



A-570-051
Administrative Review
POR: 1/1/19 – 12/31/19
Public Document
E&C/V: EGH

January 12, 2021

MEMORANDUM TO: Jeffrey I. Kessler
Assistant Secretary
for Enforcement and Compliance

FROM: James Maeder
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations

SUBJECT: Decision Memorandum for the Preliminary Results of the 2019
Antidumping Duty Administrative Review: Certain Hardwood
Plywood from the People's Republic of China

I. Summary

The Department of Commerce (Commerce) is conducting an administrative review of the antidumping duty (AD) order¹ on certain hardwood plywood (plywood) from the People's Republic of China (China) for the period of review (POR) January 1, 2019 through December 31, 2019.² This administrative review covers 58 companies. We preliminarily find that 24 of these companies had no shipments of subject merchandise during the POR. We also preliminarily determine the remaining 34 remaining companies for which a review was initiated, including Lianyungang Yuantai International Trade Co., Ltd. (Yuantai), have not demonstrated their eligibility for separate rates and are, therefore, part of the China-wide entity.

¹ See *Certain Hardwood Plywood Products from the People's Republic of China: Amended Final Determination of Sales at Less Than Fair Value, and Antidumping Duty Order*, 83 FR 504 (January 4, 2018) (*Order*).

² See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 85 FR 13860 (March 10, 2020) (*Initiation Notice*).

II. Background

On January 2, 2020, we notified interested parties of their opportunity to request an administrative review on the *Order*.³ On January 31, 2020, the petitioner⁴ requested that Commerce conduct an administrative review of the *Order* with respect to 58 companies.⁵

We published the *Initiation Notice* on March 10, 2020. In this notice, we stated that, in the event that Commerce limited the number of respondents for individual examination, we intended to select respondents based on U.S. Customs and Border Protection (CBP) data for U.S. imports of plywood from China during the POR.⁶ On March 20, 2020, we released CBP data to interested parties for comment.⁷ On March 27, 2020, the petitioner commented on the CBP data.⁸

Between April 1, 2020 and April 9, 2020, we received no-shipment certifications from 24 of the companies under review.⁹ On April 9, 2020, we received a separate rate certification (SRC)

³ See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 85 FR 64 (January 2, 2020) (*Opportunity Notice*).

⁴ The petitioner is the Coalition for Fair Trade in Hardwood Plywood.

⁵ See Petitioner's Letter, "Hardwood Plywood Products from the People's Republic of China: Request for Administrative," dated January 31, 2020.

⁶ See *Initiation Notice*, 85 FR at 13860.

⁷ See Memorandum, "Administrative Review of the Antidumping Duty Order on Certain Hardwood Plywood Products from the People's Republic of China: U.S. Customs Data for Respondent Selection," dated March 20, 2020 (CBP Data Memorandum).

⁸ The petitioner is the Coalition for Fair Trade in Hardwood Plywood. See Petitioner's Letter, "The Petitioner's Comments on CBP Data and Respondent Selection," dated March 27, 2020.

