



A-570-016
Administrative Review
POR: 08/01/2019-07/31/2020
Public Document
E&C/OVII: TP/PS

August 31, 2021

MEMORANDUM TO: Ryan Majerus
Deputy Assistant Secretary
for Policy and Negotiation

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

SUBJECT: Decision Memorandum for the Preliminary Results of the
Antidumping Duty Administrative Review of Certain Passenger
Vehicle and Light Truck Tires from the People's Republic of
China and Preliminary Determination of No Shipments; 2019-
2020

I. SUMMARY

The Department of Commerce (Commerce) is conducting an administrative review of the antidumping duty (AD) order on certain passenger vehicle and light truck tires (passenger tires) from the People's Republic of China (China) for the period of review (POR) August 1, 2019, through July 31, 2020.¹ The review covers one mandatory respondent: Sumitomo Rubber Industries Ltd. (SRI); Sumitomo Rubber (Hunan) Co., Ltd. (SRH); and Sumitomo Rubber (Changshu) Co., Ltd. (SRC) (collectively, Sumitomo).² The review also covers six other companies that were not selected for individual examination. In addition, we preliminarily determine that four companies are eligible for a separate rate, one company had no shipments, and no companies are part of the China-wide entity. Commerce preliminarily determines that sales of subject merchandise were made at less than normal value (NV). The estimated weighted-average dumping margins are shown in the "Preliminary Results of Review" section of the accompanying *Federal Register* notice.

¹ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 85 FR 63081 (October 6, 2020) (*Initiation Notice*).

² See Memorandum, "Administrative Review of the Antidumping Duty Order on Passenger Vehicle and Light Truck Tires from the People's Republic of China: Respondent Selection Memo," dated December 2, 2020 (Respondent Selection Memo). Sumitomo refers to the collapsed entity, Sumitomo Rubber Industries Ltd.; Sumitomo Rubber (Hunan) Co., Ltd.; and Sumitomo Rubber (Changshu) Co., Ltd (collectively, Sumitomo). See "Single Entity Treatment" *infra* at section V for details.



II. BACKGROUND

On August 10, 2015, Commerce published in the *Federal Register* the AD order on passenger tires from China.³ On August 4, 2020, Commerce published in the *Federal Register* a notice of opportunity to request an administrative review of the *AD Order* on passenger tires from China for the period August 1, 2019, through July 31, 2020.⁴ Between August 24 and August 31, 2020, Commerce received timely requests for administrative review from multiple companies.⁵ On October 6, 2020 Commerce published the initiation of the administrative review of the *Order* with respect to 28 companies.⁶

In the *Initiation Notice*, Commerce notified parties of the application process by which firms may obtain separate rate status in non-market economy (NME) administrative reviews.⁷ The process required exporters to submit a separate-rate application (SRA) or separate rate certification (SRC), as appropriate, and to demonstrate an absence of both *de jure* and *de facto* government control over their export activities.

Between October 28 and November 13, 2020 we timely received SRAs or SRCs from thirteen companies.⁸ As explained below, Commerce rescinded the review with respect to 21 companies, one of which, PCT, filed an SRA. Since PCT is no longer under review, Commerce will not perform a separate rate analysis for them. On November 12, 2020, Qingdao Fullrun Tyre Tech Corp., Ltd. (Fullrun Tyre Tech) filed a no-shipment certification.⁹ Between November 9 and

³ See *Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China: Amended Final Affirmative Antidumping Duty Determination and Antidumping Duty Order; and Amended Final Affirmative Countervailing Duty Determination and Countervailing Duty Order*, 80 FR 47902 (August 10, 2015) (*Order*).

⁴ See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation Opportunity to Request Administrative Review*, 85 FR 47167 (August 4, 2020).

⁵ See Attachment I.

⁶ See *Initiation Notice*, 85 FR 63081.

