



A-570-970
Administrative Review
POR: 12/01/2018 - 11/30/2019
Public Document
E&C/OVIII: AC/SB

April 19, 2021

MEMORANDUM TO: Christian Marsh
Acting 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 Antidumping
Duty Administrative Review: Multilayered Wood Flooring from the
People's Republic of China; 2018-2019

I. SUMMARY

The Department of Commerce (Commerce) is conducting an administrative review of the antidumping duty (AD) order on multilayered wood flooring (wood flooring) from the People's Republic of China (China) for the period of review (POR) December 1, 2018, through November 30, 2019. This administrative review was initiated for 95 companies, including two mandatory respondents: the Fusong Jinlong Group (Jinlong)¹ and Jiangsu Senmao Bamboo and Wood Industry Co., Ltd. (Senmao).

We preliminarily determine that Senmao did not make sales of subject merchandise at prices below normal value (NV) and that Jinlong is not eligible for a separate rate, and is, therefore, part of the China-wide entity. We also preliminarily determine that in addition to Senmao, 34 companies which were not selected for individual examination have demonstrated separate rate eligibility, 36 companies (including Jinlong) are part of the China-wide entity, and 20 companies made no shipments of subject merchandise during the POR. Additionally, we preliminarily

¹ Jinlong consists of the following 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. See *Multilayered Wood Flooring from the People's Republic of China: Preliminary Results of the Antidumping Duty Administrative Review and New Shipper Review, Preliminary Determination of No Shipments, and Rescission of Review, in Part; 2017–2018*, 85 FR 6911 (February 6, 2020), and accompanying Preliminary Decision Memorandum (PDM) (*MLWF 2017-2018 Prelim*), unchanged in *Multilayered Wood Flooring from the People's Republic of China: Final Results of Antidumping Duty Administrative Review and New Shipper Review and Final Determination of No Shipments; 2017–2018*, 85 FR 78118 (December 3, 2020), and accompanying Issues and Decision Memorandum (IDM) (*MLWF 2017-2018 Final*); see also Memorandum, “Antidumping Duty Administrative Review of Multilayered Wood Flooring from the People's Republic of China; 2017-2018: Affiliation and Collapsing of The Fusong Jinlong Group,” dated January 31, 2020.



determine that Arte Mundi (Shanghai) Aesthetic Home Furnishings Co., Ltd. (Arte Mundi) is the successor-in-interest to Scholar Home (Shanghai) New Material Co., Ltd. (Scholar Home) and, as a result, should be accorded the same treatment previously accorded to Scholar Home. Finally, we are rescinding the review with respect to four companies.

If these preliminary results are adopted in the final results of this administrative 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. The preliminary rates assigned to each of these companies can be found in the “Preliminary Results of Review” section of the accompanying *Federal Register* notice.

Interested parties are invited to comment on these preliminary results. We intend to issue the final results no later than 120 days from the date of publication of the accompanying *Federal Register* notice of these preliminary results pursuant to section 751(a)(3)(A) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.213(h), unless this deadline is extended.

II. BACKGROUND

On December 8, 2011, Commerce published the AD *Order* on wood flooring from China.² On December 6, 2019, we published a notice of opportunity for interested parties to request that Commerce conduct an administrative review of the *Order*.³ We received requests to conduct an administrative review for 95 companies.⁴ On February 6, 2020, we published the notice of initiation of the administrative review in the *Federal Register*.⁵ From February through March 2020, we received separate rate certifications (SRCs) from 37 companies (including Senmao and Jinlong), separate rate applications (SRAs) from two companies, and no shipment certifications from 22 companies.⁶ We also received a timely withdrawal of a request for review with respect to several companies, including Jilin Forest Industry Jinqiao Flooring Group Co., Ltd., Lauzon Distinctive Hardwood Flooring, Inc., Dalian Deerfu Wooden Product Co., Ltd. (Deerfu), and Dunhua City Wanrong Wood Industry Co., Ltd. (Wanrong).⁷

² 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), as amended in *Multilayered Wood Flooring from the People’s Republic of China*, 77 FR 5484 (February 3, 2012) (collectively, the *Order*).

³ See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 84 FR 66880 (December 6, 2019).

⁴ See, e.g., American Manufacturers of Multilayered Wood Flooring’s (Petitioner’s) Letter, “Multilayered Wood Flooring from the People’s Republic of China: Request for Administrative Review,” dated December 31, 2019 (Petitioner Review Request).

⁵ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 85 FR 6896 (February 6, 2020) (*Initiation Notice*).

⁶ See, e.g., Jiangsu Keri Wood Co., Ltd.’s March 5, 2020, Separate Rate Certification (Keri Wood SRC); Huzhou Chenghang Wood Co., Ltd.’s March 6, 2020, Separate Rate Application (Huzhou Chenghang SRA); and Innomaster Home (Zhongshan) Co., Ltd.’s March 5, 2020, No Shipment Certification (Innomaster Home NSC).

⁷ See AHF, LLC’s Letter, “Multilayered Wood Flooring from the People’s Republic of China: Withdrawal of Request for Review – 2018-19 AD Review Period,” dated May 6, 2020; see also the “Partial Rescission of Review” section of the accompanying *Federal Register* notice.

On March 19, 2020, Commerce selected Jinlong and Senmao as mandatory respondents in this administrative review.⁸ On March 25, 2020, we issued AD questionnaires to Jinlong and Senmao.⁹ On April 14, 2020, Jinlong notified Commerce that it did not intend to participate in the review.¹⁰ From April through May 2020, we received responses to the AD questionnaire from Senmao.¹¹ We issued and received responses to supplemental questionnaires from Senmao and various separate rate respondents in July 2020.¹²

In accordance with 19 CFR 351.408(c), we solicited and received comments from interested parties regarding the selection of surrogate value (SV) data from May through July 2020.¹³

On April 24, 2020, Commerce tolled all deadlines in administrative reviews by 50 days.¹⁴ On July 21, 2020, Commerce tolled all deadlines for preliminary and final results in administrative reviews by an additional 60 days.¹⁵ On December 7, 2020, we further extended the deadline for the preliminary results of this administrative review from December 21, 2020, until April 19, 2021.¹⁶

III. PERIOD OF REVIEW

The POR is December 1, 2018, through November 30, 2019.

IV. SCOPE OF THE ORDER

Multilayered wood flooring is composed of an assembly of two or more layers or plies of wood veneer(s)¹⁷ in combination with a core.¹⁸ The several layers, along with the core, are glued or otherwise bonded together to form a final assembled product. Multilayered wood flooring is

⁸ See Memorandum, “Antidumping Administrative Review of Multilayered Wood Flooring from the People’s Republic of China: Respondent Selection,” dated March 19, 2020 (Respondent Selection Memorandum).

⁹ See Commerce’s Letters, Initial AD Questionnaire; and Initial AD Questionnaire (Senmao AD Questionnaire), both dated March 25, 2020.

¹⁰ See Jinlong’s Letter, “Multilayered Wood Flooring from China: Jinlong Notice of Intent Not to Participate,” dated April 14, 2020 (Jinlong Non-Participation Letter).

¹¹ See Senmao’s April 29, 2020, Section A Questionnaire Response (Senmao AQR) and May 15, 2020, Sections C and D Questionnaire Response (Senmao CDQR).

¹² See, e.g., Senmao’s July 20, 2020, Supplemental Questionnaire Response.

¹³ See Memorandum, “Request for Surrogate Value Comments,” dated May 28, 2020 (Surrogate Comments Request); see also Senmao’s Letter, “Multilayered Wood Flooring from the People’s Republic of China: Comments on Economic Comparability,” dated June 4, 2020 (Senmao EC Comments); Senmao’s Letter, “Multilayered Wood Flooring from the People’s Republic of China: Surrogate Country Comments,” dated June 11, 2020 (Senmao SC Comments); and Senmao’s Letter, “Multilayered Wood Flooring from the People’s Republic of China: Surrogate Value Comments,” dated July 2, 2020 (Senmao SV Comments).

¹⁴ See Memorandum, “Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews in Response to Operational Adjustments Due to COVID-19,” dated April 24, 2020.

¹⁵ See Memorandum, “Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews,” dated July 21, 2020.

¹⁶ See Memorandum, “Multilayered Wood Flooring from the People’s Republic of China: Extension of Deadline for Preliminary Results of Antidumping Duty Administrative Review; 2018-2019,” dated December 7, 2020.

¹⁷ A “veneer” is a thin slice of wood, rotary cut, sliced or sawed from a log, bolt or flitch. Veneer is referred to as a ply when assembled.

¹⁸ Commerce Interpretive Note: Commerce interprets this language to refer to wood flooring products with a minimum of three layers.

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, ultra-violet 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; 4412.31.0620; 4412.31.0640; 4412.31.0660; 4412.31.2510; 4412.31.2520; 4412.31.2610; 4412.31.2620; 4412.31.3175; 4412.31.4040; 4412.31.4050; 4412.31.4060; 4412.31.4070; 4412.31.4075; 4412.31.4080; 4412.31.4140; 4412.31.4160; 4412.31.4175; 4412.31.5125; 4412.31.5135; 4412.31.5155; 4412.31.5165; 4412.31.5175; 4412.31.5225; 4412.31.6000; 4412.31.9100; 4412.32.0520; 4412.32.0540; 4412.32.0560; 4412.32.0565; 4412.32.0570; 4412.32.0640; 4412.32.0665; 4412.32.2510; 4412.32.2520; 4412.32.2525; 4412.32.2530; 4412.32.2610; 4412.32.2625; 4412.32.3125; 4412.32.3135; 4412.32.3155; 4412.32.3165; 4412.32.3175; 4412.32.3185; 4412.32.3225; 4412.32.5600; 4412.32.5700;

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; 4412.94.3131; 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; 4412.99.5105; 4412.99.5115; 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; 4418.74.2000; 4418.74.9000; 4418.75.4000; 4418.75.7000; 4418.79.0100; and 9801.00.2500.

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

V. SELECTION OF RESPONDENTS

Section 777A(c)(1) of the Act directs Commerce to calculate an individual weighted-average dumping margin for each known exporter and producer of subject merchandise. However, section 777A(c)(2) of the Act gives Commerce discretion to limit its examination to a reasonable number of exporters or producers if it is not practicable to calculate individual weighted-average dumping margin determinations because of the large number of exporters and producers involved in the review.

In the *Initiation Notice*, we notified the public that, in the event we limited the number of respondents for individual examination, we intended to select respondents based on CBP data for U.S. imports during the POR.¹⁹ On February 11, 2020, and February 20, 2020, we placed CBP data for imports made during the POR under the HTSUS numbers listed in the scope of the *Order*, on the record of this administrative review, and requested comments on the data for use in respondent selection.²⁰ We subsequently received timely comments on the CBP data and respondent selection from various parties.²¹

On March 19, 2020, we issued the respondent selection memorandum, which explained that, pursuant to 777A(c)(2) of the Act, because of the large number of exporters and producers involved in the administrative review, and given our resource constraints, it was not practicable to examine all companies individually.²² Rather, we determined that we could only reasonably examine two exporters. Pursuant to section 777A(c)(2)(B) of the Act, we selected Jinlong and Senmao as the mandatory respondents in this administrative review because, based on the CBP

¹⁹ See *Initiation Notice*.

