of China*, 71 FR 53079 (September 8, 2006) and accompanying Issues and Decision Memorandum at Comment 1. In that case, the Department rejected data from a producer of comparable merchandise in favor of "contemporaneous, publicly available audited financial statements of Indian producers of **identical** merchandise" based on the Department's stated preference for financial statements of producers of identical merchandise. See *id.* (emphasis added).

<sup>102</sup> See *Heavy Forged Hand Tools, Finished or Unfinished, With or Without Handles, From the People's Republic of China: Final Results of Antidumping Duty Administrative Reviews and Final Rescission and Partial Rescission of Antidumping Duty Administrative Reviews*, 70 FR 54897 (September 19, 2005), and accompanying Issues and Decision Memorandum at Scrap Offset.

<sup>103</sup> *Id.*

<sup>104</sup> See Consolidated Dalian Dajen and Jiangsu Senmao SV Comments at exhibit 1.

<sup>105</sup> See CAHP Rebuttal SV Comments at 5.

Adjustment Under Section 777A(f) of the Act

In applying section 777A(f) of the Act in this administrative review, the Department examines: (1) whether a countervailable subsidy (other than an export subsidy) has been provided with respect to a class or kind of merchandise, (2) whether such countervailable subsidy has been demonstrated to have reduced the average price of imports of the class or kind of merchandise during the relevant period, and (3) whether the Department can reasonably estimate the extent to which that countervailable subsidy, in combination with the use of NV determined pursuant to section 773(c) of the Act, has increased the weighted-average dumping margin for the class or kind of merchandise.<sup>106</sup> For a subsidy meeting these criteria, the statute requires the Department to reduce the antidumping duty by the estimated amount of the increase in the weighted-average dumping margin subject to a specified cap.<sup>107</sup>

In order to examine the effects of concurrent countervailable subsidies in calculating dumping margins for respondents in this review, the Department requested that both Dalian Dajen and Jiangsu Senmao submit information with respect to subsidies relevant to their eligibility for an adjustment to the calculated weighted-average dumping margin. However, both Dalian Dajen and Jiangsu Senmao indicated that they would not submit a response to this questionnaire due to the significant administrative burden required for the preparation of such a submission. Because respondents did not avail themselves of this opportunity to demonstrate eligibility for any such adjustment, the Department is not making adjustments to the calculation of assessment rates for antidumping duties pursuant to section 777A(f) of the Act.

Currency Conversion

Where necessary, the Department made currency conversions into U.S. dollars, in accordance with section 773A(a) of the Act, based on the exchange rates in effect on the dates of the U.S. sales, as certified by the Federal Reserve Bank.

Recommendation

We recommend applying the above methodology for these preliminary results.

✓                      \_\_\_\_\_  
Agree                      Disagree

Paul Piquado  
Paul Piquado  
Assistant Secretary  
for Enforcement and Compliance

21 DECEMBER 2014  
Date

<sup>106</sup> See sections 777A(f)(1)(A)-(C) of the Act.  
<sup>107</sup> See sections 777A(f)(1)-(2) of the Act.

## Appendix 1

1. A&W (Shanghai) Woods Co., Ltd.
2. Armstrong Wood Products (Kunshan) Ltd.
3. Baishan Huafeng Wood Product Co., Ltd.
4. Changbai Mountain Development and Protection Zone Hongtu Wood Industrial Co., Ltd.
5. Changzhou Hawd Flooring Co. Ltd.
6. Chinafloors Timber (China) Co., Ltd.
7. Dalian Huilong Wooden Products Co., Ltd.
8. Dalian Jiuyuan Wood Industry Co., Ltd.
9. Dalian Kemian Wood Industry Co., Ltd
10. Dalian Penghong Floor Products Co., Ltd.
11. Dasso Industrial Group Co., Ltd.
12. Dongtai Fuan Universal Dynamics, LLC.
13. Dun Hua Sen Tai Wood Co., Ltd.
14. Dunhua City Dexin Wood Industry Co. Ltd.
15. Dunhua City Hongyuan Wood Industry Co. Ltd.
16. Dun Hua City Jisen Wood Industry Co. Ltd.
17. Dunhua City Wanrong Wood Industry Co., Ltd.
18. Fine Furniture (Shanghai) Limited
19. GTP International Ltd.
20. Guangdong Yihua Timber Industry Co., Ltd.
21. Guangzhou Panyu Kangda Board Co., Ltd.
22. Guangzhou Panyu Southern Star Co., Ltd.
23. HaiLin LinJing Wooden Products, Ltd.
24. Hangzhou Hanje Tec Co., Ltd.
25. Hunchun Forest Wolf Wooden Industry Co., Ltd
26. Huzhou Chenghang Wood Co., Ltd.
27. Huzhou Fulinmen Imp. & Exp. Co., Ltd.
28. Huzhou Jesonwood Co., Ltd.
29. Huzhou Sunergy World Trade Co., Ltd.
30. Jianfeng Wood (Suzhou) Co., Ltd.
31. Jiangsu Simba Flooring Co., Ltd.
32. Jiashan HuiJiaLe Decoration Material Co., Ltd.
33. Jilin Forest Industry Jinqiao Flooring Group Co., Ltd.
34. Jilin Xinyuan Wooden Industry Co., Ltd.
35. Karly Wood Product Limited
36. Kemian Wood Industry (Kunshan) Co., Ltd.
37. Linyi Youyou Wood Co., Ltd.<sup>108</sup>
38. Metropolitan Hardwood Floors, Inc.
39. Mudanjiang Bosen Wood Industry Co., Ltd.
40. Nakahiro Jyou Sei Furniture (Dalian) Co., Ltd.

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<sup>108</sup> The Department determined that Linyi Youyou Wood Co., Ltd. is the successor-in-interest to Shanghai Lizhong Wood Products Co., Ltd./The Lizhong Industry Limited Company of Shanghai. *See Multilayered Wood Flooring From the People's Republic of China: Final Results of Changed Circumstances Review*, 79 FR 58740 (September 30, 2014).

41. Nanjing Minglin Wooden Products Co., Ltd.
42. Puli Trading Limited
43. Samling Group<sup>109</sup>
44. Shanghai Eswell Timber Co., Ltd.
45. Shanghai Lairunde Wood Co., Ltd.
46. Shanghai New Sihe Wood Co., Ltd.
47. Shanghai Shenlin Corp.
48. Shenyang Haobainian Wooden Co., Ltd.
49. Shenzhenshi Huanwei Woods Co., Ltd
50. Suzhou Dongda Wood Co., Ltd
51. Xiamen Yung De Ornament Co., Ltd.
52. Xuzhou Shenghe Wood Co., Ltd.
53. Yingyi-Nature (Kunshan) Wood Industry Co. Ltd.
54. Yixing Lion-King Timber Industry Co., Ltd.
55. Zhejiang Biyork Wood Co., Ltd.
56. Zhejiang Dadongwu Greenhome Wood Co., Ltd.
57. Zhejiang Fudeli Timber Industry Co., Ltd.
58. Zhejiang Longsen Lumbering Co., Ltd.
59. Zhejiang Shiyou Timber Co., Ltd.
60. Zhejiang Tianzhen Bamboo & Wood Development Co., Ltd.

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<sup>109</sup> The following companies are collectively known as The Samling Group (“Samling Group”): Baroque Timber Industries (Zhongshan) Co., Ltd.; Riverside Plywood Corporation; Samling Elegant Living Trading (Labuan) Limited; Samling Global USA, Inc.; and Samling Riverside Co., Ltd.