⁷ *Id.*

⁸ See Shandong Qilun Rubber Co., Ltd.'s (Shandong Qilun's) Letter, "Passenger Vehicle and Light Truck Tires from China: Separate Rate Application," dated October 28, 2020 (Shandong Qilun SRA); see also Prinx Chengshan (Shandong) Tire Company Ltd.'s (PCT's) Letter, "Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China: Separate Rate Application," dated November 4, 2020 (PCT SRA); Shouguang Firemax Tyre Co., Ltd.'s (Shouguang Firemax's) Letter, "Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China: Separate Rate Certification," dated November 4, 2020 (Shouguang Firemax SRC); Zhaoqing Junhong Co., Ltd.'s (Zhaoqing Junhong's) Letter, "Passenger Vehicle and Light Truck Tires from the People's Republic of China: Separate Rate Certification," dated November 5, 2020 (Zhaoqing Junhong SRC); Qingdao Landwinner Tyre Co., Ltd.'s (Qingdao Landwinner's) Letter, "Landwinner Separate Rate Application: 2019-2020 Administrative Review of the Antidumping Duty Order on Passenger Vehicle and Light Truck Tires from the People's Republic of China," dated November 12, 2020 (Qingdao Landwinner SRA); SRH's Letter, "Passenger Vehicle and Light Truck Tires from China: Separate Rate Application," dated November 12, 2020 (SRH SRA); Sumitomo Rubber (Changshu) Co., Ltd.'s Letter, "Passenger Vehicle and Light Truck Tires from China: Separate Rate Application," dated November 12, 2020 (SRC SRA); Qingdao Nexen Tire Corporation's Letter (Qingdao Nexen's), "Passenger Vehicle and Light Truck Tires from People's Republic of China: Separate Rate Application," dated November 12, 2020 (Qingdao Nexen SRA); and Shandong Qilun's Letter, "Passenger Vehicle and Light Truck Tires from China: Revised Separate Rate Application," dated November 13, 2020 (Shandong Qilun Revised SRA).

⁹ See Fullrun Tyre Tech's Letter, "Passenger Vehicle and Light Truck Tires from China: No Sales Certification," dated November 12, 2020.

November 25, 2020, the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO, CLC (the petitioner), placed comments and factual information on the record regarding the SRAs of Shandong Qilun and Qingdao Landwinner.¹⁰ On November 18, 2020, the petitioner placed rebuttal factual information on Fullrun Tyre Tech's no-shipment certification on the record.¹¹

On October 16, 2020, Commerce placed the U.S. Customs and Border Protection (CBP) entry data on the record.¹² On October 28, 2020, Commerce placed revised CBP entry data on the record due to the dataset inadvertently including entries from outside the POR.¹³ On November 3, 2020, SRH and (SRC placed comments on the revised CBP data.¹⁴ On December 2, 2020, Commerce selected SRH for individual examination as the sole mandatory respondent in this administrative review.¹⁵

Between October 20, 2020, and December 22, 2020, we received timely withdrawals from this administrative review from 21 companies.¹⁶ On January 27, 2021, Commerce rescinded this review with respect to these 21 companies.¹⁷

On December 2, 2020, we issued the standard NME questionnaire to SRH, and between April 16, and July 29, 2021, we issued supplemental questionnaires to SRH.¹⁸ On

¹⁰ See Petitioner's Letter, "Passenger Vehicle and Light Truck Tires from China: Comments on Shandong Qilun SRA," dated November 9, 2020; *see also* Petitioner's Letter, "Passenger Vehicle and Light Truck Tires from China: Comments on Qingdao Landwinner Tyre Co.'s Separate Rate Application," dated November 25, 2020.

¹¹ See Petitioner's Letter, "Passenger Vehicle and Light Truck Tires from China: RFI on Fullrun's No Shipment Certification," dated November 18, 2020.

¹² See Memorandum, "Antidumping Duty Administrative Review of Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China: U.S. Customs Entries," dated October 16, 2020.

¹³ See Memorandum, "Antidumping Duty Administrative Review of Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China: Release of the Revised U.S. Customs Entries," dated October 28, 2020.

