A-570-888
Sunset Review
PUBLIC DOCUMENT
AD/CVD Operations VI: SHoefke

August 27, 2015

MEMORANDUM TO: Paul Piquado
Assistant Secretary
for Enforcement and Compliance

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

SUBJECT: Issues and Decision Memorandum for Final Results of Expedited Second Sunset Review of Antidumping Duty Order on Floor-Standing, Metal Top Ironing Tables and Certain Parts Thereof from the People's Republic of China

Summary

The Department of Commerce (the Department) analyzed the substantive response submitted by Home Products International, Inc. (Petitioner) in the sunset review of the antidumping duty order (*Order*) covering floor-standing, metal-top ironing tables and certain parts thereof (ironing tables) from the People's Republic of China (PRC). We recommend you approve the positions described in the "Discussion of the Issues" section of this memorandum. Below is a complete list of the issues in the sunset review for which we have received a substantive response:

1. Likelihood of continuation or recurrence of dumping
2. Magnitude of the margins likely to prevail

Background

On May 1, 2015, the Department initiated the second sunset review of the *Order* on ironing tables from the PRC pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act).[1] On May 5, 2015, Petitioner timely notified the Department (pursuant to 19 CFR 351.218(d)(1)(i)) that it intended to participate in the sunset review. Petitioner claimed domestic interested party status under 19 CFR 351.102(b)(17) and section 771(9)(C) of the Act, as a domestic producer of ironing tables.[2] The Department received a complete substantive response filed by Petitioner on May 27, 2015, within the 30-day deadline specified in 19 CFR

[1] *See Initiation of Five-year ("Sunset") Review,* 80 FR 24900 (May 1, 2015) (*Sunset Initiation*).
[2] *See* Petitioner Letter, "Notice of Intent to Participate: Five-Year Sunset Review of Floor-Standing Metal-Top Ironing Tables and Certain Parts Thereof from the People's Republic of China," dated May 5, 2015.

351.218(d)(3)(i).[3] We received no substantive response from any respondent interested parties. On the basis of the notice of intent to participate and adequate substantive response filed by Petitioner, as well as the lack of a substantive response from any respondent interested parties, the Department determined to conduct an expedited, *i.e.*, 120-day sunset review of this order pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2).

Scope of the Order

For purposes of the order, the product covered consists of floor-standing, metal-top ironing tables, assembled or unassembled, complete or incomplete, and certain parts thereof. The subject tables are designed and used principally for the hand ironing or pressing of garments or other articles of fabric. The subject tables have full-height leg assemblies that support the ironing surface at an appropriate (often adjustable) height above the floor. The subject tables are produced in a variety of leg finishes, such as painted, plated, or matte, and they are available with various features, including iron rests, linen racks, and others. The subject ironing tables may be sold with or without a pad and/or cover. All types and configurations of floor-standing, metal-top ironing tables are covered by this review.

Furthermore, the order specifically covers imports of ironing tables, assembled or unassembled, complete or incomplete, and certain parts thereof. For purposes of the order, the term "unassembled" ironing table means a product requiring the attachment of the leg assembly to the top or the attachment of an included feature such as an iron rest or linen rack. The term "complete" ironing table means product sold as a ready-to-use ensemble consisting of the metal-top table and a pad and cover, with or without additional features, *e.g.*, iron rest or linen rack. The term "incomplete" ironing table means product shipped or sold as a "bare board"--*i.e.*, a metal-top table only, without the pad and cover--with or without additional features, *e.g.* iron rest or linen rack. The major parts or components of ironing tables that are intended to be covered by the order under the term "certain parts thereof" consist of the metal top component (with or without assembled supports and slides) and/or the leg components, whether or not attached together as a leg assembly. The order covers separately shipped metal top components and leg components, without regard to whether the respective quantities would yield an exact quantity of assembled ironing tables.

Ironing tables without legs (such as models that mount on walls or over doors) are not floor-standing and are specifically excluded. Additionally, tabletop or countertop models with short legs that do not exceed 12 inches in length (and which may or may not collapse or retract) are specifically excluded.