²⁰ See Memoranda, “Release of U.S. Customs and Border Protection Data,” dated February 11, 2020; and “Second Release of U.S. Customs and Border Protection Data,” dated February 20, 2020 (collectively, CBP entry data).

²¹ See, e.g., Senmao, Jiangsu Keri Wood Co., Ltd., and Sino-Maple (Jiangsu) Co., Ltd.’s Letter, “Multilayered Wood Flooring from the People’s Republic of China: Comments on CBP Data and Request for Issuance Q&V Questionnaires,” dated February 18, 2020.

²² See Respondent Selection Memorandum.

entry data and certified quantity and value information submitted by certain interested parties,²³ they were the two largest exporters of subject merchandise by volume during the POR.²⁴

VI. PRELIMINARY DETERMINATION OF NO SHIPMENTS

In the *Initiation Notice*, we instructed producers or exporters under review that had no exports, sales, or entries during the POR to notify Commerce within 30 days of publication of the notice.²⁵ We received timely no-shipment certifications from the following companies: Anhui Longhua Bamboo Product Co., Ltd. (Anhui Longhua); Baroque Timber Industries (Zhongshan) Co., Ltd. (Baroque Timber); Dalian Jaenmaken Wood Industry Co., Ltd. (Jaenmaken); Dalian Shengyu Science And Technology Development Co., Ltd. (Dalian Shengyu); Dalian T-Boom Wood Products Co., Ltd. (T-Boom); Dalian Deerfu Wooden Product Co., Ltd. (Deerfu); Dunhua City Dexin Wood Industry Co., Ltd. (Dexin); Dunhua City Jisen Wood Industry Co., Ltd. (Jisen); Dunhua City Wanrong Wood Industry Co., Ltd. (Wanrong); Fine Furniture (Fine Furniture (Shanghai) Limited and Double F Limited) (Fine Furniture); Innomaster Home (Zhongshan) Co., Ltd. (Innomaster); Jiangsu Yuhui International Trade Co., Ltd. (Yuhui); Kemian Wood Industry (Kunshan) Co., Ltd. (Kemian Kunshan); Linyi Anying Wood Co., Ltd. (Anying); Power Dekor Group Co., Ltd. (Power Dekor); Shandong Longteng Wood Co., Ltd. (Shandong); Yekalon Industry Inc. (Yekalon); Yingyi-Nature (Kunshan) Wood Industry Co., Ltd. (Yingyi-Nature); Zhejiang Biyork Wood Co., Ltd. (Biyork); Zhejiang Shiyou Timber Co., Ltd. (Shiyou); Zhejiang Shuimojiangnan New Material Technology Co., Ltd. (Shuimojiangnan); and Zhejiang Simite Wooden Co., Ltd. (Simite).²⁶ Additionally, Benxi Flooring Factory (General Partnership) (Benxi Flooring) filed a timely SRC but subsequently indicated that, upon further review, it had no shipments or entries of subject merchandise during the POR,²⁷ which was confirmed by CBP.²⁸

²³ See, e.g., Jiangsu Guyu International Trading Co., Ltd.'s Letter, "Multilayered Wood Flooring from the People's Republic of China: Comments on Respondent Selection and CBP Data," dated February 18, 2020.

²⁴ See Respondent Selection Memorandum at Attachment I.

²⁵ See *Initiation Notice*.

²⁶ See Anhui Longhua March 5, 2020, No Shipments Certification; see also Anying March 9, 2020, No Shipments Certification; Baroque March 9, 2020, No Shipments Certification; Biyork March 6, 2020, No Shipments Certification; Dalian Shengyu March 5, 2020, No Shipments Certification; Deerfu March 4, 2020, No Shipments Certification; Dexin March 9, 2020, No Shipments Certification; Fine Furniture March 9, 2020, No Shipments Certification; Innomaster March 5, 2020, No Shipments Certification; Jaenmaken March 6, 2020, No Shipments Certification; Jisen March 9, 2020, No Shipments Certification; Kemian Kunshan March 5, 2020, No Shipments Certification; Power Dekor March 9, 2020, No Shipments Certification; Shandong March 5, 2020, No Shipments Certification; Shiyou March 5, 2020, No Shipments Certification; Shuimojiangnan March 9, 2020, No Shipments Certification; Simite March 6, 2020, No Shipments Certification; T-Boom March 6, 2020, No Shipments Certification; Wanrong March 9, 2020, No Shipments Certification; Yekalon March 9, 2020, No Shipments Certification; Yingyi-Nature March 9, 2020, No Shipments Certification; and Yuhui March 5, 2020, No Shipments Certification. We are rescinding the review with respect to Deerfu and Wanrong because the request for review of these companies was timely withdrawn. See accompanying *Federal Register* notice.

²⁷ See Benxi Flooring March 9, 2020, SRC and Benxi Flooring's Letter, "Multilayered Wood Flooring from People's Republic of China: Response to Separate Rate Certification Supplemental Questionnaire," dated July 6, 2020.

²⁸ See Memorandum, "Multilayered Wood Flooring from China; No Shipment Inquiry for Benxi Flooring Factory (General Partnership) during the period 12/01/2018 through 11/30/2019," dated February 26, 2021.

We instructed CBP to report any information contrary to the above-referenced no shipments claims and placed this information on the record, providing parties the opportunity to file factual information to rebut, clarify, or correct the contrary information, in accordance with 19 CFR 351.301(c)(4).²⁹ Information received from CBP indicates that certain companies made an entry of subject merchandise during the POR, despite indicating otherwise.

Kemian Kunshan submitted a no-shipment certification that was contradicted by the results of our standard inquiry to CBP regarding no shipment claims.³⁰ In accordance with our practice when there are discrepancies between a company's no-shipments certification and CBP information, we requested entry documentation from CBP and allowed parties to comment.³¹ We find that the information on the record does not support Kemian Kunshan's claim that it had no shipments of subject merchandise during the POR. Due to the business proprietary (BPI) nature of information relating to this analysis, a more detailed discussion of this matter can be found in a separate BPI memorandum.³²

Fine Furniture, which is excluded from the *Order* when both a producer and exporter, Jaenmaken, and Biyork also submitted no-shipment certifications that were contradicted by the CBP entry data placed on the record in February 2020.³³ In accordance with our practice when there are discrepancies between a company's no-shipments certification and CBP information, we requested entry documentation from CBP and allowed parties to comment.³⁴ Counsel for each company filed timely comments on the CBP entry data and/or CBP information placed on the record by Commerce.³⁵ Based on the no-shipments claims of the companies at issue and other information on the record, we preliminarily determine that Fine Furniture, Jaenmaken, and Biyork had no shipments of subject merchandise during the POR. Due to the business proprietary nature of information relating to our analysis, a more detailed discussion of this matter can be found in the No Shipments Analysis Memorandum.³⁶

With respect to certain companies for which there is no contrary record information, we preliminarily determine that these companies also did not have shipments to the United States during the POR.³⁷ Consistent with our practice in non-market economy (NME) cases, we are not

²⁹ See Memoranda, "No Shipments Inquiry" (CBP No Shipments Inquiry Memorandum); and "Entry Documents Requested" (CBP Entry Documents Memorandum), both dated May 28, 2020.

³⁰ See Kemian Kunshan March 5, 2020, No Shipments Certification; *see also* CBP No Shipments Inquiry Memorandum.

³¹ See Memorandum, "2018 – 2019 Administrative Review of the Antidumping Duty Order on Multilayered Wood Flooring from the People's Republic of China: Second Entry Documents Requested," dated March 18, 2021.

³² See Memorandum, "Preliminary No Shipments Analysis," dated concurrently with this memorandum.

³³ See CBP entry data.

³⁴ See CBP Entry Documents Memorandum.

³⁵ See Fine Furniture's Letter, "Administrative Review of the Antidumping Duty Order on Multilayered Wood Flooring from the People's Republic of China: Comments on Customs and Border Protection Data," dated February 27, 2020; *see also* Jaenmaken's and Biyork's Letter, "Multilayered Wood Flooring from the People's Republic of China ("MLWF"); A-570-970; Comments on CBP Information on No Shipments," dated June 4, 2020.

³⁶ See No Shipments Analysis Memorandum.

³⁷ See the appendix and the accompanying *Federal Register* notice for a listing of these companies.

rescinding the review of these companies but intend to complete the review and issue appropriate instructions to CBP based on the final results.³⁸

VII. PRELIMINARY SUCCESSOR-IN-INTEREST DETERMINATION

A. Framework for Analysis

Pursuant to section 751(b)(1) of the Tariff Act of 1930, as amended (the Act) and 19 CFR 351.216(d), whenever Commerce receives information concerning, or a request from an interested party for a review of, an order which shows changed circumstances sufficient to warrant a review of such order after publishing notice of the review in the *Federal Register*, Commerce shall conduct a review of the determination based on those changed circumstances.

In the past, Commerce has used changed circumstance reviews (CCRs) to consider the applicability of cash deposit rates after there have been changes in the name or structure of a respondent, such as a merger or spinoff (successor-in-interest, or successorship, determinations). While successor-in-interest determinations are often made in the context of CCRs in accordance with 19 CFR 351.216, Commerce has also made successor-in-interest determinations in the context of administrative reviews and investigations.³⁹ Thus, for the instant review, and consistent with Commerce's practice, we have considered the information submitted by Arti Mundi to evaluate whether it is the successor-in-interest to Scholar Home.

In determining whether a change in a company and its relationship with outside entities results in a new company that is not a successor to the pre-change company for cash deposit purposes, Commerce examines a number of factors including, but not limited to, changes in: structure, management, production facilities, supplier relationships, and customer base.⁴⁰ Although no single, or even several, of these factors will necessarily provide a dispositive indication of succession, generally, Commerce will consider a company to be a successor if its resulting operation is not materially dissimilar to that of its predecessor.⁴¹ Thus, if the "totality of circumstances" demonstrates that, with respect to the production and sale of the subject merchandise, the new company operates as the same business entity as the prior company, Commerce will assign the new company the cash deposit rate of its predecessor.⁴²

³⁸ See *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694, 65694-95 (October 24, 2011).

³⁹ See, e.g., *Certain Frozen Warmwater Shrimp from the People's Republic of China: Final Results of Antidumping Duty Administrative Review and Final Determination of No Shipments; 2018-2019*, 85 FR 83891 (December 23, 2020), and accompanying IDM at Comment 3; see also *Ball Bearings and Parts Thereof from France: Final Results of Changed-Circumstances Review*, 75 FR 34688 (June 18, 2010), and accompanying IDM at Comment 1.

⁴⁰ See, e.g., *Ball Bearings and Parts Thereof from France: Final Results of Changed-Circumstances Review*, 75 FR 34688 (June 18, 2010), and accompanying IDM at Comment 1.

⁴¹ See, e.g., *Fresh and Chilled Atlantic Salmon from Norway: Final Results of Changed Circumstances Antidumping Duty Administrative Review*, 64 FR 9979, 9980 (March 1, 1999).

⁴² *Id.* at 9980; see also *Brass Sheet and Strip from Canada: Final Result of Administrative Review*, 57 FR 20461 (May 13, 1992), and accompanying IDM at Comment 1.