⁹ See Shanghai Luli Trading Co., Ltd.'s Letter, "Certain Hardwood Plywood Products from the People's Republic of China: Submission of Statement of No Shipments," dated April 1, 2020; see also Anhui Hoda Wood Co., Ltd.'s Letter, "Hardwood Plywood Products from the People's Republic of China: No Sales Certification," dated April 6, 2020; Shanghai Brightwood Trading Co., Ltd.'s Letter, "Hardwood Plywood Products from the People's Republic of China: No Sales Certification," dated April 6, 2020; Shanghai Futuwood Trading Co., Ltd.'s Letter, "Hardwood Plywood Products from the People's Republic of China: No Sales Certification," dated April 6, 2020; Celtic Co., Ltd.'s Letter, "Hardwood Plywood Products from the People's Republic of China: No Sales Certification," dated April 6, 2020; Jiaying Hengtong Wood Co., Ltd.'s Letter, "Hardwood Plywood Products from the People's Republic of China: No Sales Certification," dated April 6, 2020; Suqian Hopeway International Trade Co., Ltd.'s Letter, "Hardwood Plywood Products from the People's Republic of China: No Sales Certification," dated April 6, 2020; Linyi Evergreen Wood Co., Ltd.'s Letter, "Hardwood Plywood Products from the People's Republic of China: No Sales Certification," dated April 6, 2020; Linyi Jiahe Wood Industry Co., Ltd.'s Letter, "Hardwood Plywood Products from the People's Republic of China: No Sales Certification," dated April 6, 2020; Linyi Glary Plywood Co., Ltd.'s Letter, "Hardwood Plywood Products from the People's Republic of China: No Sales Certification," dated April 6, 2020; Linyi Sanfortune Wood Co., Ltd.'s Letter, "Hardwood Plywood Products from the People's Republic of China: No Sales Certification," dated April 6, 2020; Linyi Chengen Import and Export Co., Ltd.'s Letter, "Hardwood Plywood Products from the People's Republic of China: No Sales Certification," dated April 6, 2020; Linyi Huasheng Yongbin Wood Co., Ltd.'s Letter, "Hardwood Plywood Products from the People's Republic of China: No Sales Certification," dated April 6, 2020; Shandong Qishan International Trading Co., Ltd.'s Letter, "Hardwood Plywood Products from the People's Republic of China: No Sales Certification," dated April 6, 2020; Cosco Star International Co., Ltd.'s Letter, "Hardwood Plywood Products from the People's Republic of China: No Shipment Certification," dated April 9, 2020; Zhejiang Dehua TB Import & Export Co., Ltd.'s Letter, "Hardwood Plywood Products from the People's Republic of China: No Shipment Certification," dated April 9, 2020; Happy Wood Industrial Group Co., Ltd.'s Letter, "Hardwood Plywood Products from the People's Republic of China: No Shipment Certification," dated April 9, 2020; Qingdao Top P&Q International Corp.'s Letter, "Hardwood Plywood Products from the People's Republic of China: No Shipment Certification," dated April 9, 2020; Vietnam Finewood

from Yuantai.¹⁰ We did not receive a no-shipment statement, separate rate application, or SRC from any of the remaining 33 companies under review. These companies are listed in Attachment I.

On April 15, 2020, we requested additional information from Yuantai regarding its SRC.¹¹ On April 20, 2020, Yuantai partially responded to our request for information.¹² On April 24, 2020, Commerce exercised its discretion to toll administrative review deadlines by 50 days.¹³

On May 8, 2020, we requested that CBP confirm whether any shipments of subject merchandise entered the United States during the POR with respect to the 24 companies that submitted no-shipment claims.¹⁴ We received information from CBP indicating that it found no evidence of shipments of plywood from China for any of these companies.¹⁵

On May 18, 2020, we again requested information from Yuantai regarding its SRC.¹⁶ On May 26, 2020, Yuantai stated that it was unable to respond because the company had ceased operations.¹⁷

Company Limited's Letter, "Hardwood Plywood Products from the People's Republic of China: No Shipment Certification," dated April 9, 2020; Xuzhou Jiangyang Wood Industries Co., Ltd.'s Letter, "Hardwood Plywood Products from the People's Republic of China: No Shipment Certification," dated April 9, 2020; Xuzhou Jiangheng Wood Products Co., Ltd.'s Letter, "Hardwood Plywood Products from the People's Republic of China: No Shipment Certification," dated April 9, 2020; Xuzhou Timber International Trade Co., Ltd.'s Letter, "Hardwood Plywood Products from the People's Republic of China: No Shipment Certification," dated April 9, 2020; Suzhou Oriental Dragon Import and Export Co., Ltd.'s Letter, "Hardwood Plywood Products from the People's Republic of China: No Shipment Certification," dated April 9, 2020; and Suining Pengxiang Wood Co., Ltd.'s Letter, "Hardwood Plywood Products from the People's Republic of China: No Shipment Certification," dated April 9, 2020.