The subject ironing tables were previously classified under Harmonized Tariff Schedule of the United States (HTSUS) subheading 9403.20.0010. Effective July 1, 2003, the subject ironing tables are classified under new HTSUS subheading 9403.20.0011. The subject metal top and leg components are classified under HTSUS subheading 9403.90.8040. Although the HTSUS

[3] *See* Petitioner letter, "Substantive Response of Home Products International, Inc. to the Notice of Initiation of the Second Five-Year (Sunset) Review of Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof from the People's Republic of China," dated May 27, 2015 (Substantive Response).

subheadings are provided for convenience and customs purposes, the Department's written description of the scope is dispositive.

History of the Order

On August 6, 2004, the Department published in the *Federal Register* the notice of an antidumping duty order with respect to imports of ironing tables from the PRC.[4] Since the publication of the first sunset review on November 3, 2009, the Department has completed the fourth (2007-2008), fifth (2008-2009), sixth (2009-2010), and seventh (2010-2011) administrative reviews.[5]

There have been no duty absorption findings regarding this antidumping duty order. There have been no scope clarifications or rulings, circumvention determinations, or changed circumstances determinations during the proceeding.

Legal Framework

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

As explained in the Statement of Administrative Action (SAA) accompanying the Uruguay Round Agreements Act (URAA), the Department normally determines that revocation of an order is likely to lead to continuation or recurrence of dumping when: (a) dumping continued at any level above *de minimis* after issuance of the order; (b) imports of the subject merchandise ceased after issuance of the order; or (c) dumping was eliminated after the issuance of the order and import volumes for the subject merchandise declined significantly. Alternatively, the Department normally will determine that revocation of an order is not likely to lead to continuation or recurrence of dumping where dumping was eliminated after issuance of the order and import volumes remained steady or increased.[6] In addition, as a base period for import

---

[4] *See Notice of Amended Final Determination at Less Than Fair Value and Antidumping Duty Order: Floor-Standing, Metal Top Ironing Tables and Certain Parts Thereof From the People's Republic of China*, 69 FR 47868 (August 6, 2004) (*Amended Final Determination*).

[5] *See Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof From the People's Republic of China: Final Results of Antidumping Duty Administrative Review*, 75 FR 3201 (January 20, 2010); *see also Floor-Standing Metal-Top Ironing Tables and Certain Parts Thereof From the People's Republic of China: Notice of Court Decision Not in Harmony With Final Results and Notice of Amended Final Results of the Antidumping Duty Administrative Review; 2008-2009*, 80 FR 36507 (June 25, 2015); *see also Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof From the People's Republic of China: Final Results of Antidumping Duty Administrative Review*, 76 FR 15297 (March 21, 2011); *see also Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof From the People's Republic of China: Final Results of Antidumping Duty Administrative Review*, 77 FR 11499 (March 12, 2012); *see also Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof From the People's Republic of China: Final Results of Antidumping Duty Administrative Review*, 77 FR 55806 (September 11, 2012).

[6] *See* SAA, H.R. Rep. No. 103-316, Vol 1 (1994), at 889-890.

volumes comparison, it is the Department's practice to use a one-year period immediately preceding the initiation of the investigation, rather than the level of pre-order import volumes, as the initiation of an investigation may dampen import volumes, and, thus, skew the comparison.[7]

When analyzing import volumes for second and subsequent reviews, the Department's practice is to compare import volumes during the years preceding initiation of the underlying investigation to import volumes since the issuance of the last continuation notice.[8]

Further, section 752(c)(3) of the Act states that the Department shall provide the International Trade Commission (ITC) the magnitude of the margin of dumping likely to prevail if the *Order* were revoked. Generally, the Department selects the margins from the final determination in the original investigation as the margins of dumping likely to prevail if the *Order* were revoked, as these margins are the only calculated rates that reflect the behavior of exporters without the discipline of an order in place.[9] However, in certain circumstances, a more recently calculated rate may be appropriate (*e.g.*, "if dumping margins have declined over the life of an order and imports have remained steady or increased, {the Department} may conclude that exporters are likely to continue dumping at lower rates found in a more recent review.")[10]

In February 2012, the Department announced it was modifying its practice in sunset reviews such that it will not rely on weighted-average dumping margins that were calculated using the methodology found to be World Trade Organization (WTO)-inconsistent.[11] In the *Final Modification for Reviews*, the Department stated that "only in the most extraordinary circumstances" would it rely on margins other than those calculated and published in prior determinations.[12] The Department further stated that apart from the "most extraordinary circumstances," it would "limit its reliance to margins determined or applied during the five-year sunset that were not determined in a manner found to be WTO-inconsistent" and that it "may also rely on past dumping margins that were not affected by the WTO-inconsistent methodology, such as dumping margins recalculated pursuant to Section 129 proceedings, dumping margins determined based on the use of total adverse facts available, and dumping margins where no offsets were denied because all comparison results were positive."[13]