B. Successor-in-Interest Determination

In the previous administrative review, Scholar Home submitted an SRA and received a separate rate.⁴³ In the current administrative review, Arte Mundi reports that, during the POR, it changed its English name from Scholar Home to Arte Mundi and requested separate rate status for both the old and new English names used during this period.⁴⁴ In order to determine whether Arte Mundi is the successor-in-interest to Scholar Home, we requested that Arte Mundi address the following four factors: changes in management, production facilities for the subject merchandise, supplier relationships, and customer base resulting from the name change.

Arte Mundi responded to Commerce's request in July 2020.⁴⁵ In this submission, Arte Mundi provided evidence demonstrating that, during the POR, Scholar Home's operations were not materially dissimilar from those under the name of Arte Mundi. For example, Arte Mundi provided its old and new business licenses as well as its old and new articles of association, a comparison of which indicates that the contents of these documents are the same, except for the registration code and issuing date.⁴⁶ In its SRA and SRA-SQR, Arte Mundi also provided documentation of its previous and current legal structures and shareholders, indicating that no changes were made therein during the POR due to the name change.⁴⁷

To demonstrate that Arte Mundi continued to be managed and operated during the POR by the same management teams as those under the name of Scholar Home, Arte Mundi provided "Proposals," "Resolutions of Board of Directors," and "Resolution of Shareholders' Meeting" (the contents of which are subject to the administrative protective order (APO) of this administrative review) indicating that there were no significant changes in ownership, control or management between Scholar Home as it existed prior to the name change and Arte Mundi during the POR.⁴⁸

In Exhibit S-8 of the SRA-SQR, Arte Mundi provided a detailed, time-stamped map, to show that it has not added, or discontinued use of, any production facilities as a result the English name change.⁴⁹

⁴³ See *MLWF 2017-2018 Prelim*, unchanged in *MLWF 2017-2018 Final*.

⁴⁴ See Arte Mundi's Letter, "Separate Rate Application for Scholar Home/Arte Mundi in the Administrative Review of the Antidumping Duty Order on Multilayered Wood Flooring from the People's Republic of China (A-570-970) (POR: 12/1/18 – 11/30/19)," dated March 30, 2020 (Arte Mundi SRA).

⁴⁵ See Arte Mundi's Letter, "Separate Rate Application Supplemental Questionnaire Response for Scholar Home/Arte Mundi in the Administrative Review of the Antidumping Duty Order on Multilayered Wood Flooring from the People's Republic of China (A-570-970) (POR: 12/1/18 – 11/30/19)," dated July 23, 2020 (Arte Mundi SRA-SQR).

⁴⁶ See Arte Mundi SRA at Exhibits 5 and 13, and SRA-SQR at Exhibits S-2 and S-3.

⁴⁷ See Arte Mundi SRA at Exhibits 7 and 8.

⁴⁸ See Arte Mundi SRA-SQR at 2 – 3 and Exhibits S-5, Exhibit S-7A ("Company's Organizational Structure"), and Exhibit S-7B ("List of Shareholders"); see also Exhibit S7C, documentation indicating a change in supervisor after the POR.

⁴⁹ See Arte Mundi SRA-SQR at 3 – 4 and Exhibit S-8. Arte Mundi reported that, due to the high AD cash deposit rate, it did not export subject merchandise during the POR under its name, *i.e.*, during the POR, a sale of subject merchandise was made to the United States only prior to the name change. However, Arte Mundi provided evidence of sales of subject merchandise (*e.g.*, commercial invoices, packing list, bill of lading, and receipt of payment) to a third country; *Id.* at 2 and Exhibit S-7.

With respect to changes to the company's suppliers and customer base, Arte Mundi provided a list of its suppliers, supported by invoices issued by these suppliers both before and after the name change, demonstrating that there were no material changes in its suppliers after changing its name.⁵⁰ Finally, Arte Mundi reported that it maintained Scholar Home's relationship with a single U.S. customer after the name change.⁵¹

Based on our analysis of Arte Mundi's responses, we find that Arte Mundi's organizational structure, management, production facilities, supplier relationships, and customers have remained essentially unchanged, and that Arte Mundi operates as the same business entity as Scholar Home with respect to the production and sale of subject merchandise. Thus, we preliminarily find that Arte Mundi is the successor-in-interest to Scholar Home and, as such, that it is entitled to Scholar Home's AD cash deposit rate, calculated in this administrative review, with respect to entries of subject merchandise. Should our final results remain the same as these preliminary results, we will instruct CBP to assign to entries of subject merchandise exported by Arte Mundi the AD rate applicable to Scholar Home, effective the date of publication of the final results.

VIII. DISCUSSION OF THE METHODOLOGY

A. Non-Market Economy Country Status

Commerce considers China to be an NME country.⁵² 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 Commerce. Therefore, we continue to treat China as an NME country for purposes of these preliminary results.

B. Separate Rate Determinations

Pursuant to section 771(18)(C) of the Act, in proceedings involving NME countries, Commerce maintains the rebuttable presumption that all companies within the country are subject to government control and, thus, should be assessed a single AD duty rate.⁵³ It is Commerce's policy to assign all exporters of the merchandise subject to review in an NME proceeding 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

⁵⁰ *Id.* at 3 – 4 and Exhibit S-9.

⁵¹ *Id.* at 4.

⁵² See *Antidumping Duty Investigation of Certain Aluminum Foil from the People's Republic of China: Affirmative Preliminary Determination of Sales at Less-Than-Fair Value and Postponement of Final Determination*, 82 FR 50858, 50861 (November 2, 2017), and accompanying preliminary decision memorandum, unchanged in *Certain Aluminum Foil from the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 83 FR 9282 (March 5, 2018).

⁵³ See Policy Bulletin 05.1: Separate-Rates Practice and Application of Combination Rates in Antidumping Investigations involving Non-Market Economy Countries, available at <http://ia.ita.doc.gov/policy/bull05-1.pdf>; see also *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); and *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).

company is sufficiently independent to be entitled to a separate, company-specific rate, Commerce analyzes each exporting entity in an NME proceeding under the test established in *Sparklers*,⁵⁴ as amplified by *Silicon Carbide*,⁵⁵ and further refined by *Diamond Sawblades*.⁵⁶ However, if Commerce determines that a company is wholly foreign-owned, then an analysis of the *de jure* and *de facto* criteria is not necessary to determine whether it is independent from government control.⁵⁷

In order to demonstrate separate rate status eligibility, Commerce normally requires entities, for whom a review was requested, and who were assigned a separate rate in a previous segment of this proceeding, to submit an SRC stating that they continue to meet the criteria for obtaining a separate rate.⁵⁸ For entities that were not assigned a separate rate in a previous segment of a proceeding, to demonstrate eligibility, Commerce requires an SRA.⁵⁹

As noted above, several companies filed SRCs, and two companies, Huzhou Chenghang Wood Co., Ltd. (Chenghang) and Arte Mundi, the successor-in-interest to Scholar Home, submitted SRAs in this review.⁶⁰ We discuss our analysis with respect to mandatory respondent Senmao and the two separate rate applicants Chenghang and Arte Mundi below.

⁵⁴ 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*).

⁵⁵ 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*).

⁵⁶ See *Final Results of Redetermination Pursuant to Remand Order for Diamond Sawblades and Parts Thereof from the People's Republic of China* (May 6, 2013) in *Advanced Technology & Materials Co., Ltd. v. United States*, 885 F. Supp. 2d 1343 (CIT 2012), sustained, *Advanced Technology & Materials Co. v. United States*, 938 F. Supp. 2d 1342 (CIT 2013), aff'd, Case No. 2014-1154 (Fed. Cir. 2014). This remand redetermination is on the Enforcement and Compliance website at <http://enforcement.trade.gov/remands/12-147.pdf>; 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 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) (*Diamond Sawblades*), and accompanying IDM at Comment 1.

⁵⁷ See, e.g., *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China: Final Results of the 2011-2012 Antidumping Duty Administrative Review and New Shipper Reviews*, 79 FR 4327 (January 27, 2014); and *Final Results of Antidumping Duty Administrative Review: Petroleum Wax Candles from the People's Republic of China*, 72 FR 52355, 52356 (September 13, 2007).

⁵⁸ See *Initiation Notice*.

⁵⁹ *Id.*

⁶⁰ See Chenghang's Letter, "Multilayered Wood Flooring from the People's Republic of China, A- 570-970; Separate Rate Application," dated March 6, 2020 (Chenghang SRA); see also Arte Mundi SRA; and Successor-in-Interest section of this memorandum. For a complete list of companies preliminarily determined to be eligible for separate rates, including those that filed SRCs, see the Appendix.

1. Senmao and Chinese-Owned Separate Rate Applicants

Senmao, Chenghang,⁶¹ and Arte Mundi reported being either Chinese-foreign joint venture companies or wholly Chinese-owned companies.⁶² In accordance with our practice, we analyzed whether these companies demonstrated the absence of *de jure* and *de facto* governmental control over their export activities.

a. Absence of *De Jure* Control

Commerce 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) any legislative enactments decentralizing control of companies; and (3) any other formal measures by the government decentralizing control over export activities of companies.⁶³

The respective evidence provided by Senmao, Chenghang, and Arte Mundi supports a preliminary finding of the absence of *de jure* government control of export activities based on the following: (1) an absence of restrictive stipulations associated with the 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 the companies.⁶⁴

b. Absence of *De Facto* Control

Typically, Commerce considers four factors in evaluating whether each respondent is subject to *de facto* government control of its export functions: (1) whether the export prices (EPs) 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 disposition of profits or financing of losses.⁶⁵ As stated in previous cases, there is evidence that certain enactments of the Chinese central government have not been implemented uniformly among different sectors and/or jurisdictions in China.⁶⁶ Therefore, Commerce has 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 Commerce from assigning separate rates.⁶⁷

⁶¹ In the preceding administrative review, Chenghang submitted a SRC and was granted a separate rate. Also, in the preceding administrative review, Scholar Home submitted a SRA and was granted a separate rate. See *MLWF 2017-2018 Prelim*, unchanged in *MLWF 2017-2018 Final*.

⁶² See Senmao April 29, 2020, Section A questionnaire response (Senmao AQR); see also Chenghang SRA; and Arte Mundi SRA.

⁶³ See *Sparklers*, 56 FR at 20589.

⁶⁴ See Senmao AQR, Chenghang SRA; see also Arte Mundi SRA.

⁶⁵ 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).

⁶⁶ See, e.g., *Silicon Carbide*, 59 FR at 22586-87.

⁶⁷ *Id.*

The evidence provided by Senmao, Chenghang, and Arte Mundi supports a preliminary finding of the absence of *de facto* government control based on the following: (1) the companies set their own EPs independent of the government and without the approval of a government authority; (2) the companies have authority to negotiate and sign contracts and other agreements; (3) the companies have autonomy from the government in making decisions regarding the selection of management; and (4) there is no restriction on any of the companies' use of export revenue.⁶⁸

Therefore, Commerce preliminarily finds that the evidence placed on the record of this review demonstrates an absence of *de jure* and *de facto* government control over the export activities of Senmao, Chenghang, and Arte Mundi.⁶⁹ Thus, Commerce preliminarily finds that these companies have established that each qualifies for a separate rate under the criteria established by *Diamond Sawblades*, *Silicon Carbide* and *Sparklers*.