¹⁰ See Yuantai's Letter, "Hardwood Plywood Products from the People's Republic of China: Separate Rate Certification," dated April 9, 2020 (Yuantai SRC).

¹¹ See Commerce's Letter, "Administrative Review of the Antidumping Duty Order of Certain Hardwood Plywood Products from the People's Republic of China: Separate Rate Certification," dated April 15, 2020 (SRC Letter).

¹² See Yuantai's Letter, "Hardwood Plywood Products from the People's Republic of China: Separate Rate Certification," dated April 20, 2020 (Yuantai SRC Response).

¹³ See Memorandum, "Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews," dated April 24, 2020. As a result, all deadlines in this proceeding were extended by 50 days.

¹⁴ See Memorandum, "No Shipment Inquiry Customs Instructions," dated May 8, 2020 (CBP No Shipment Inquiry).

¹⁵ *Id.*; see also Memoranda, "No Shipment Response," dated May 15, 2020; "No Shipment Response," dated May 18, 2020; "No Shipment CBP Response," dated May 19, 2020; "No Shipment Response," dated May 21, 2020; "CBP No Shipment Inquiry Response Memo," dated July 9, 2020; "No Shipment CBP Response Memo," dated July 14, 2020; "No Shipment Inquiry," dated July 15, 2020; and "No Shipment CBP Response memo," dated July 20, 2020 (collectively, CBP No Shipments Responses).

¹⁶ See Commerce's Letter, "Administrative Review of the Antidumping Duty Order of Certain Hardwood Plywood Products from the People's Republic of China: Separate Rate Certification Supplemental Questionnaire," dated May 18, 2020 (SRC Supplemental).

¹⁷ See Yuantai's Letter, "Hardwood Plywood Products from the People's Republic of China: Letter in lieu of 2nd Supplemental SRC Response," dated May 26, 2020 (Yuantai Letter in Lieu of 2nd Supplemental Response).

On July 21, 2020, Commerce again exercised its discretion to toll administrative review deadlines by 60 days.¹⁸ The revised deadline for the preliminary results of this review is now January 21, 2021.¹⁹

III. Scope of the Order

The merchandise covered by this order is hardwood and decorative plywood, and certain veneered panels as described below. For purposes of this proceeding, hardwood and decorative plywood is defined as a generally flat, multilayered plywood or other veneered panel, consisting of two or more layers or plies of wood veneers and a core, with the face and/or back veneer made of non-coniferous wood (hardwood) or bamboo. The veneers, along with the core may be glued or otherwise bonded together. Hardwood and decorative plywood may include products that meet the American National Standard for Hardwood and Decorative Plywood, ANSI/HPVA HP-1-2016 (including any revisions to that standard).

For purposes of this proceeding a “veneer” is a slice of wood regardless of thickness which is cut, sliced or sawed from a log, bolt, or flitch. The face and back veneers are the outermost veneer of wood on either side of the core irrespective of additional surface coatings or covers as described below.

The core of hardwood and decorative plywood consists of the layer or layers of one or more material(s) that are situated between the face and back veneers. The core may be composed of a range of materials, including but not limited to hardwood, softwood, particleboard, or medium-density fiberboard (MDF).

All hardwood plywood is included within the scope of this order regardless of whether or not the face and/or back veneers are surface coated or covered and whether or not such surface coating(s) or covers obscures the grain, textures, or markings of the wood. Examples of surface coatings and covers include, but are not limited to: ultra violet light cured polyurethanes; oil or oil-modified or water based polyurethanes; wax; epoxy-ester finishes; moisture-cured urethanes; paints; stains; paper; aluminum; high pressure laminate; MDF; medium density overlay (MDO); and phenolic film. Additionally, the face veneer of hardwood plywood may be sanded; smoothed or given a “distressed” appearance through such methods as hand-scraping or wire brushing. All hardwood plywood is included within the scope even if it is trimmed; cut-to-size; notched; punched; drilled; or has underwent other forms of minor processing.