¹⁴ See SRC and SRH's Letter, "Passenger Vehicle and Light Truck Tires from China: Comments on Revised CBP Data," dated November 3, 2020.

¹⁵ See Respondent Selection Memo.

¹⁶ See *Passenger Vehicle and Light Truck Tires from the People's Republic of China: Rescission, in Part, of Antidumping Duty Administrative Review; 2019-2020*, 86 FR 7258 (January 27, 2021) (*Partial Rescission*). The 21 companies that withdrew their requests for review are: (1) Giti Radial Tire (Anhui) Company Ltd. (Giti Radial Anhui); (2) Giti Tire (Fujian) Company Ltd. (Giti Fujian); (3) Giti Tire (Hualin) Company Ltd. (Giti Hualin); (4) Giti Tire Global Trading Pte. Ltd. (GTT); (5) Haohua Orient International Trade Ltd. (Haohua Orient); (6) Prinx Chengshan (Shandong) Tire Company Ltd. (PCT); (7) Qingdao Lakesea Tyre Co., Ltd. (Lakesea); (8) Qingdao Sentury Tire Co. Ltd. (Sentury); (9) Riversun Industry Limited (Riversun); (10) Safe & Well (HK) International Trading Limited (Safe & Well); (11) Sailun Group (HongKong) Co., Limited (Sailun HK), formerly known as Sailun Jinyu Group (Hong Kong) Co., Limited (Sailun Jinyu HK); (12) Sailun Group Co., Ltd. (Sailun Group), formerly known as Sailun Jinyu Group Co., Ltd. (Sailun Jinyu); (13) Sailun Tire Americas Inc., formerly known as SJI North America Inc. (Sailun Americas); (14) Sailun Tire International Corp (Sailun International); (15) Shandong Guofeng Rubber Plastics Co., Ltd. (Guofeng); (16) Shandong Linglong Tyre Co., Ltd. (Linglong); (17) Shandong New Continent Tire Co., Ltd. (New Continent); (18) Shandong Province Sanli Tire Manufactured Co., Ltd. (Sanli); (19) Shandong Wanda Boto Tyre Co., Ltd. (Boto); (20) Shouguang Firemax Tyre Co., Ltd. (Firemax); and (21) Windforce Tyre Co., Limited (Windforce).

¹⁷ See *Partial Rescission*, 86 FR 7258.

¹⁸ See Commerce's Letter, "Antidumping Duty Questionnaire for Sumitomo Rubber (Hunan) Co., Ltd.," dated December 2, 2020; *see also* Commerce's Letter, "The 2019-2020 Administrative Review of Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China: First Supplemental Questionnaire," dated April

December 7, 2020, we issued the Double Remedies Questionnaire to SRH, and on January 7, 2021, SRH responded to the Double Remedies Questionnaire.¹⁹ Between May 21, 2021, and August 12, 2021, SRH submitted timely responses to Commerce’s initial and supplemental questionnaires.²⁰

On January 26, 2021, we sent interested parties a letter inviting comments on the non-exhaustive list of countries Commerce determined are at the same level of economic development as China, surrogate country selection, and surrogate value (SV) data, and specified the deadlines for these respective submissions.²¹ Between February and March 2021, we received timely SV data and comments from the petitioner and SRH.²² In March 2021, we received timely SV rebuttal information from the petitioner and SRH.²³ In August 2021, we received timely additional SV comments and rebuttal information from the petitioner and SRH.²⁴ On August 9, 2021, the petitioner filed pre-preliminary comments and subsequently on August 23, 2021, Sumitomo filed

16, 2021; and Commerce’s Letter, “The 2019-2020 Administrative Review of Certain Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Second Supplemental Questionnaire,” dated July 29, 2021.

¹⁹ See Commerce’s Letter, “Administrative Review of the Antidumping Order on Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Double Remedy Questionnaire,” dated December 7, 2020; *see also* SRH’s Letter, “Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Double Remedy Questionnaire Response,” dated January 7, 2021 (SRH Double Remedy QR).