3. China-Wide Entity

The record indicates that certain Chinese companies did not respond to Commerce's requests for information. Specifically, Commerce did not receive either a no-shipments certification, an SRA, or an SRC from 32 companies that were named in the *Initiation Notice*.⁷⁰

Two companies, Kember Hardwood Flooring, Inc. (Kember) and Xuzhou Shenghe Wood Co. Ltd. (Shenghe), submitted SRCs but did not timely respond to Commerce's requests for additional information regarding their separate rate eligibility. On March 19, 2020, Shenghe requested that Commerce accept its untimely-filed SRC due to the extraordinary circumstances of the COVID-19 pandemic, *i.e.*, key staff members contracted the virus on February 29, 2020, and all activity involving Shenghe's operations was stopped from March 2 to March 15, 2020, which overlapped with the deadline for timely submission of Shenghe's SRC.⁷¹ On March 24, 2020, Commerce granted an extension to Shenghe and accepted the company's SRC.⁷² On June 29, 2020, we issued a supplemental questionnaire to Shenghe.⁷³ However, Shenghe did not submit a response to our supplemental questionnaire, nor did it request an extension of the deadline to do so.

On March 9, 2020, Kember submitted a timely SRC.⁷⁴ On June 29, 2020, we issued a supplemental questionnaire to Kember, the response to which was due on July 6, 2020.⁷⁵ On

⁶⁸ See Senmao AQR; *see also* Chenghang SRA; and Arte Mundi SRA.

⁶⁹ *Id.*

⁷⁰ Companies that are subject to this administrative review that are considered to be part of the China-wide entity are listed in the appendix.

⁷¹ See Shenghe's Letter, "Antidumping Administrative Review of Multilayered Wood Flooring from the People's Republic of China (A-570-970): Extension Request and Submission of Separate Rate Certification," dated March 19, 2020.

⁷² See Memorandum, "2018-2019 Antidumping Duty Administrative Review of Multilayered Wood Flooring from the People's Republic of China: Acceptance of Extension Request and Separate Rate Certification Submitted by Xuzhou Shenghe Wood Co., Ltd.," dated March 24, 2020.

⁷³ See Commerce's Letter, "Separate Rate Certification Supplemental Questionnaire," dated June 29, 2020.

⁷⁴ See Kember March 9, 2020, Separate Rate Certification.

⁷⁵ See Commerce's Letter, "Separate Rate Certification Supplemental Questionnaire," dated June 29, 2020.

July 24, 2020, Kember submitted a response to the supplemental questionnaire response, simultaneously requesting leave to file its response out of time, alleging extraordinary circumstances.⁷⁶ On March 26, 2021, we rejected Kember's untimely SRC supplemental questionnaire response because the circumstances described in Kember's letter did not qualify as extraordinary circumstances as contemplated by 19 CFR 351.302(c).⁷⁷ Specifically, Kember's counsel claimed that the wrong attorney in its law firm received an email notification from Commerce's ACCESS system.⁷⁸ However, the attorney who was notified of the supplemental questionnaire through ACCESS, H. Deen Kaplan, was the attorney counsel for Kember designated as Kember's lead counsel on the APO issued for this administrative review.⁷⁹ Thus, we rejected Kember's submission and removed it from the official record.⁸⁰ On March 30, 2021, Kember requested that Commerce reconsider its decision to reject Kember's untimely response or obtain from CBP the information requested in Commerce's supplemental questionnaire.⁸¹ We are not granting Kember's requests because the facts surrounding Kember's untimeliness have not changed and Kember did not provide any new explanation for its requests. Because neither Kember nor Shenghe provided a timely response to Commerce's additional questions regarding their SRCs, we preliminarily find that they have not demonstrated eligibility for separate rates, and we consider each of them to be part of the China-wide entity.

Kemian Kunshan submitted a no-shipments certification that was not supported by record evidence, as explained above. Because it has not established its eligibility for a separate rate through either an SRA or SRC, we preliminarily consider it to be a part of the China-wide entity.

Finally, as noted above, Jinlong notified Commerce that it did not intend to respond to Commerce's NME questionnaire.⁸² Although Jinlong submitted a SRC before being selected as a mandatory respondent, because it did not submit the requisite questionnaire response, we preliminarily find that it has not established eligibility for a separate rate and is part of the China-wide entity.⁸³

Aside from the companies which we preliminarily find demonstrated separate rate eligibility, made no shipments of subject merchandise during the POR, and/or for which this review is being rescinded, Commerce considers all other companies to be part of the China-wide entity.⁸⁴

⁷⁶ See Kember's Letter, "Multilayered Wood Flooring from the People's Republic of China: Request for Leave to File Supplemental Questionnaire Response Out of Time," dated July 24, 2020.

⁷⁷ See Commerce's Letter, "Rejection of Submissions Containing Untimely New Factual Information," dated March 26, 2021.

⁷⁸ *Id.*

⁷⁹ See Kember's June 11, 2020, Amended APO Application.

⁸⁰ See Commerce's Letter, "Antidumping Duty Administrative Review of Multilayered Wood Flooring from the People's Republic of China: Rejection of Submissions Containing Untimely New Factual Information," dated March 26, 2021.

⁸¹ See Kember's Letter, "Multilayered Wood Flooring from the People's Republic of China: Resubmitted Response to Petitioners' July 27, 2020 Letter," dated March 30, 2021.

⁸² See Jinlong Non-Participation Letter.

⁸³ See *Initiation Notice*, 85 FR at 6897 ("For exporters and producers who submit a Separate Rate Application or Certification and subsequently are selected as mandatory respondents, these exporters and producers will no longer be eligible for separate rate status unless they respond to all parts of the questionnaire as mandatory respondents.").

⁸⁴ Companies that are subject to this administrative review that are considered to be part of the China-wide entity are listed in the Appendix.

Because no party requested a review of the China-wide entity and Commerce no longer considers the China-wide entity as an exporter conditionally subject to administrative reviews, Commerce is not conducting a review of the China-wide entity.⁸⁵ Thus, the rate for the China-wide entity (*i.e.*, 85.13 percent) is not subject to change pursuant to this review.⁸⁶

C. Weighted-Average Dumping Margin for Non-Examined Separate-Rate Companies

As stated above in the “Respondent Selection” section of this memorandum, Commerce employed a limited examination methodology in this review, as it determined that it would not be practicable in light of its resources to individually examine all companies for which an administrative review was initiated. We therefore selected the two largest exporters by volume as mandatory respondents in this review: Senmao and Jinlong. Thirty-four additional exporters remain subject to review as non-individually examined, separate-rate respondents.

The Act and Commerce’s regulations do not address the establishment of a separate rate to be applied to companies not selected for individual examination when Commerce limits its examination pursuant to section 777A(c)(2) of the Act. Under section 735(c)(5)(A) of the Act, which refers to the establishment of the all-others rate in market economy (ME) less-than-fair-value investigations, and which we look to for guidance in determining the rate for non-individually examined separate rate respondents in NME administrative reviews, 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 (FA)}.” Accordingly, Commerce’s usual practice in determining the rate for separate-rate respondents not selected for individual examination has been to average the weighted-average dumping margins for the selected companies, excluding rates that are zero, *de minimis*, or based entirely on FA.⁸⁷ However, when the weighted-average dumping margins established for all individually investigated respondents are zero, *de minimis*, or based entirely on FA, section 735(c)(5)(B) of the Act permits Commerce to “use any reasonable method to establish the estimated all-others rate for exporters and producers not individually investigated, including averaging the estimated weighted average dumping margins determined for the exporters and producers individually investigated.” Moreover, the SAA explains that “{t}he expected method in such cases will be to weight-average the zero and *de minimis* margins and margins determined pursuant to the {FA}.”⁸⁸ Additionally, the SAA provides that if the expected method is “not feasible” or “results in an average that would not be reasonably reflective of potential dumping margins for

⁸⁵ See *Antidumping Proceedings: Announcement of Change in Department Practice for Respondent Selection in Antidumping Duty Proceedings and Conditional Review of the Nonmarket Economy Entity in NME Antidumping Duty Proceedings*, 78 FR 65963, 65969-70 (November 4, 2013).

⁸⁶ See *Multilayered Wood Flooring from the People’s Republic of China: Final Results of Antidumping Duty Administrative Review and Final Determination of No Shipments; 2016-2017*, 84 FR 38002 (August 5, 2019).

⁸⁷ See, e.g., *Longkou Haimeng Mach. Co. v. United States*, 581 F. Supp. 2d 1344, 1357-60 (CIT 2008) (affirming Commerce’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); and *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).

⁸⁸ See Statement of Administrative Action Accompanying the Uruguay Round Agreements Act, H.R. Doc. 103- 316, vol 1 (1994) at 873 (SAA).

non-investigated exporters or producers,” Commerce may use “other reasonable methods” to calculate the non-investigated exporters or producers’ rate.⁸⁹

In this administrative review, we have preliminarily calculated a weighted-average dumping margin of zero for Senmao. Pursuant to the statute and SAA, we are preliminarily assigning this rate to the non-examined respondents which qualify for a separate rate in this review because we have not determined that use of the expected method is not feasible, and there is no evidence that the zero rate is not reasonably reflective of the non-examined respondents’ potential dumping margins.

D. Surrogate Country and Surrogate Value Data

On May 28, 2020, Commerce invited interested parties to comment on: (1) the non-exhaustive list of countries that Commerce determined are at the same level of economic development as China based on annual per capita gross national income (GNI), (2) surrogate country selection, and (3) SV data to be used in this review.⁹⁰ From June through July 2020, we received comments from Senmao regarding the selection of SV data for use in the preliminary results of this review.⁹¹ No other interested parties submitted comments.

1. Surrogate Country Selection

When Commerce 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 (FOPs), valued in a surrogate ME country or countries considered to be appropriate by Commerce. In accordance with section 773(c)(4) of the Act, in valuing the FOPs, Commerce shall utilize, to the extent possible, the prices or costs of FOPs 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.⁹² As a general rule, Commerce selects a surrogate country that is at the same level of economic development as the NME country unless it is determined that none of the countries are viable options because, either (a) they are not significant producers of comparable merchandise, (b) do not provide sufficient reliable sources of publicly available SV data, or (c) are not suitable for use based on other reasons.⁹³ Surrogate countries that are not at the same level of economic development as the NME country, but still at a level of economic development comparable to the NME country, are selected only to the extent that data considerations outweigh the difference in levels of economic development. To determine which countries are at the same level of economic development, Commerce generally relies on GNI

⁸⁹ *Id.*; see also *Albemarle Corp. v. United States*, 821 F.3d 1345, 1352 (Fed. Cir. 2016) (holding that Commerce may only use “other reasonable methods” if it reasonably concludes that the expected method is “not feasible” or “would not be reasonably reflective of potential dumping margins”).

⁹⁰ See Surrogate Comments Request.

⁹¹ See Senmao EC Comments, Senmao SC Comments, and Senmao SV Comments.

⁹² See Policy Bulletin 04.1: Non-Market Economy Surrogate Country Selection Process (March 1, 2004) (Policy Bulletin).