All hardwood and decorative plywood are included within the scope of this order, without regard to dimension (overall thickness, thickness of face veneer, thickness of back veneer, thickness of core, thickness of inner veneers, width, or length). However, the most common panel sizes of

¹⁸ See Memorandum, “Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews,” dated July 21, 2020. All deadlines in this segment of the proceeding have been extended by 60 days.

¹⁹ The preliminary results deadline falls on January 20, 2021, which is a Federal holiday. Commerce’s practice dictates that where a deadline falls on a weekend or Federal holiday, the appropriate deadline is the next business day. 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).

hardwood and decorative plywood are 1219 x 1829 mm (48 x 72 inches), 1219 x 2438 mm (48 x 96 inches), and 1219 x 3048 mm (48 x 120 inches).

Subject merchandise also includes hardwood and decorative plywood that has been further processed in a third country, including but not limited to trimming, cutting, notching, punching, drilling, or any other processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the country of manufacture of the in-scope product.

The scope of the order excludes the following items: (1) structural plywood (also known as “industrial plywood” or “industrial panels”) that is manufactured to meet U.S. Products Standard PS 1-09, PS 2-09, or PS 2-10 for Structural Plywood (including any revisions to that standard or any substantially equivalent international standard intended for structural plywood), and which has both a face and a back veneer of coniferous wood; (2) products which have a face and back veneer of cork; (3) multilayered wood flooring, as described in the antidumping duty and countervailing duty orders on multilayered wood flooring from China. *See Multilayered Wood Flooring from the People’s Republic of China*, 76 FR 76690 (December 8, 2011) (amended final determination of sales at less than fair value and antidumping duty order), and *Multilayered Wood Flooring from the People’s Republic of China*, 76 FR 76693 (December 8, 2011) (countervailing duty order), as amended by *Multilayered Wood Flooring from the People’s Republic of China: Amended Antidumping and Countervailing Duty Orders*, 77 FR 5484 (February 3, 2012); (4) multilayered wood flooring with a face veneer of bamboo or composed entirely of bamboo; (5) plywood which has a shape or design other than a flat panel, with the exception of any minor processing described above; (6) products made entirely from bamboo and adhesives (also known as “solid bamboo”); and (7) Phenolic Film Faced Plyform (PFF), also known as Phenolic Surface Film Plywood (PSF), defined as a panel with an “Exterior” or “Exposure 1” bond classification as is defined by The Engineered Wood Association, having an opaque phenolic film layer with a weight equal to or greater than 90g/m³ permanently bonded on both the face and back veneers and an opaque, moisture resistant coating applied to the edges.

Excluded from the scope of this order are wooden furniture goods that, at the time of importation, are fully assembled and are ready for their intended uses. Also excluded from the scope of this investigation is “ready to assemble” (RTA) furniture. RTA furniture is defined as (A) furniture packaged for sale for ultimate purchase by an end-user that, at the time of importation, includes 1) all wooden components (in finished form) required to assemble a finished unit of furniture, 2) all accessory parts (*e.g.*, screws, washers, dowels, nails, handles, knobs, adhesive glues) required to assemble a finished unit of furniture, and 3) instructions providing guidance on the assembly of a finished unit of furniture; (B) unassembled bathroom vanity cabinets, having a space for one or more sinks, that are imported with all unassembled hardwood and hardwood plywood components that have been cut-to-final dimensional component shape/size, painted or stained prior to importation, and stacked within a singled shipping package, except for furniture feet which may be packed and shipped separately; or (C) unassembled bathroom vanity linen closets that are imported with all unassembled hardwood and hardwood plywood components that have been cut-to-final dimensional shape/size, painted or stained prior to importation, and stacked within a single shipping package, except for furniture feet which may be packed and shipped separately.