Finally, pursuant to section 752(c)(4)(A) of the Act, a dumping margin of zero or *de minimis* shall not by itself require the Department to determine that revocation of an antidumping duty

[7] *See, e.g., Stainless Steel Bar from Germany; Final Results of the Sunset Review of Antidumping Duty Order*, 72 FR 56985 (October 5, 2007) (*Stainless Steel Bar*), and accompanying Issue and Decision Memorandum (IDM) at Comment 1.
[8] *See Ferrovanadium From the People's Republic of China and the Republic of South Africa: Final Results of the Expedited Second Sunset Reviews of the Antidumping Duty Orders*, 79 FR 14216 (March 13, 2014) and accompanying Issues and Decision Memorandum at "Legal Framework."
[9] *See* SAA at 890; *see, e.g., Persulfates from the People's Republic of China: Notice of Final Results of Expedited Second Sunset Review of Antidumping Duty Order*, 73 FR 11868 (March 5, 2008), and accompanying Issues and Decision Memorandum at Comment 2.
[10] *See* SAA, at 890-891.
[11] *See Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Anti-dumping Duty Proceedings; Final Modification*, 77 FR 8101, 8103 (February 14, 2012) (*Final Modification for Reviews*).
[12] *Id.*
[13] *Id.*

order would not be likely to lead to a continuation or recurrence of sales at less than fair value (LTFV).[14]

Below we address Petitioner's comments.

1. Likelihood of Continuation or Recurrence of Dumping

Interested Party Comments

Petitioner asserts that the Department should conclude that revocation of this *Order* would likely lead to a continuation or recurrence of dumping because of the three criteria set forth in the SAA. Petitioner points out that there have been dumping margins above *de minimis* since the initial investigation and after the Department's first sunset review in 2009. Petitioner also argues that there has been an apparent cessation of shipments of ironing tables by numerous Chinese exporters by pointing to Census import data for HTS number 9403.20.0011. These data show a general decline in volume and value since 2004, the first full year after the implementation of the *Order*, which is a stark contrast to ironing table imports quadrupling between 2001-2003.[15]

Petitioner further notes that dumping has continued at above *de minimis* rates after the issuance of the *Order*, and most PRC producers and exporters are currently subject to margins that are well above *de minimis*. Petitioner also notes that the PRC-wide entity continues to have a substantial margin.

Department's Position: We find that revocation of the *Order* would likely result in the continuation of dumping in the United States due to the continued existence of dumping margins since the issuance of the *Order*. As explained above, when determining whether revocation of the *Order* would be likely to lead to continuation of dumping, sections 752(c)(1)(A) and (B) of the Act instruct the Department to consider: (1) the weighted-average dumping margins determined in the investigation and subsequent reviews; and (2) the volume of imports of the subject merchandise for the period before and after the issuance of the *Order*. In addition, the Department normally determines that revocation of an *Order* is likely to lead to continuation or recurrence of dumping when, among other scenarios: (a) dumping continued at any level above *de minimis* after the issuance of the *Order*; (b) imports of the subject merchandise ceased after the issuance of the *Order*; or (c) dumping was eliminated after the issuance of the *Order* and import volumes for the subject merchandise declined significantly. Thus, one consideration is whether the Department continued to find dumping at above *de minimis* levels in administrative reviews subsequent to the imposition of the *Order*.[16] According to the SAA, "if companies continue to dump with the discipline of an order in place, it is reasonable to assume that dumping would continue if the discipline were removed."[17]

[14] *See Folding Gift Boxes from the People's Republic of China: Final Results of the Expedited Sunset Review of the Antidumping Duty Order*, 72 FR 17765 (April 5, 2007) and accompanying Issues and Decision Memorandum at Comment 1.
[15] *See* Substantive Response at 13-17.
[16] *See* SAA at 890.
[17] *Id.*

Pursuant to section 752(c)(1)(A) of the Act, the Department first considered the weighted-average dumping margins determined in the investigation and subsequent reviews. In the *Amended Final Determination,* the Department calculated weighted-average dumping margins ranging from 9.74 percent to 157.68 percent for the two mandatory respondents (Since Hardware (Guangzhou) Co., Ltd. (Since Hardware) and Shunde Yongjian Housewares Co., Ltd. (Shunde Yongjian)), and assigned Forever Holdings Ltd. (Forever), Gaoming Lihe Daily Necessities Co., Ltd. (Gaoming), and Harvest International Housewares Ltd. (Harvest) each a rate of 72.29 percent.[18]