⁹³ See Surrogate Comments Request.

data from the World Bank's World Development Report.⁹⁴ Further, Commerce will normally value all FOPs from a single surrogate country.⁹⁵

In the Surrogate Comments Request, Commerce identified Malaysia, Turkey, Russia, Mexico, Brazil, and Bulgaria, pursuant to section 773(c)(4) of the Act, as countries that are at the same level of economic development as China based on per capita 2018 GNI data available in the World Development Report provided by the World Bank.⁹⁶ In its economic comparability comments, Senmao argued that Commerce should consider using Romania as the surrogate country in this review, as Commerce has selected Romania as the primary surrogate country in previous reviews.⁹⁷ In its surrogate country comments, Senmao reiterated its arguments regarding Romania's economic comparability to China and also stated that Brazil, Malaysia, Turkey, Bulgaria, and Romania are significant producers of the subject merchandise.⁹⁸ Finally, in its SV comments, Senmao argued that Commerce should select either Malaysia or Brazil as the primary surrogate country and provided Malaysian and Brazilian data with which to value the FOPs.⁹⁹ Our surrogate country analysis follows below.

As indicated above, when selecting among several potential surrogate countries, Commerce's practice, in accordance with section 773(c)(1) of the Act, is to select a country that provides SV data which are product-specific, representative of a broad-market average, publicly available, contemporaneous with the POR, and free of taxes and duties.¹⁰⁰ There is no hierarchy among these criteria. It is Commerce's practice to carefully consider the available evidence in light of the particular facts of each industry when undertaking its analysis of valuing the FOPs.¹⁰¹

2. Economic Comparability

As explained in the Surrogate Comments Request, Commerce considers Malaysia, Turkey, Russia, Mexico, Brazil, and Bulgaria to be at the same level of economic development as China.¹⁰² Therefore, we consider all six countries as having satisfied this prong of the surrogate country selection criteria.¹⁰³

3. Significant Producer of Identical or Comparable Merchandise

Section 773(c)(4)(B) of the Act requires Commerce to value FOPs in a surrogate country that is a significant producer of comparable merchandise; however, neither the statute nor Commerce's regulations define "significant" or "comparable." Given the absence of any definition in the

⁹⁴ *Id.*

⁹⁵ See 19 CFR 351.408(c)(2).

⁹⁶ See Surrogate Comments Request.

⁹⁷ See Senmao EC Comments.

⁹⁸ See Senmao SC Comments.

⁹⁹ See Senmao SV Comments.

¹⁰⁰ See, e.g., *First Administrative Review of Certain Polyester Staple Fiber from the People's Republic of China: Final Results of Antidumping Duty Administrative Review*, 75 FR 1336 (January 11, 2010), and accompanying IDM at Comment 1.

¹⁰¹ See, e.g., *Certain Steel Threaded Rod from the People's Republic of China: Final Results of Third Antidumping Duty Administrative Review; 2011-2012*, 78 FR 66330 (November 5, 2013), and accompanying IDM at 7.

¹⁰² See Surrogate Comments Request.

¹⁰³ See Section 773(c)(4)(A) of the Act.

statute or regulations, Commerce looks to other sources such as the Policy Bulletin for guidance. Commerce's practice is to evaluate whether production is significant based on characteristics of world production of, and trade in, comparable merchandise (subject to the availability of data on these characteristics) and to determine whether merchandise is comparable on a case-by-case basis.¹⁰⁴ Moreover, while the legislative history provides that the term "significant producer" includes any country that is a significant "net exporter," it does not preclude reliance on additional or alternative metrics.¹⁰⁵ Where there is no production information, Commerce has relied upon export data from potential surrogate countries. With respect to comparability of merchandise, the Policy Bulletin states that "in all cases, if identical merchandise is produced, the country qualifies as a producer of comparable merchandise."¹⁰⁶ Where there is no evidence of production of identical merchandise in a potential surrogate country, Commerce has determined whether merchandise is comparable to the subject merchandise on the basis of similarities in physical form and the extent of processing or on the basis of production factors (physical and non-physical) and factor intensities.¹⁰⁷ Because these characteristics are specific to the merchandise in question, the standard for "significant producer" will vary from case to case.¹⁰⁸ Based on the information placed on the record of this administrative review, Commerce determines that Malaysia, Turkey, Russia, Mexico, Brazil, and Bulgaria are all significant producers of comparable merchandise.¹⁰⁹

4. Data Availability

The Policy Bulletin states that, if more than one potential surrogate country satisfies the statutory requirements for selection as a surrogate country, Commerce selects the primary surrogate country "with the best factors data."¹¹⁰ Section 773(c)(1) of the Act instructs Commerce to value the FOPs based upon the best available information from an ME country or countries that Commerce considers appropriate. When evaluating SV data, Commerce considers several factors including whether SV data are publicly available, contemporaneous with the POR, representative of a broad-market average, tax and duty-exclusive, and specific to the input.¹¹¹ There is no hierarchy among these criteria, and it is Commerce's practice to carefully consider the available evidence in light of the particular facts of each industry when undertaking its

¹⁰⁴ See, e.g., *Xanthan Gum from the People's Republic of China: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination*, 78 FR 2252 (January 10, 2013), and accompanying PDM at 7-8, unchanged in *Xanthan Gum from the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 78 FR 33351 (June 4, 2013) (*Xanthan Gum LTFV Final Determination*).

¹⁰⁵ See *Conference Report to the 1988 Omnibus Trade & Competitiveness Act*, H.R. Rep. No. 100-576 (1988), at 590.

¹⁰⁶ See Policy Bulletin at 3.

¹⁰⁷ *Id.*

¹⁰⁸ See Policy Bulletin at 1-2; see also, e.g., *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 IDM at Comment 7.

¹⁰⁹ See Senmao SC Comments at Exhibit 1.

¹¹⁰ See Policy Bulletin at 2.

¹¹¹ See, e.g., *Certain Frozen Fish Fillets from the Socialist Republic of Vietnam: Final Results of Antidumping Duty Administrative Review and New Shipper Reviews; 2010-2011*, 78 FR 17350 (March 21, 2013), and accompanying IDM at Comment I(C).

analysis.¹¹² However, Commerce's preference is to satisfy the breadth of these aforementioned selection factors,¹¹³ and to value all FOPs in the primary surrogate country.¹¹⁴

We considered the SV data on the record and found that Brazil is the best potential surrogate country for which the record contains usable data for valuing all of the respondents' FOPs.¹¹⁵ Specifically, we find that the Brazilian data and financial statements on the record are of an acceptable quality for use as SVs.¹¹⁶ The Brazilian data generally are publicly available, contemporaneous with the POR, representative of broad-market averages, tax- and duty-exclusive, and specific to the inputs being valued. Thus, Commerce finds that the Brazilian SV data satisfy the criteria for selecting SVs.

Given the above facts, Commerce preliminarily selects Brazil as the primary surrogate country for this administrative review. Brazil is at a comparable level of economic development pursuant to 773(c)(4) of the Act; is a significant producer of comparable merchandise; and has publicly available and reliable data for all the identified inputs submitted by interested parties. An explanation of the SV data used in our preliminary analysis is provided below in the "Normal Value" section of this memorandum.

E. Date of Sale

Pursuant to 19 CFR 351.401(i), Commerce normally will use the invoice date as the date of sale unless Commerce is satisfied that a different date better reflects the date on which the material terms of the sale are established. Additionally, Commerce 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.¹¹⁷ Finally, Commerce has a long-standing practice of finding that, where the shipment date precedes the invoice date, the shipment date better reflects the date on which the material terms of sale are established.¹¹⁸

Senmao reported the date of invoice as the date of sale for all U.S. sales because the material terms of sales (*i.e.*, price and quantity) are not final until the issuance of the invoice.¹¹⁹ Consistent with our regulatory presumption of invoice date as the date of sale and because the

¹¹² See Policy Bulletin.

¹¹³ *Id.*

¹¹⁴ See, e.g., *Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled into Modules, from the People's Republic of China: Final Determination of Sales at Less Than Fair Value, and Affirmative Final Determination of Critical Circumstances, in Part*, 77 FR 63791 (October 17, 2012), and accompanying IDM at Comment 9.

¹¹⁵ See Memorandum, "Surrogate Values for the Preliminary Determination," dated concurrently with this memorandum (Preliminary SV Memorandum).

¹¹⁶ *Id.*

¹¹⁷ See 19 CFR 351.401(i); see also *Allied Tube & Conduit Corp. v. United States*, 132 F. Supp. 2d 1087, 1090 (CIT 2001) (quoting 19 CFR 351.401(i)).

¹¹⁸ See, e.g., *Certain Polyester Staple Fiber from the Republic of Korea: Preliminary Results of the 2007/2008 Antidumping Duty Administrative Review*, 74 FR 27281, 27283 (June 9, 2009), unchanged in *Certain Polyester Staple Fiber from the Republic of Korea: Final Results of the 2007-2008 Antidumping Duty Administrative Review*, 74 FR 65517 (December 10, 2009).

¹¹⁹ See Senmao AQR at 15.

evidence does not demonstrate that the material terms of sale were established on another date,¹²⁰ we used Senmao's invoice date as the date of sale.

G. Comparisons to Normal Value

Pursuant to section 773(a) of the Act and 19 CFR 351.414(c)(1) and (d), to determine whether Senmao's sales of the subject merchandise to the United States were made at less than NV, Commerce compared the EP to the NV as described in the "Export Price" and "Normal Value" sections of this memorandum.

1. Determination of Comparison Method

Pursuant to 19 CFR 351.414(c)(1), Commerce calculates weighted-average dumping margins by comparing weighted-average NVs to weighted-average EPs or constructed export prices (CEPs) (*i.e.*, the average-to-average (A-A) method) unless the Secretary determines that another method is appropriate in a particular situation. In less-than-fair-value investigations, Commerce examines whether to compare weighted-average NVs with the EPs or CEPs of individual sales (*i.e.*, the average-to-transaction (A-T) 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 our examination of this question in the context of administrative reviews, Commerce nevertheless finds that the issue arising under 19 CFR 351.414(c)(1) in administrative reviews is, in fact, analogous to the issue in less-than-fair-value investigations.¹²¹

Commerce has applied a "differential pricing" analysis for determining whether application of the A-T method is appropriate in a particular situation pursuant to 19 CFR 351.414(c)(1) and section 777A(d)(1)(B) of the Act.¹²² Commerce finds that the differential pricing analysis used in recent investigations may be instructive for purposes of examining whether to apply an alternative comparison method in this administrative review. Commerce will continue to develop its approach in this area based on comments received in this and other proceedings, and on Commerce's additional experience with addressing the potential masking of dumping that can occur when Commerce uses the A-A method in calculating a respondent's weighted-average dumping margin.

The differential pricing analysis used in these preliminary results examines whether there exists a pattern of prices for comparable merchandise that differ significantly among purchasers, regions, or time periods to determine whether a pattern of prices that differ significantly exists. If such a pattern is found, then the differential pricing analysis evaluates whether such differences can be

¹²⁰ See 19 CFR 351.401(i).

¹²¹ 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 the accompanying IDM at Comment 1; see also *JBF RAK LLC v. United States*, 790 F.3d 1358, 1363–65 (Fed. Cir. 2015) ("the fact that the statute is silent with regard to administrative reviews does not preclude Commerce from filling gaps in the statute to properly calculate and assign antidumping duties") (citations omitted).