Excluded from the scope of this order are kitchen cabinets that, at the time of importation, are fully assembled and are ready for their intended uses. Also excluded from the scope of this order are RTA kitchen cabinets. RTA kitchen cabinets are defined as kitchen cabinets packaged for sale for ultimate purchase by an end-user that, at the time of importation, includes: 1) all wooden components (in finished form) required to assemble a finished unit of cabinetry, 2) all accessory parts (*e.g.*, screws, washers, dowels, nails, handles, knobs, hooks, adhesive glues) required to assemble a finished unit of cabinetry, and 3) instructions providing guidance on the assembly of a finished unit of cabinetry.

Excluded from the scope of this order are finished tabletops, which are tabletops imported in finished form with pre-cut or drilled openings to attach the underframe or legs. The tabletops are ready for use at the time of import and require no further finishing or processing.

Excluded from the scope of this order are finished countertops that are imported in finished form and require no further finishing or manufacturing.

Excluded from the scope of this order are laminated veneer lumber door and window components with: (1) a maximum width of 44 millimeters, a thickness from 30 millimeters to 72 millimeters, and a length of less than 2413 millimeters; (2) water boiling point exterior adhesive; (3) a modulus of elasticity of 1,500,000 pounds per square inch or higher; (4) finger-jointed or lap-jointed core veneer with all layers oriented so that the grain is running parallel or with no more than 3 dispersed layers of veneer oriented with the grain running perpendicular to the other layers; and (5) top layer machined with a curved edge and one or more profile channels throughout.

Imports of hardwood plywood are primarily entered under the following Harmonized Tariff Schedule of the United States (HTSUS) subheadings:

4412.10.0500;4412.31.0520; 4412.31.0540; 4412.31.0560; 4412.31.0620;
4412.31.0640; 4412.31.0660; 4412.31.2510; 4412.31.2520; 4412.31.2610;
4412.31.2620; 4412.31.4040; 4412.31.4050; 4412.31.4060; 4412.31.4075;
4412.31.4080; 4412.31.4140; 4412.31.4150; 4412.31.4155; 4412.31.4160;
4412.31.4180; 4412.31.5125; 4412.31.5135; 4412.31.5155; 4412.31.5165;
4412.31.5175; 4412.31.5235; 4412.31.5255; 4412.31.5265; 4412.31.5275;
4412.31.6000; 4412.31.6100; 4412.31.9100; 4412.31.9200; 4412.32.0520;
4412.32.0540; 4412.32.0565; 4412.32.0570; 4412.32.0620; 4412.32.0640;
4412.32.0670; 4412.32.2510; 4412.32.2525; 4412.32.2530; 4412.32.2610;
4412.32.2630; 4412.32.3125; 4412.32.3135; 4412.32.3155; 4412.32.3165;
4412.32.3175; 4412.32.3185; 4412.32.3235; 4412.32.3255; 4412.32.3265;
4412.32.3275; 4412.32.3285; 4412.32.5600; 4412.32.5700; 4412.33.0620;
4412.33.0640; 4412.33.0670; 4412.33.2630; 4412.33.3235; 4412.33.3255;
4412.33.3265; 4412.33.3275; 4412.33.3285; 4412.33.5700; 4412.34.2600;
4412.34.3235; 4412.34.3255; 4412.34.3265; 4412.34.3275; 4412.34.3285;
4412.34.5700; 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; 4412.94.3141; 4412.94.3161;
4412.94.3175; 4412.94.4100; 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; 4412.99.5115; and
4412.99.5710.

Imports of hardwood plywood may also enter under HTSUS subheadings
4412.10.9000; 4412.94.5100; 4412.94.9500; 4412.99.6000; 4412.99.7000;
4412.99.8000; 4412.99.9000; 4412.99.9500; 9403.90.7005; 9403.90.7010; and
9403.90.7080. While the HTSUS subheadings are provided for convenience and
customs purposes, the written description of the scope of this order is dispositive.