Further, the Department assigned the PRC-wide entity a rate of 157.68 percent because it failed to cooperate to the best of its ability and as adverse facts available, it was assigned the highest rate calculated, *i.e.*, that of Shunde Yongjian.[19] We note that while the zeroing methodology was used in the investigation, no offsets were denied for mandatory respondent Shunde Yongjian because all comparison results were positive for these companies. Therefore, the PRC-wide entity rate did not include zeroing, as we did not deny offsets for non-dumped sales when aggregating these results.[20]

Additionally, pursuant to section 752(c)(1)(B) of the Act, the Department also considered the volume of imports of subject merchandise in determining whether revocation of the *Order* would likely lead to continuation or recurrence of dumping. As noted above, when analyzing import volumes for second and subsequent sunset reviews, the Department's practice is to compare import volumes during the year preceding initiation of the underlying investigation to import volumes since the last continuation notice.[21]

The import statistics provided by Petitioner in its May 27, 2015 substantive response demonstrates that import volumes decreased significantly following the imposition of the *Order* and the last continuation notice.[22] This trend is confirmed by looking at the ITC's Dataweb data for HTS 9403.20.0011. For imports since the issuance of the last continuation notice we see import volumes have fluctuated.[23] From 2009, the year of the last continuation notice, through the current sunset review period, ITC Dataweb statistics indicate that import volumes have been declining, for the most part, and are lower compared to the yearly volumes during the previous sunset review period.[24] Since we have found that dumping continued and imports generally declined over the life of the *Order*, including the current sunset review period, we find likelihood of continued or recurring dumping.

---

[18] *See Amended Final Determination.*

[19] *See Notice of Preliminary Determination of Sales at Less Than Fair Value: Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof from the People's Republic of China*, 69 FR 5127 (February 3, 2004) unchanged in *Amended Final Determination.*

[20] *See* Memorandum to the file entitled "LTFV Final Determination Calculation Output for Shunde Yongjian Housewares Co., Ltd." dated August 31, 2015; *see also Final Modification for Reviews*, 77 FR 8103.

[21] *See Floor-Standing Metal-Top Ironing Tables and Parts Thereof from the People's Republic of China: Final Results of Expedited Five-year (Sunset) Review of Antidumping Duty Order*, 74 FR 56794 (November 3, 2009).

[22] *See* Petitioner's May 27, 2015 Substantive Response at 16 .

[23] *See* Attachment.

[24] *Id.*

2. Magnitude of the Margins Likely to Prevail

Interested Party Comments

Petitioner requests that the Department report the calculated antidumping duty margins from the LTFV investigation for Shunde Yongjian, Forever Holdings, Gaoming, and Harvest which are 157.68 percent, 72.29 percent, 72.29 percent, and 72.29 percent, respectively, to the ITC. Petitioner also argues that the Department should report the China-wide rate from the original investigation, 157.68 percent as the China-wide rate. Petitioner also points out that Since Hardware has been a participant in two administrative reviews subsequent to the first sunset review, receiving margins of 66.06 percent and 83.83 percent. Petitioner notes that Since Hardware has ceased producing and exporting ironing tables since 2012, as it "has not been able to sell competitively in the U.S. market" with the order in place.[25] Therefore, Petitioner urges the Department to report to the ITC a margin of 83.83 percent for Since Hardware along with the other earlier determined margins. Petitioner maintains that these are rates likely to prevail in the absence of the discipline of the order in place.[26]

Department's Position: Section 752(c)(3) of the Act provides that the Department will report to the ITC the magnitude of the margin likely to prevail if the order were revoked. Normally, the Department will provide to the ITC the company-specific, weighted-average dumping margin from the investigation for each company.[27] The Department prefers selecting rates from the investigation because these rates reflect the behavior of exporters without the discipline of an order or suspension agreement in place.[28] For companies not investigated individually, or for companies that did not begin shipping until after the order was issued, the Department will normally provide a rate based on the "All-Others" rate from the investigation.[29] However, for the PRC, which the Department considers to be a non-market economy under section 771(18)(A) of the Act, the Department does not have an "All-Others" rate. Thus, in non-market economy cases, instead of an "All-Others" rate, the Department uses an established country-wide rate, which it applies to all imports from exporters that have not established their eligibility for a separate rate.