²⁰ See SRH’s Letters, “Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Section A Questionnaire Response,” dated January 8, 2021 (SRH January 8, 2021 AQR); “Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Section C Questionnaire Response,” dated January 29, 2021 (SRH January 29, 2021 CQR); “Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Section D Questionnaire Response,” dated January 29, 2021; “Passenger Vehicle and Light Truck Tires from the People’s Republic of China: First Supplemental Questionnaire Response (Sections A and C),” dated May 21, 2021; “Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Second Supplemental Questionnaire Response (Part 1),” dated August 11, 2021; and “Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Second Supplemental Questionnaire Response (Part 2),” dated August 12, 2021.

²¹ See Commerce’s Letter, “Administrative Review of Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Request for Economic Development, Surrogate Country and Surrogate Value Comments and Information,” dated January 26, 2021.

²² See Petitioner’s Letter, “Administrative Review of the Antidumping Duty Order on Certain Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Petitioner’s Surrogate Country Comments,” dated February 18, 2021; *see also* SRH’s Letter, “Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Comments Regarding Selection of the Primary Surrogate Country,” dated February 18, 2021; Petitioner’s Letter, “Administrative Review of the Antidumping Duty Order on Certain Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Petitioner’s Surrogate Value Information and Comments,” dated March 4, 2021 (Petitioner’s SV Comments); and SRH’s Letter, “Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Surrogate Value Comments,” dated March 4, 2021 (SRH SV Comments).

²³ See SRH’s Letter, “Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Surrogate Value Rebuttal Comments,” dated March 15, 2021; *see also* Petitioner’s Letter, “Passenger Vehicle and Light Truck Tires from China: Rebuttal SV Information,” dated March 15, 2021.

²⁴ See Petitioner’s Letter, “Administrative Review of the Antidumping Duty Order on Certain Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Petitioner’s Additional Surrogate Value Information,” dated August 2, 2021; *see also* SRH’s Letter, “Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Additional Surrogate Value Comments,” dated August 2, 2021 (SRH’s Additional SV Comments); Petitioner’s Letter, “Passenger Vehicle and Light Truck Tires from Chia: Rebuttal SV Information,” dated August 12, 2021 (Petitioner’s Additional Rebuttal Comments); and SRH’s Letter, “Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Rebuttal to Petitioner’s Additional Surrogate Value Information,” dated August 12, 2021.

pre-preliminary comments.²⁵ On August 19, 2021, Sumitomo filed pre-preliminary comments regarding the selection of the surrogate country, and subsequently on August 24, 2021, the petitioner filed rebuttal comments.²⁶

On April 8, 2021, Commerce postponed the preliminary results of this administrative review by 120 days, until August 31, 2021.²⁷

III. SCOPE OF THE *ORDER*

The scope of this *Order* is passenger vehicle and light truck tires. Passenger vehicle and light truck tires are new pneumatic tires, of rubber, with a passenger vehicle or light truck size designation. Tires covered by this order may be tube-type, tubeless, radial, or non-radial, and they may be intended for sale to original equipment manufacturers or the replacement market.

Subject tires have, at the time of importation, the symbol “DOT” on the sidewall, certifying that the tire conforms to applicable motor vehicle safety standards. Subject tires may also have the following prefixes or suffix in their tire size designation, which also appears on the sidewall of the tire:

Prefix designations:

P - Identifies a tire intended primarily for service on passenger cars

LT- Identifies a tire intended primarily for service on light trucks

Suffix letter designations:

LT - Identifies light truck tires for service on trucks, buses, trailers, and multipurpose passenger vehicles used in nominal highway service.

All tires with a “P” or “LT” prefix, and all tires with an “LT” suffix in their sidewall markings are covered by this investigation regardless of their intended use.