IV. Discussion of the Methodology

Preliminary Determination of No Shipments

On March 20, 2020, Commerce placed CBP data on the record of this investigation.²⁰ Between April 1, 2020 and April 9, 2020, Commerce received timely no-shipment certifications from 24 companies. These companies are listed in Attachment II.

Subsequently, we sent an inquiry to CBP requesting that it inform us if it had any information related to shipments of subject merchandise from these 24 companies during the POR.²¹ CBP confirmed that it found no evidence of shipments of plywood from China during the POR for any of these companies.²² Based on the record evidence submitted, we preliminarily determine that these 24 companies had no shipments during the POR.

We find that it is not appropriate to rescind the review with respect to these 24 companies at this time, consistent with our practice in non-market economy (NME) cases. Instead, we will complete the review with respect to these 24 companies and issue appropriate instructions to CBP based on the final results of this review.²³ Should evidence contrary to these no-shipment claims arise, we will revisit this issue in the final results.

Non-Market Economy Country Status

Commerce considers China to be an NME country.²⁴ In accordance with section 771(18)(C)(i) of the Tariff Act of 1930, as amended (the Act), any determination that a foreign country is an NME country shall remain in effect until revoked by Commerce. Therefore, we continue to treat China as an NME country for purposes of these preliminary results.

²⁰ See CBP Data Memorandum.

²¹ See CBP No Shipment Inquiry.

²² See CBP No Shipments Responses.

²³ See *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694, 65694-65695 (October 24, 2011).

²⁴ *Id.*

Separate Rates

Commerce maintains a rebuttable presumption that all companies within an NME country are subject to government control, and, thus, should be assessed a single AD rate.²⁵ In the *Initiation Notice*, Commerce notified parties of the application process by which exporters and producers may obtain separate rate status in NME proceedings.²⁶ It is Commerce'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, Commerce analyzes each exporting entity in an NME country under the test established in *Sparklers*,²⁷ as developed further in *Silicon Carbide*.²⁸ However, if Commerce determines that a company is wholly foreign-owned by individuals or companies located in a market economy country, then a separate rate analysis is not necessary to determine whether it is independent from government control.²⁹

Commerce continues to evaluate its practice with regard to the separate rates analysis in light of the diamond sawblades from China AD proceeding, and its determinations therein.³⁰ In particular, in litigation involving the diamond sawblades from China proceeding, the Court of International Trade (the Court) found Commerce's existing separate rates analysis deficient in the circumstances of that case, in which a government-owned and controlled entity had significant ownership in the respondent exporter.³¹ Following the Court's reasoning, in recent

²⁵ 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, 53082 (September 8, 2006); see also *Final Determination of Sales at Less than Fair Value and Final Partial Affirmative Determination of Critical Circumstances: Diamond Sawblades and Parts Thereof from the People's Republic of China*, 71 FR 29303, 29307 (May 22, 2006).

²⁶ See *Initiation Notice*, 85 FR at 13861-62.

²⁷ 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*), as amplified by *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*); see also 19 CFR 351.107(d).

²⁸ See *Silicon Carbide*, 59 FR at 22586.

²⁹ See, e.g., *Certain New Pneumatic Off-the-Road Tires from the People's Republic of China: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination*, 73 FR 9278, 9284 (February 20, 2008), unchanged in *Certain New Pneumatic Off-The-Road Tires from the People's Republic of China: Final Affirmative Determination of Sale at Less than Fair Value and Partial Affirmative Determination of Critical Circumstances*, 73 FR 40485 (July 15, 2008).