¹²² See, e.g., *Xanthan Gum LTFV Final Determination; Steel Concrete Reinforcing Bar from Mexico: Final Determination of Sales at Less Than Fair Value and Final Affirmative Determination of Critical Circumstances*, 79 FR 54967 (September 15, 2014); or *Welded Line Pipe from the Republic of Turkey: Final Determination of Sales at Less Than Fair Value*, 80 FR 61362 (October 13, 2015).

taken into account when using the A-A method to calculate the weighted-average dumping margin. The analysis incorporates default group definitions for purchasers, regions, time periods, and comparable merchandise. Purchasers are based on the reported consolidated customer codes. Regions are defined using the reported destination code (*i.e.*, zip codes) 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 based upon the reported date of sale. For purposes of analyzing sales transactions by purchaser, region, and time period, comparable merchandise is defined using the product control number and all characteristics of the U.S. sales, other than purchaser, region, and time period, that Commerce uses in making comparisons between EP or CEP and NV for the individual dumping margins.

In the first stage of the differential pricing analysis used here, the “Cohen’s *d* test” is applied.

The Cohen’s *d* coefficient is a generally recognized statistical measure of the extent of the difference between the mean (*i.e.*, weighted-average price) of a test group and the mean (*i.e.*, weighted-average price) of a comparison group. First, for comparable merchandise, the Cohen’s *d* coefficient is calculated when the test and comparison groups of data for a particular purchaser, region, or time period 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 used to evaluate the extent to which the prices to the particular purchaser, region, or time period differ significantly from the 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 (0.2, 0.5, and 0.8, respectively). Of these thresholds, the large threshold provides the strongest indication that there is a significant difference between the mean of the test and comparison groups, while the small threshold provides the weakest indication that such a difference exists. For this analysis, the difference is considered significant, and the sales in the test group are found to pass the Cohen’s *d* test, 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 prices that differ significantly supports the consideration of the application of the A-T method to all sales as an alternative to the A-A 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 A-T method to those sales identified as passing the Cohen’s *d* test as an alternative to the A-A method, and application of the A-A 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 A-A 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, Commerce examines whether using only the A-A method can appropriately account for such differences. In

considering this question, Commerce tests whether using an alternative comparison 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 A-A method only. If the difference between the two calculations is meaningful, then this demonstrates that the A-A method cannot account for differences such as those observed in this analysis, and, therefore, an alternative comparison 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 margins between the A-A method and the appropriate alternative method where both rates are above the *de minimis* threshold, or 2) the resulting weighted-average dumping margins between the A-A method and the appropriate alternative method move 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.¹²³

2. Results of the Differential Pricing Analysis

Based on the results of the differential pricing analysis, we preliminarily find that 30.10 percent of Senmao's U.S. sales pass the Cohen's *d* test, which does not confirm the existence of a pattern of prices that differ significantly among purchasers, regions, or time periods.¹²⁴ Thus, the results of the Cohen's *d* and ratio tests do not support consideration of an alternative to the A-A method. Accordingly, Commerce preliminarily determines to apply the A-A method for all U.S. sales to calculate the weighted-average dumping margin for Senmao.

H. U.S. Price

1. Export Price

In accordance with section 772(a) of the Act, EP is "the price at which the 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 calculated EP for Senmao's reported sales to the United States because they represented the first sale to an unaffiliated party made before the date of importation and the use of CEP was not otherwise warranted.¹²⁵ In accordance with section 772(c)(2)(A) of the Act, where appropriate, we deducted from the starting price (gross unit price) to unaffiliated purchasers expenses for foreign inland freight and foreign brokerage and handling expenses.¹²⁶

¹²³ As noted above, the CAFC has affirmed much of Commerce's differential pricing methodology. See *Apex Frozen Foods Private Ltd. v. United States*, 862 F. 3d 1322 (Fed. Cir. 2017). We ask that interested parties present only arguments on issues which have not already been decided by the CAFC.

¹²⁴ See Memorandum, "Preliminary Results Margin Calculation for Jiangsu Senmao Bamboo and Wood Industry Co., Ltd.," dated concurrently with this memorandum (Senmao Preliminary Calculation Memorandum).

¹²⁵ See Senmao AQR.

¹²⁶ See Senmao Preliminary Calculation Memorandum.

Because these expenses were provided by an NME vendor, we valued them using SVs, as appropriate.¹²⁷

Pursuant to section 772(c)(1)(C) of the Act, Commerce increases the U.S. price by the amount of any countervailing duty (CVD) imposed to offset an export subsidy. Therefore, we adjusted Senmao's U.S. net price by increasing it by an amount based on the export subsidy rate calculated in the most recently completed CVD administrative review.¹²⁸

2. Value-Added Tax

Commerce's recent practice in NME cases is to adjust EP (or CEP) for the amount of any unrefunded (herein irrecoverable) value-added tax (VAT) in certain non-market economies, in accordance with section 772(c)(2)(B) of the Act.¹²⁹ Commerce has previously explained that, when an NME government imposes an export tax, duty, or other charges on subject merchandise, or on inputs used to produce subject merchandise, from which the respondent was not exempted, Commerce will reduce the respondent's EP and CEP prices accordingly, by the amount of the tax, duty or charge paid, but not rebated.¹³⁰ Where the irrecoverable VAT is a fixed percentage of EP or CEP, Commerce explained that the final step in arriving at a tax neutral dumping comparison is to reduce the U.S. EP or CEP downward by this same percentage.¹³¹

VAT is an indirect, *ad valorem* consumption tax imposed on the purchase (sale) of goods. It is levied on the purchase (sale) price of the good, *i.e.*, it is paid by the buyer and collected by the seller. For example, if the purchase price is \$100 and the VAT rate is 15 percent, the buyer pays \$115 to the seller, \$100 for the good and \$15 in VAT. VAT is typically imposed at every stage of production. Thus, under a typical VAT system, firms: (1) pay VAT on their purchases of production inputs and raw materials ("input VAT") as well as (2) collect VAT on sales of their output ("output VAT").

Firms calculate input VAT and output VAT for tax purposes on a company-wide (not transaction-specific) basis, *i.e.*, in the case of input VAT, on the basis of *all input purchases* regardless of whether used in the production of goods for export or domestic consumption, and in the case of output VAT, on the basis of *all sales to all markets*, foreign and domestic. Thus, a firm might pay the equivalent of \$60 million in total input VAT across all input purchases and collect \$100 million in total output VAT across all sales. In this situation, however, the firm would remit to the government only \$40 million of the \$100 million in output VAT collected on its sales because of a \$60 million credit for input VAT paid that the firm can claim against output

¹²⁷ See Preliminary SV Memorandum.

¹²⁸ See *Multilayered Wood Flooring from the People's Republic of China: Preliminary Results of Countervailing Duty Administrative Review, and Intent To Rescind Review, in Part*; 2017, 85 FR 6908 (February 6, 2020), and accompanying PDM, unchanged in *Multilayered Wood Flooring from the People's Republic of China: Final Results and Partial Rescission of Countervailing Duty Administrative Review*; 2017, 85 FR 76011 (November 27, 2020), and accompanying IDM; see also Senmao Calculation Memorandum.

¹²⁹ 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 36481 (June 19, 2012).

¹³⁰ *Id.*; see also *Chlorinated Isocyanurates from the People's Republic of China: Final Results of Antidumping Duty Administrative Review*; 2011-2012, 79 FR 4875 (January 30, 2014), and accompanying IDM at Comment 5.A.

¹³¹ *Id.*

VAT.¹³² As a result, the firm bears no “VAT burden (cost)”: the firm through the credit is refunded or recovers all of the \$60 million in input VAT it paid, and the \$40 million remittance to the government is simply a transfer to the government of VAT paid by (collected from) the buyer with the firm acting only as an intermediary. Thus, the cost of output VAT falls on the buyer or the good, not on the firm.

This would describe the situation under Chinese law except that producers in China, in most cases, do not recover (*i.e.*, are not refunded) the total input VAT they paid. Instead, Chinese tax law requires a *reduction in or offset to* the input VAT that can be credited against output VAT. The formula for this reduction/offset is provided in Article 5 of the 2012 Chinese government tax regulation, *Circular on Value-Added Tax and Consumption Tax Policies on Exported Goods and Services (2012 VAT Circular)*.¹³³

$$\text{Reduction/Offset} = (P - c) \times (T1 - T2),$$

where,

P = (VAT-free) free-on-board (FOB) value of export sales;

c = value of bonded (duty- and VAT-free) imports of inputs used in the production of goods for export;

T1 = VAT rate; and,

T2 = refund rate specific to the export good.

Using the example above, if P = \$200 million, c = 0, T1 = 17% and T2 = 10%, then the reduction/offset = (\$200 million - \$0) x (17% - 10%) = \$200 million x 7% = \$14 million. Chinese law then requires that the firm in this example calculate creditable input VAT by subtracting the \$14 million from total input VAT, as specified in Article 5.1(1) of the *2012 VAT Notice*:

$$\text{Creditable input VAT} = \text{Total input VAT} - \text{Reduction/Offset}$$

Using again the example above, the firm can credit only \$60 million – \$14 million = \$46 million of the \$60 million in input VAT against output VAT. Since the \$14 million is not creditable (legally recoverable), it is not refunded to the firm. Thus, the firm incurs a cost equal to \$14 million, which is calculated on the basis of FOB export value at the *ad valorem* rate of T1 – T2. This cost therefore functions as an “export tax, duty, or other charge” because the firm does not incur it *but for* exportation of the subject merchandise, and under Chinese law must be recorded as a cost of exported goods.¹³⁴ It is for this “export tax, duty, or other charge” that Commerce makes a downward adjustment to U.S. price under section 772(c) of the Act.¹³⁵

¹³² The credit, if not exhausted in the current period, can be carried forward.

¹³³ See Memorandum, “2012 China VAT Circular,” dated October 24, 2019.

¹³⁴ Article 5(3) of the *2012 VAT Circular* states: “If the tax refund rate is lower than the applicable tax rate, the tax for the difference calculated accordingly shall be included in the cost of exported goods and labor services.”

¹³⁵ Because the \$14 million is the amount of input VAT that is not refunded to the firm, it is sometimes referred to as “irrecoverable input VAT.” However, that phrase is perhaps misleading because the \$14 million is not a fraction or percentage of the VAT the firm paid on purchases of inputs used in the production of exports. If that were the case,

It is important to note that under Chinese law, the reduction/offset described above is defined in terms of, and applies to, total (company-wide) input VAT across purchases of all inputs, whether used in the production of goods for export or domestic consumption. The reduction/offset does not distinguish the VAT treatment of export sales from the VAT treatment of domestic sales from an input VAT recovery standpoint for the simple reason that such treatment under Chinese law applies to the company as a whole, not specific markets or sales. At the same time, however, the reduction/offset is calculated on the basis of the FOB value of exported goods, so it can be thought of as a tax on the company (*i.e.*, a reduction in the input VAT credit) that the company would not incur but for the export sales it makes, a tax fully allocable to export sales because the firm under Chinese law must book it as a cost of exported goods.