In addition, all tires that lack a “P” or “LT” prefix or suffix in their sidewall markings, as well as all tires that include any other prefix or suffix in their sidewall markings, are included in the scope, regardless of their intended use, as long as the tire is of a size that is among the numerical size designations listed in the passenger car section or light truck section of the Tire and Rim

²⁵ See Petitioner’s Letter, “Passenger Vehicle and Light Truck Tires from China: Comments in Anticipation of the Preliminary Determination,” dated August 9, 2021; *see also* Petitioner’s Letter, “Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Pre-Preliminary Comments Regarding SRH’s Reporting,” dated August 20, 2021.

²⁶ See SRH’s Letter, “Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Pre-Preliminary Comments Regarding Primary Surrogate Country,” dated August 19, 2021; *see also* Petitioner’s Letter, “Passenger Vehicle and Light Truck Tires from China: Rebuttal of Sumitomo’s Pre-Preliminary Comments,” dated August 24, 2021.

²⁷ See Memorandum, “Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Extension of Deadline for Preliminary Results of Antidumping Duty Administrative Review 2019-2020,” dated April 8, 2021.

Association Yearbook, as updated annually, unless the tire falls within one of the specific exclusions set out below

Passenger vehicle and light truck tires, whether or not attached to wheels or rims, are included in the scope. However, if a subject tire is imported attached to a wheel or rim, only the tire is covered by the scope. Specifically excluded from the scope are the following types of tires:

(1) racing car tires; such tires do not bear the symbol “DOT” on the sidewall and may be marked with “ZR” in size designation;

(2) new pneumatic tires, of rubber, of a size that is not listed in the passenger car section or light truck section of the Tire and Rim Association Yearbook;

(3) pneumatic tires, of rubber, that are not new, including recycled and retreaded tires;

(4) non-pneumatic tires, such as solid rubber tires;

(5) tires designed and marketed exclusively as temporary use spare tires for passenger vehicles which, in addition, exhibit each of the following physical characteristics:

(a) the size designation and load index combination molded on the tire’s sidewall are listed in Table PCT-1B (“T” Type Spare Tires for Temporary Use on Passenger Vehicles) of the Tire and Rim Association Yearbook,

(b) the designation “T” is molded into the tire’s sidewall as part of the size designation, and,

(c) the tire’s speed rating is molded on the sidewall, indicating the rated speed in MPH or a letter rating as listed by Tire and Rim Association Yearbook, and the rated speed is 81 MPH or a “M” rating;

(6) tires designed and marketed exclusively for specialty tire (ST) use which, in addition, exhibit each of the following conditions:

(a) the size designation molded on the tire’s sidewall is listed in the ST sections of the Tire and Rim Association Yearbook,

(b) the designation “ST” is molded into the tire’s sidewall as part of the size designation,

(c) the tire incorporates a warning, prominently molded on the sidewall, that the tire is “For Trailer Service Only” or “For Trailer Use Only”,

(d) the load index molded on the tire’s sidewall meets or exceeds those load indexes listed in the Tire and Rim Association Yearbook for the relevant ST tire size, and

(e) either

(i) the tire’s speed rating is molded on the sidewall, indicating the rated speed in MPH or

a letter rating as listed by Tire and Rim Association Yearbook, and the rated speed does not exceed 81 MPH or an “M” rating; or

(ii) the tire’s speed rating molded on the sidewall is 87 MPH or an “N” rating, and in either case the tire’s maximum pressure and maximum load limit are molded on the sidewall and either

(1) both exceed the maximum pressure and maximum load limit for any tire of the same size designation in either the passenger car or light truck section of the Tire and Rim Association Yearbook; or

(2) if the maximum cold inflation pressure molded on the tire is less than any cold inflation pressure listed for that size designation in either the passenger car or light truck section of the Tire and Rim Association Year Book, the maximum load limit molded on the tire is higher than the maximum load limit listed at that cold inflation pressure for that size designation in either the passenger car or light truck section of the Tire and Rim Association Year Book;

(7) tires designed and marketed exclusively for off-road use and which, in addition, exhibit each of the following physical characteristics:

(a) the size designation and load index combination molded on the tire’s sidewall are listed in the off-the-road, agricultural, industrial or ATV section of the Tire and Rim Association Yearbook,

(b) in addition to any size designation markings, the tire incorporates a warning, prominently molded on the sidewall, that the tire is “Not for Highway Service” or “Not for Highway Use”,

(c) the tire’s speed rating is molded on the sidewall, indicating the rated speed in MPH or a letter rating as listed by the Tire and Rim Association Yearbook, and the rated speed does not exceed 55 MPH or a “G” rating, and

(d) the tire features a recognizable off-road tread design.

The products covered by this *Order* are currently classified under the following Harmonized Tariff Schedule of the United States (HTSUS) subheadings: 4011.10.10.10, 4011.10.10.20, 4011.10.10.30, 4011.10.10.40, 4011.10.10.50, 4011.10.10.60, 4011.10.10.70, 4011.10.50.00, 4011.20.10.05, and 4011.20.50.10. Tires meeting the scope description may also enter under the following HTSUS subheadings: 4011.99.45.10, 4011.99.45.50, 4011.99.85.10, 4011.99.85.50, 8708.70.45.30, 8708.70.45.45, 8708.70.45.46, 8708.70.45.48, 8708.70.45.60, 8708.70.60.30, 8708.70.60.45, and 8708.70.60.60. While HTSUS subheadings are provided for convenience and for customs purposes, the written description of the subject merchandise is dispositive.

IV. PRELIMINARY DETERMINATION OF NO SHIPMENTS

On November 12, 2020, Fullrun Tyre Tech filed a certification reporting that it had no exports, sales, or entries of passenger tires from China into the United States during the POR.²⁸ To examine these claims, we sent an inquiry to CBP requesting that CBP inform Commerce if it had any information contrary to those no-shipment claims.²⁹ CBP provided no information contrary to the no-shipment claims for Fullrun Tyre Tech.³⁰

On November 18, 2020, the petitioner submitted rebuttal factual information on Fullrun Tyre Tech's no shipment certification stating that data from CBP data manifests showed Fullrun had made shipments of subject merchandise during the POR.³¹ On November 25, 2020, Fullrun Tyre Tech filed rebuttal comments stating that the shipments were of non-subject merchandise because the tires were not of the sizes listed in passenger car section or light truck section of the Tire and Rim Association Yearbook.³² Therefore, based on Fullrun Tyre Tech's no-shipment certification, information obtained from CBP, and Fullrun Tyre Tech's rebuttal comments, we preliminarily determine that Fullrun Tyre Tech had no shipments of subject merchandise during the POR.

Consistent with Commerce's practice in NME cases, we have not rescinded this review with respect to Fullrun Tyre Tech but will continue our review of this company and issue instructions to CBP based on the final results of the review.³³ Should evidence contrary to Fullrun Tyre Tech's no shipment claim arise, we will revisit this issue in the final results.

V. AFFILIATION AND SINGLE ENTITY TREATMENT

To the extent that Commerce's practice does not conflict with section 773(c) of the Act, Commerce has, in prior cases, treated certain NME exporters and/or producers as a single entity if the facts of the case supported such treatment.³⁴ Pursuant to 19 CFR 351.401(f)(1), Commerce

²⁸ See Qingdao Fullrun Tyre Tech's Letter, "Passenger Vehicle and Light Truck Tires from the People's Republic of China: No Sales Certification," dated November 12, 2020.

²⁹ See Memorandum, "No shipments inquiry for passenger vehicle and light truck tires from the People's Republic of China exported by Qingdao Fullrun Tyre Tech Corp., Ltd. (A-570-016)," dated December 16, 2020.

³⁰ See Memorandum, "Passenger Vehicle and Light Truck Tires from the People's Republic of China (A-570-016): No shipment inquiry with respect to the company listed below during the period 08/01/2019 through 07/31/2020," dated January 4, 2021.