³⁰ See Final Results of Redetermination pursuant to *Advanced Technology & Materials Co., Ltd., et al. v. United States*, 885 F. Supp. 2d 1343 (CIT 2012) (*Advanced Technology I*), and available at <http://enforcement.trade.gov/remands/12-147.pdf>, *aff'd Advanced Technology & Materials Co., Ltd., et al. v. United States*, 938 F. Supp. 2d 1342 (CIT 2013), *aff'd Advanced Technology & Materials Co., Ltd., et al. v. United States*, Case No. 2014-1154 (Fed. Cir. 2014); see also *Diamond Sawblades and Parts Thereof from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review; 2011-2012*, 78 FR 77098 (December 20, 2013), and accompanying Preliminary Decision Memorandum (PDM) at 7, unchanged in *Diamond Sawblades and Parts 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 1.

³¹ See, e.g., *Advanced Technology I*, 885 F. Supp. 2d at 1349 (CIT 2012) ("The court remains concerned that Commerce has failed to consider important aspects of the problem and offered explanations that run counter to the evidence before it."); *Id.* at 1351 ("Further substantial evidence of record does not support the inference that SASAC

proceedings, we have concluded that, where a government entity holds a majority ownership share, either directly or indirectly, in the respondent exporter, the majority ownership holding in and of itself means that the government exercises, or has the potential to exercise, control over the company's operations generally.³² This may include control over, for example, the selection of management, a key factor in determining whether a company has sufficient independence in its export activities to merit a separate rate. Consistent with normal business practices, we would expect any majority shareholder, including a government, to have the ability to control, and an interest in controlling, the operations of the company, including the selection of management and the profit distribution of the company.

Companies Not Receiving a Separate Rate

On April 9, 2020, we received an SRC from Yuantai.³³ On April 15, 2020, and May 18, 2020, we requested additional information from Yuantai in order to determine if it was eligible to receive a separate rate.³⁴ On April 20, 2020, Yuantai partially responded to our request for information,³⁵ and on May 26, 2020, Yuantai stated that it was unable to respond further because the company had ceased operations.³⁶ Therefore, Commerce preliminarily determines that Yuantai is no longer eligible for a separate rate and should be treated as part of the China-wide entity.

All companies subject to this review, with the exception of the 24 companies for which we are making a preliminary no-shipment determination, are considered part of the China-wide entity. These companies are listed in Attachment I. Because a review was not requested of the China-wide entity, the China-wide rate of 183.36 percent³⁷ will apply to these companies' entries of the subject merchandise into the United States during the POR.

{state-owned assets supervision and administration commission}'s 'management' of its 'state-owned assets' is restricted to the kind of passive-investor de jure 'separation' that Commerce concludes") (footnotes omitted); *Id.* at 1355 ("The point here is that 'governmental control' in the context of the separate rate test appears to be a fuzzy concept, at least to this court, since a 'degree' of it can obviously be traced from the controlling shareholder, to the board, to the general manager, and so on along the chain to 'day-to-day decisions of export operations,' including terms, financing, and inputs into finished product for export"); and *Id.* at 1357 ("AT&M itself identifies its 'controlling shareholder' as CISRI {owned by SASAC} in its financial statements and the power to veto nomination does not equilibrate the power of control over nomination") (footnotes omitted).

³² See *Carbon and Certain Alloy Steel Wire Rod from the People's Republic of China: Preliminary Determination of Sales at Less Than Fair Value and Preliminary Affirmative Determination of Critical Circumstances, in Part*, 79 FR 53169 (September 8, 2014), and accompanying PDM at 5-9.

³³ See Yuantai SRC.

³⁴ See SRC Letter; see also SRC Supplemental.

³⁵ See Yuantai SRC Response.

³⁶ See Yuantai Letter in Lieu of 2nd Supplemental Response.

³⁷ See *Order*.

V. Recommendation

We recommend that you approve the preliminary findings described above.