As indicated in the "Legal Framework" section above, the Department's current practice is to not rely on weighted-average dumping margins calculated using the zeroing methodology, consistent with the *Final Modification*. Instead, we may rely on other rates that may be available, or we may recalculate weighted-average dumping margins using our current offsetting methodology in extraordinary circumstances.[30]

---

[25] *See* Substantive Response at 14 and fn. 15.
[26] *Id.* at 17-19.
[27] *See Everready Battery Co., Inc. v. United States*, 77 F. Supp. 2d 1327, 1333 (CIT 1999).
[28] *Id.*; *see also SAA* at 890.
[29] *See Certain Hot-Rolled Carbon Steel Flat Products from Argentina, the People's Republic of China, India, Indonesia, Kazakhstan, Romania, South Africa, Taiwan, Thailand, and Ukraine; Final Results of Expedited Sunset Reviews of the Antidumping Duty Orders*, 71 FR 70506 (December 5, 2006) and accompanying Issues and Decision Memorandum at Comment 2.
[30] *See Final Modification for Reviews*, 77 FR at 8103.

We find that the antidumping duty margins in the LTFV investigation are probative of the behavior of manufacturers/exporters from the PRC if the order was revoked because these margins are the only margins which reflect the behavior of these manufacturers/exporters absent the discipline of the orders.

A review of the LTFV investigation found that the margin for Since Hardware included zeroing, making it WTO-inconsistent.[31] Additionally, Since Hardware's margin was used in the calculation of the rates for Forever Holdings, Gaoming, and Harvest, making them also WTO-inconsistent.[32] For this reason we disagree with Petitioner's argument that the Department should report the individual antidumping duty margins from the LTFV investigation for Forever Holdings, Gaoming, and Harvest, which are 72.29 percent for each company, to the ITC.[33] Furthermore, we disagree that we should use the rate calculated for Since Hardware in the fifth administrative review.[34]

However, the PRC-wide rate in the *Amended Final Determination* was an AFA rate based on the highest average-to-average margin, and it did not include zeroing.[35] As indicated above, we normally rely on a margin determined in the LTFV investigation,[36] and we are doing so in this expedited sunset review. The Department thus determines that the rate assigned to the PRC-wide entity is the rate that we will report to the ITC, consistent with the *Final Modification for Reviews*. Therefore, the Department will report the PRC-wide rate to the ITC without modification.

Final Results of Review

We determine that revocation of the *Order* on ironing tables from the PRC would likely lead to continuation or recurrence of dumping and that the magnitude of the margin of dumping likely to prevail would be weighted average margins up to 157.68 percent.[37]

---

[31] *See* Memorandum to the file entitled "LTFV Final Determination Calculation Output for Since Hardware (Guangzhou) Co., Ltd." dated August 31, 2015.
[32] *See Notice of Preliminary Determination of Sales at Less Than Fair Value: Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof from the People's Republic of China*, 69 FR 5127 (February 3, 2004) unchanged in *Amended Final Determination.*
[33] *See* Petitioner's Substantive Response at 19.
[34] *Id.*
[35] *See* Memorandum to the file entitled "LTFV Final Determination Calculation Output for Shunde Yongjian Housewares Co., Ltd." dated August 31, 2015.
[36] *See* SAA at 890.
[37] *See Amended Final Determination.*

Recommendation

Based on our analysis of Petitioner's substantive response and the record evidence, we recommend adopting the above positions. If these recommendations are accepted, we will publish the final results of the second sunset review in the *Federal Register* and notify the ITC of our determination.

AGREE ✓ DISAGREE________

Paul Piquado
Assistant Secretary
for Enforcement and Compliance

27 AUGUST 2015
Date

ATTACHMENT

Ironing Tables: First Unit of Quantity by Customs Value for China

U.S. Imports for Consumption

Annual Data

[redacted]

HTS Number	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
	In 1,000 Units of Quantity											
First Unit of Quantity where quantities are collected in number												
9403200011	4,100	2,798	2,345	2,045	1,602	1,883	1,077	652	809	1,068	403	439

Sources: Data on this site have been compiled from tariff and trade data from the U.S. Department of Commerce and the U.S. International Trade Commission