The VAT treatment under Chinese law of exports of goods described above concerns only export sales that are *not* subject to output VAT, the situation where the firm collects no VAT from the buyer, which applies to most exports from China. However, the *2012 VAT Circular* provides for a limited exception in which export sales of certain goods are, under Chinese law, deemed domestic sales for tax purposes and are thus subject to output VAT at the full rate.¹³⁶ The formulas discussed above from Article 5 of the *2012 VAT Circular* do not apply to firms that export these goods, and there is therefore no reduction in or offset to their creditable input VAT. For these firms creditable input VAT = total input VAT, *i.e.*, these firms recover all of their input VAT. At the same time, export sales of these firms are subject to an explicit output VAT at the full rate, T1.¹³⁷ Commerce must therefore deduct this tax from U.S. price¹³⁸ under section 772(c) of the Act to ensure tax-neutral dumping margin calculations.¹³⁹

As such, in the initial questionnaires, Commerce instructed the mandatory respondents to report VAT on the subject merchandise sold to the United States during the POR and to identify which taxes are unrefunded upon export. Information placed on the record of this review indicates that according to the China VAT schedule, the standard VAT levy during the POR was 16 percent during one portion of the POR and 13 percent during another portion of the POR, and the rebate rate during the entire POR was 13 percent.¹⁴⁰

Consistent with our standard methodology, for purposes of these preliminary results, we based the calculation of irrecoverable VAT on the difference between the standard levy (*i.e.*, 16 or 13

the value of production inputs, not FOB export value, would appear somewhere in the formula in Article 5 of the *2012 VAT Circular* as the tax basis for the calculation. The value of production inputs does not appear in the formula. Instead, as explained above, the \$14 million is simply a cost imposed on firms that is tied to export sales, as evidenced by the formula's reliance on the FOB export value as the tax basis for the calculation. The \$14 million is a reduction in or offset to what is essentially a tax credit, and it is calculated based on and is proportional to the value of a company's export sales. Thus, "irrecoverable input VAT" is in fact, despite its name, an export tax within the meaning of section 772(c) of the Act.

¹³⁶ See *2012 VAT Circular*, Article 7. For these goods, the VAT refund rate on export is zero.

¹³⁷ See *2012 VAT Circular*, Article 7.2(1).

¹³⁸ Commerce will divide the VAT-inclusive export price by $(1 + T)$, where T is the applicable VAT rate.

¹³⁹ Pursuant to sections 772(c) and 773(c) of the Act, the calculation of NV based on FOPs in NME antidumping cases is calculated on a VAT-exclusive basis, so U.S. price must also be calculated on a VAT-exclusive basis to ensure tax neutrality.

¹⁴⁰ See Senmao CDQR at 33-34.

percent) and the rebate rate, applied to an FOB price at the time of exportation.¹⁴¹ We deducted from the gross unit price an amount for irrecoverable VAT equal to three or zero of the gross unit price, as applicable, consistent with section 772(c)(2)(B) of the Act.¹⁴²

I. Normal Value

Section 773(c)(1) of the Act provides that Commerce 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. Commerce bases NV in an NME context on FOPs because the presence of government controls on various aspects of NME countries renders price comparisons and the calculation of production costs invalid under Commerce's normal methodologies.¹⁴³ Therefore, we calculated NV based on FOPs in accordance with sections 773(c)(3) and (4) of the Act and 19 CFR 351.408(c). 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; (3) amounts of energy and other utilities consumed; and (4) representative capital costs.¹⁴⁴ We used the FOPs reported by Senmao for materials, energy, labor, by-products, packing and freight. In accordance with section 773(c) of the Act and 19 CFR 351.408(c)(1), we calculated NV by multiplying the reported per-unit FOP consumption rates by publicly available SVs.¹⁴⁵

1. Factor Valuation Methodology

In accordance with section 773(c) of the Act, we calculated NVs based on the FOPs reported by Senmao for the POR. For a detailed discussion of the SVs used in this review, *see* Preliminary SV Memorandum.

As noted above, when selecting from among the available information for valuing FOPs, Commerce's practice is to select, to the extent practicable, SVs which are publicly available, broad market averages, contemporaneous with the POR or closest in time to the POR, product-specific, and tax-exclusive.¹⁴⁶ In all instances, we valued FOPs using publicly available

¹⁴¹ See, e.g., *Polyethylene Terephthalate Film, Sheet, and Strip from the People's Republic of China: Final Results of Antidumping Duty Administrative Review and Final Determination of No Shipments; 2012-2013*, 80 FR 33241 (June 11, 2015), and accompanying IDM at Comment 5.

¹⁴² See Senmao Calculation Memorandum.

¹⁴³ See, e.g., *Preliminary Determination of Sales at Less Than Fair Value, Affirmative Critical Circumstances, In Part, and Postponement of Final Determination: Certain Lined Paper Products from the People's Republic of China*, 71 FR 19695, 19703 (April 17, 2006), unchanged in *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).

¹⁴⁴ See section 773(c)(3)(A)-(D) of the Act.

¹⁴⁵ See Senmao Calculation Memorandum.

¹⁴⁶ 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 accompanying IDM at Comment 2; *see also, e.g., 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).

information that was contemporaneous with the POR; therefore, we did not adjust the SVs using inflation indices. In addition, as discussed in more detail below, where appropriate, we adjusted input prices by including freight costs to make them delivered prices. An overview of the SVs used to calculate the weighted-average dumping margin for Senmao is provided below.

a. Direct and Packing Materials

The record indicates that import statistics from the primary surrogate country, Brazil, which are available through the *Global Trade Atlas*, are generally contemporaneous with the POR, publicly available, product-specific, tax- and duty-exclusive, and representative of a broad- market average.¹⁴⁷ Thus, we based SVs for Senmao's direct materials and packing materials on these import values, except where noted below.¹⁴⁸

Pursuant to section 773(c)(5) of the Act and Commerce's long-standing practice, Commerce disregards SVs if it has a reason to believe or suspect the source data may be comprised of subsidized prices. In this regard, Commerce 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.¹⁴⁹ Based on the existence of the subsidy programs that were generally available to all exporters and producers in these countries at the time of the POR, we find that it is reasonable to infer that all exporters from India, Indonesia, South Korea, and Thailand may have benefitted from these subsidies. Therefore, we have not used prices from those countries in calculating the Brazilian import-based SVs.

Additionally, consistent with our practice, Commerce disregarded data from NME countries when calculating Brazilian import-based per-unit SVs.¹⁵⁰ Commerce also excluded from the calculation of Brazilian import-based per-unit SVs imports labeled as originating from an "unidentified" country because Commerce could not be certain that these imports were not from either an NME country or a country with generally available export subsidies.¹⁵¹

As appropriate, we added surrogate inland freight costs to import values used as SVs. We calculated freight SVs using the shorter of the reported distance from the domestic supplier to the factory that produced the subject merchandise or the distance from the nearest port to the factory

¹⁴⁷ See Preliminary SV Memorandum.

¹⁴⁸ *Id.*

¹⁴⁹ See, e.g., *Certain Frozen Warmwater Shrimp from India: Final Results of Antidumping Duty Administrative Review and Final No Shipment Determination; 2011-2012*, 78 FR 42492 (July 16, 2013), and accompanying IDM at 7-19; *Certain Lined Paper Products from Indonesia: Final Results of the Expedited Sunset Review of the Countervailing Duty Order*, 76 FR 73592 (November 29, 2011), and accompanying IDM at 1; *Cut-to-Length Carbon-Quality Steel Plate from the Republic of Korea: Final Results of Countervailing Duty Administrative Review; 2012*, 79 FR 46770 (August 11, 2014), and accompanying IDM at 4; and *Certain Frozen Warmwater Shrimp from Thailand: Final Negative Countervailing Duty Determination*, 78 FR 50379 (August 19, 2013), and accompanying IDM at IV.

¹⁵⁰ See *Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Chlorinated Isocyanurates from the People's Republic of China*, 69 FR 75294, 75301 (December 16, 2004), unchanged in *Notice of Final Determination of Sales at Less Than Fair Value: Chlorinated Isocyanurates from the People's Republic of China*, 70 FR 24502 (May 10, 2005).

¹⁵¹ *Id.*

that produced the subject merchandise, where appropriate. This adjustment is in accordance with the CAFC's decision in *Sigma Corp.*¹⁵² We valued truck freight expenses using average truck rates from the World Bank's report, *Doing Business 2019: Brazil (Doing Business)*.¹⁵³ This World Bank report gathers information concerning the distance and cost to transport a containerized shipment weighing 15 metric tons from the peri-urban area of the economy's largest business city to the country's major port. We did not inflate or deflate this SV because it is contemporaneous with the POR.¹⁵⁴

b. Labor

In NME AD proceedings, Commerce prefers to value labor solely based on data from the primary surrogate country.¹⁵⁵ In *Labor Methodologies*, Commerce determined that the best methodology to value the labor input is to use industry-specific labor rates from the primary surrogate country. Additionally, Commerce determined that Chapter 6A: Labor Cost in Manufacturing, from the International Labor Organization (ILO) Yearbook of Labor (*i.e.*, wages, benefits, housing, training, etc.) is the preferred source where another source is not more appropriate.¹⁵⁶

However, for these preliminary results, Commerce valued the labor input using data from the Instituto Brasileiro de Geografia e Estatística (IBGE).¹⁵⁷ Although IBGE data are not from the ILO, we find that this fact does not preclude us from using this source to value labor. In *Labor Methodologies*, we decided to change to the use of ILO Chapter 6A 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.¹⁵⁸ We did not, however, preclude all other sources for evaluating labor costs in NME AD proceedings. 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.¹⁵⁹ In this case, we find that the IBGE data for the POR are the best available information for valuing labor because the data are contemporaneous with the POR, industry-specific, and reflect all costs related to labor, including wages, benefits, housing, and training.

c. Financial Ratios

Commerce's criteria for choosing surrogate financial statements from which we derive the financial ratios are the availability of contemporaneous financial statements, their comparability

¹⁵² See *Sigma Corp. v. United States*, 117 F.3d 1401, 1407-08 (Fed. Cir. 1997) (*Sigma Corp.*).

¹⁵³ See Preliminary SV Memorandum.

¹⁵⁴ *Id.*

¹⁵⁵ See *Antidumping Methodologies in Proceedings Involving Non-Market Economies: Valuing the Factor of Production: Labor*, 76 FR 36092 (June 21, 2011) (*Labor Methodologies*).

¹⁵⁶ *Id.*

¹⁵⁷ See Preliminary SV Memorandum.

¹⁵⁸ See *Labor Methodologies*.

¹⁵⁹ See, e.g., *Xanthan Gum LTFV Final Determination* IDM at Comment 6-C; and *Drawn Stainless Steel Sinks from the People's Republic of China: Investigation, Final Determination*, 78 FR 13019 (February 26, 2013), and accompanying IDM at Comment 3.

to the respondent's experience, and whether they are publicly available.¹⁶⁰ Moreover, to value factory overhead, selling, general, and administrative (SG&A) expenses, and profit, Commerce normally will use non-proprietary information gathered from producers of identical or comparable merchandise in the surrogate country.¹⁶¹ In addition, the CIT has held that in the selection of surrogate producers, Commerce may consider how closely the surrogate producers approximate the NME producer's experience.¹⁶²

The record contains one set of financial statements for Brazilian producer, Eucatex S.A. Indústria e Comércio and Subsidiaries (Eucatex), for the fiscal year ending December 31, 2019. As noted above, Commerce's preference is to value all FOPs in a single surrogate country pursuant to 19 CFR 351.408(c)(2). Accordingly, because we have a useable financial statement from the primary surrogate country, Brazil, we have preliminarily used Eucatex's financial statement for the calculation of surrogate financial ratios.¹⁶³

d. By-Products

Commerce's practice is to grant the respondents an offset to the reported FOPs for by-products generated during the production of the subject merchandise if evidence is provided that such by-product has commercial value.¹⁶⁴ Also, for waste or by-products sold to unaffiliated parties, it is Commerce's practice to offset NV costs with the sales revenue of the waste or by-product.¹⁶⁵ Senmao reported one by-product, wood scrap, generated in the production of subject merchandise.¹⁶⁶ Commerce's practice, as reflected in Commerce's AD questionnaire issued to Senmao, is to grant by-product offsets "for merchandise that is either sold or reintroduced into production during the POR, up to the amount of that byproduct/co-product actually produced during the POR."¹⁶⁷ Thus, to be eligible for an offset, a respondent must provide and substantiate the quantity of by-product it generated from the production of subject merchandise during the POR, as well as demonstrate that the by-product has commercial value.¹⁶⁸ Senmao provided production records demonstrating it reported recovered quantities of the by-product and

¹⁶⁰ See, e.g., *Notice of Final Determination of Sales at Less Than Fair Value: Chlorinated Isocyanurates from the People's Republic of China*, 70 FR 24502 (May 10, 2005), and accompanying IDM at Comment 3.