Agree

Disagree

1/12/2021

X



Signed by: JEFFREY KESSLER
Jeffrey I. Kessler
Assistant Secretary
for Enforcement and Compliance

Attachment I

Companies Not Eligible for a Separate Rate

1. Feixian Longteng Wood Co., Ltd.
2. Golder International Trade Co., Ltd.
3. Highland Industries-Hanlin
4. Huainan Mengping Import and Export Co., Ltd.
5. Jiangsu High Hope Arser Co., Ltd.³⁸
6. Jiangsu Sunwell Cabinetry Co., Ltd.
7. Jiangsu Top Point International Co., Ltd.
8. Jiaxing Gsun Imp. & Exp. Co., Ltd.
9. Lianyungang Yuantai International Trade Co., Ltd.
10. Linyi Bomei Furniture Co., Ltd.
11. Linyi City Dongfang Jinxin Economic and Trade Co., Ltd. (a/k/a Linyi City Dongfang Jinxin Economic and Trade Co., Ltd.)
12. Linyi Dahua Wood Co., Ltd.
13. Linyi Hengsheng Wood Industry Co., Ltd.
14. Linyi Linhai Wood Co., Ltd.
15. Linyi Mingzhu Wood Co., Ltd.
16. Pingyi Jinniu Wood Co., Ltd.
17. Qingdao Good Faith Import and Export Co., Ltd.
18. SAICG International Trading Co., Ltd.
19. Shandong Dongfang Bayley Wood Co., Ltd.
20. Shandong Jinhua International Trading Co., Ltd.
21. Shandong Jinluda International Trade Co., Ltd.
22. Shandong Senmanqi Import & Export Co., Ltd.
23. Shandong Shengdi International Trading Co., Ltd.
24. Sumec International Technology Co., Ltd.
25. Suzhou Fengshuwan Import and Export Trade Co., Ltd. a/k/a Suzhou Fengshuwan I&E Trade Co., Ltd.
26. Win Faith Trading Limited
27. Xuzhou Amish Import & Export Co., Ltd.
28. Xuzhou Andefu Wood Co., Ltd.
29. Xuzhou Constant Forest Industry Co., Ltd.
30. Xuzhou DNT Commercial Co., Ltd.
31. Xuzhou Longyuan Wood Industry Co., Ltd.
32. XuZhou PinLin International Trade Co., Ltd.
33. Xuzhou Shengping Imp and Exp Co., Ltd.
34. Yishui Zelin Wood Made Co., Ltd.

³⁸ This company previously had a separate rate but did not file an SRC in this review.

Attachment II

Companies Preliminarily Determined to Have No Shipments

1. Anhui Hoda Wood Co., Ltd.
2. Celtic Co., Ltd.
3. Cosco Star International Co., Ltd.
4. Happy Wood Industrial Group Co., Ltd.
5. Jiaxing Hengtong Wood Co., Ltd.
6. Linyi Chengen Import and Export Co., Ltd.
7. Linyi Evergreen Wood Co., Ltd.
8. Linyi Glary Plywood Co., Ltd.
9. Linyi Huasheng Yongbin Wood Co., Ltd.
10. Linyi Jiahe Wood Industry Co., Ltd.
11. Linyi Sanfortune Wood Co., Ltd.
12. Qingdao Top P&Q International Corp.
13. Shandong Qishan International Trading Co., Ltd.
14. Shanghai Brightwood Trading Co., Ltd.
15. Shanghai Futuwood Trading Co., Ltd.
16. Shanghai Luli Trading Co., Ltd.
17. Suining Pengxiang Wood Co., Ltd.
18. Suqian Hopeway International Trade Co., Ltd.
19. Suzhou Oriental Dragon Import and Export Co., Ltd.
20. Xuzhou Jiangheng Wood Products Co., Ltd.
21. Xuzhou Jiangyang Wood Industries Co., Ltd.
22. Xuzhou Timber International Trade Co., Ltd.
23. Vietnam Finewood Company Limited
24. Zhejiang Dehua TB Import & Export Co., Ltd.