¹⁶¹ See, e.g., *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 (May 22, 2006), and accompanying IDM at Comment 2; see also section 773(c)(4) of the Act; 19 CFR 351.408(c)(4).

¹⁶² See *Rhodia, Inc. v. United States*, 240 F. Supp. 2d 1247, 1253-54 (CIT 2002); see also, *Persulfates from the People's Republic of China: Final Results of Antidumping Duty Administrative Review*, 70 FR 6836 (February 9, 2005), and accompanying IDM at Comment 1.

¹⁶³ See Preliminary SV Memorandum.

¹⁶⁴ 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 IDM at Scrap Offset.

¹⁶⁵ *Id.*

¹⁶⁶ See Senmao CDQR; see also Preliminary SV Memorandum.

¹⁶⁷ See, e.g., Senmao AD Questionnaire.

¹⁶⁸ See *Narrow Woven Ribbons With Woven Selvedge from the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 75 FR 41808 (July 19, 2010), and accompanying IDM at Comment 2.

that it later sold these recovered quantities.¹⁶⁹ Therefore, Commerce made an appropriate offset to the reported FOP for this by-product.

J. Adjustment Under Section 777A(f) of the Act

In applying section 777A(f) of the Act in this administrative review, Commerce 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 Commerce 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. For a subsidy meeting these criteria, the statute requires Commerce to reduce the AD by the estimated amount of the increase in the weighted-average dumping margin subject to a specified cap.

In conducting this analysis, Commerce has not concluded that concurrent application of NME ADs and countervailing duties necessarily and automatically results in overlapping remedies. Rather, a finding that there is an overlap in remedies, and any resulting adjustment, is based on a case-by-case analysis of the totality of facts on the administrative record for that segment of the proceeding as required by the statute.

In order to examine the effects of concurrent countervailable subsidies in calculating the antidumping margin for Senmao, Commerce requested that Senmao submit information with respect to subsidies relevant to its eligibility for an adjustment to the calculated weighted-average dumping margin.¹⁷⁰ Senmao identified two programs that might apply during this POR, *i.e.*, Provision of Electricity for Less Than Adequate Remuneration (LTAR) and Provision of Cut Timber for LTAR.¹⁷¹

Pursuant to section 777A(f)(2) of the Act, we normally examine the United States International Trade Commission (ITC)¹⁷² import data to determine whether prices of the subject merchandise increased or decreased during the POR. Pursuant to section 777A(f)(1)(B) of the Act, we examined whether ITC import data showed a reduction in the price of imports of the class or kind of merchandise during the relevant period.¹⁷³ In this case, the ITC concluded that U.S. average import prices were similar and fluctuated during the relevant period.¹⁷⁴

¹⁶⁹ See Preliminary SV Memorandum.

¹⁷⁰ See Commerce's Letter, "Double Remedies Supplemental Questionnaire," dated March 18, 2021.

¹⁷¹ See Senmao's Letter, Multilayered Wood Flooring from the People's Republic of China: Double Remedies Supplemental Questionnaire Response," dated April 1, 2021.

¹⁷² See *Multilayered Wood Flooring from China: Investigation Nos. 701-TA-476 and 731-TA-1179 (Review)*, Publication 4746, December 2017 (ITC Report). See also *Multilayered Wood Flooring from China: Determinations*, 82 FR 60214 (December 19, 2017).

¹⁷³ Although the ITC Report contains data from before the POR of this administrative review, it reflects the most recent ITC data available. Therefore, we consider these data "relevant" for purposes of our analysis.

¹⁷⁴ See ITC Report at IV-2 and Table IV-1.

Commerce also examined whether Senmao demonstrated: (1) a subsidies-to-cost link, *e.g.*, subsidy impact on cost of manufacture; and (2) a cost-to-price link, *e.g.*, respondent's prices changed as a result of changes in the cost of manufacture. However, Senmao failed to demonstrate that the subsidies received resulted in a change to its cost of manufacturing during the relevant period. Therefore, the subsidies-to-cost linkage was not satisfied. Additionally, because Senmao failed to identify a subsidies-to-cost linkage, it also failed to identify a cost-to-price linkage as no price fluctuations were tied directly to the change in cost associated with the subsidies identified in the relevant period. Accordingly, we made no adjustment for double remedies to Senmao's margin for the preliminary results.

K. Currency Conversion

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

IX. RECOMMENDATION

We recommend applying the above methodology for these preliminary results.

☒

☐

Agree

Disagree

4/19/2021

X



Signed by: CHRISTIAN MARSH

Christian Marsh
Acting Assistant Secretary
for Enforcement and Compliance

APPENDIX

Separate Rate Companies
A&W (Shanghai) Woods Co., Ltd.
Arte Mundi (Shanghai) Aesthetic Home Furnishings Co., Ltd. (successor-in-interest to Scholar Home (Shanghai) New Material Co., Ltd.)
Benxi Wood Company
Dalian Jiahong Wood Industry Co., Ltd.
Dalian Kemian Wood Industry Co., Ltd.
Dalian Penghong Floor Products Co., Ltd./Dalian Shumaike Floor Manufacturing Co., Ltd.
Dongtai Fuan Universal Dynamics, LLC
Dun Hua Sen Tai Wood Co., Ltd.
Dunhua City Hongyuan Wood Industry Co., Ltd.
Dunhua Shengda Wood Industry Co., Ltd
Hailin Linjing Wooden Products Co., Ltd.
Hunchun Xingjia Wooden Flooring Inc.
Huzhou Chenghang Wood Co., Ltd
Huzhou Fulinmen Imp. & Exp. Co., Ltd.
Huzhou Jesonwood Co., Ltd.
Huzhou Sunergy World Trade Co., Ltd.
Jiangsu Guyu International Trading Co., Ltd
Jiangsu Keri Wood Co., Ltd.
Jiangsu Mingle Flooring Co., Ltd
Jiangsu Simba Flooring Co., Ltd.
Jiashan HuiJiaLe Decoration Material Co., Ltd.
Jiashan On-Line Lumber Co., Ltd.
Jiaxing Hengtong Wood Co., Ltd.
Kingman Floors Co., Ltd.
Linyi Youyou Wood Co., Ltd.
Metropolitan Hardwood Floors, Inc.
Pinge Timber Manufacturing (Zhejiang) Co., Ltd.
Sino-Maple (Jiangsu) Co., Ltd.
Suzhou Dongda Wood Co., Ltd.
Tongxiang Jisheng Import and Export Co., Ltd.

Yihua Lifestyle Technology Co., Ltd. (successor-in-interest to Guangdong Yihua Timber Industry Co., Ltd.)
Zhejiang Dadongwu Greenhome Wood Co., Ltd.
Zhejiang Fuerjia Wooden Co., Ltd
Zhejiang Longsen Lumbering Co., Ltd.

No Shipments
Anhui Longhua Bamboo Product Co., Ltd.
Baroque Timber Industries (Zhongshan) Co., Ltd.
Benxi Flooring Factory (General Partnership)
Dalian Jaenmaken Wood Industry Co., Ltd.
Dalian Shengyu Science And Technology Development Co., Ltd.
Dalian T-Boom Wood Products Co., Ltd.
Dunhua City Dexin Wood Industry Co., Ltd.
Dunhua City Jisen Wood Industry Co., Ltd.
Fine Furniture (Fine Furniture (Shanghai) Limited and Double F Limited)
Innomaster Home (Zhongshan) Co., Ltd.
Jiangsu Yuhui International Trade Co., Ltd.
Linyi Anying Wood Co., Ltd.
Power Dekor Group Co., Ltd.
Shandong Longteng Wood Co., Ltd.
Yekalon Industry Inc.
Yingyi-Nature (Kunshan) Wood Industry Co., Ltd.
Zhejiang Biyork Wood Co., Ltd.
Zhejiang Shiyong Timber Co., Ltd.
Zhejiang Shuimojiangnan New Material Technology Co., Ltd.
Zhejiang Simite Wooden Co., Ltd.

China-Wide Entities
Anhui Boya Bamboo & Wood Products Co., Ltd.
Anhui Yaolong Bamboo & Wood Products Co. Ltd.
Armstrong Wood Products (Kunshan) Co., Ltd. ¹⁷⁵
Armstrong World Industries Inc.
Changzhou Hawd Flooring Co., Ltd.
Chinafloors Timber (China) Co., Ltd.

¹⁷⁵ These results apply only to entries where Armstrong Wood Products (Kunshan) Co., Ltd. was the exporter but not the producer of subject merchandise.

Dalian Dajen Wood Co., Ltd.
Dalian Guhua Wooden Product Co., Ltd.
Dalian Huade Wood Product Co., Ltd.
Dalian Huilong Wooden Products Co., Ltd.
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. (collectively, Jinlong)
Guangzhou Homebon Timber Manufacturing Co., Ltd.
Guangzhou Panyu Kangda Board Co., Ltd.
Guangzhou Panyu Southern Star Co., Ltd.
Hangzhou Hanje Tec Company Limited
Hangzhou Zhengtian Industrial Co., Ltd.
Hunchun Forest Wolf Wooden Industry Co., Ltd.
Jiafeng Wood (Suzhou) Co., Ltd.
Jilin Xinyuan Wooden Industry Co., Ltd.
Karly Wood Product Limited.
Kember Flooring, Inc. (a.k.a. Kember Hardwood Flooring, Inc.)
Kemian Wood Industry (Kunshan) Co., Ltd.
Linyi Bonn Flooring Manufacturing Co., Ltd.
Mudanjiang Bosen Wood Industry Co., Ltd.
Nakahiro Jyou Sei Furniture (Dalian) Co., Ltd.
Omni Arbor Solution Co., Ltd. ¹⁷⁶
Power Dekor North America Inc.
Shanghai Lairunde Wood Co., Ltd.
Shanghaifloor Timber (Shanghai) Co., Ltd.
Shenyang Haobainian Wooden Co., Ltd.
Shenzhenshi Huanwei Woods Co., Ltd.
Xiamen Yung De Ornament Co., Ltd.
Xuzhou Antop International Trade Co., Ltd.
Xuzhou Shenghe Wood Co., Ltd.
Zhejiang Fudeli Timber Industry Co., Ltd
Zhejiang Jiechen Wood Industry Co., Ltd.

¹⁷⁶ In the *Initiation Notice*, we inadvertently initiated a review with respect to Omni Arbor Solutions Co., Ltd.