³¹ See Petitioner's Letter, "Passenger Vehicle and Light Truck Tires from China: RFI on Fullrun's No Shipments Certifications," dated November 18, 2020.

³² See Fullrun Tyre Tech's Letter, "Passenger Vehicle and Light Truck Tires from the People's Republic of China: Fullrun Tyre Rebuttal Comments to Petitioner's Comments," dated November 25, 2020.

³³ See *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694 (October 24, 2011); see also *Certain Activated Carbon from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review, and Preliminary Determination of No Shipments; 2019-2020*, 86 FR 33988 (June 28, 2021) (completing, rather than rescinding, a review of six for companies for which Commerce preliminarily found no shipments).

³⁴ See *Certain Steel Nails from the People's Republic of China: Preliminary Determination of Sales at Less Than Fair Value and Partial Affirmative Determination of Critical Circumstances and Postponement of Final Determination*, 73 FR 3928, 3932 (January 23, 2008), unchanged in *Certain Steel Nails from the People's Republic of China: Amended Preliminary Determination of Sales at Less Than Fair Value*, 73 FR 7254 (February 7, 2008);

will treat producers as a single entity, or “collapse” them, where: (1) those producers are affiliated; (2) the producers have production facilities for producing similar or identical products that would not require substantial retooling of either facility in order to restructure manufacturing priorities; and (3) there is a significant potential for manipulation of price or production.³⁵

“Collapsing” starts with a determination as to whether two or more companies are affiliated. Affiliated companies/persons are defined in section 771 of the Act. Section 771(33)(B) of the Act provides that any officer or director of an organization and such organization shall be considered affiliated. Section 771(33)(E) of the Act provides that any person directly or indirectly owning, controlling, or holding with power to vote, five percent or more of the outstanding voting stock or shares of any organization and such organization shall be considered to be affiliated. Additionally, section 771(33)(F) of the Act provides that two or more persons directly or indirectly controlling, controlled by, or under common control with, any person shall be considered affiliated. Section 771(33) of the Act further states that a person shall be considered to control another person if the person is legally or operationally in a position to exercise restraint or direction over the other person.

In the instant administrative review, SRH explained that SRI, a Japanese based company, ultimately owns it and SRC, both Chinese-based manufacturers of passenger tires.³⁶ SRI also has an ownership interest in Sumitomo Rubber North America, Inc. (SRNA), a U.S. importer.³⁷ During the POR, both SRC and SRH sold their U.S.-bound exports of passenger tires to SRI, who in turn, sold those passenger tires to SRNA.³⁸ Based on this information, we find that SRI, SRC, SRH, and SRNA are affiliated through the common control of their parent, SRI, under section 771(33)(F) of the Act.

Next, 19 CFR 351.401(f)(2) indicates that Commerce may consider various factors in determining whether a significant potential for manipulation exists, including: (1) the level of common ownership; (2) the extent to which managerial employees or board members of one firm sit on the board of directors of an affiliated firm; and (3) whether the operations of the affiliated firms are intertwined, such as through the sharing of sales information, involvement in production and pricing decisions, the sharing of facilities or employees, or significant transactions between the affiliated producers.³⁹

The CIT has recognized that, when determining whether there is a significant potential for manipulation, 19 CFR 351.401(f)(2)(i), (ii), and (iii) are considered by Commerce in light of the

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

³⁵ *See, e.g., Gray Portland Cement and Clinker from Mexico: Final Results of Antidumping Duty Administrative Review*, 63 FR 12764, 12774-75 (March 16, 1998).

³⁶ *See* SRH January 8, 2021 AQR at 1; *see also* SRH SRA at 2; and SRC SRA at 2.

³⁷ *Id.*

³⁸ *Id.*

³⁹ *See Notice of Final Determination of Sales at Less Than Fair Value: Collated Roofing Nails from Taiwan*, 62 FR 51427, 51436 (October 1, 1997).

totality of the circumstances; no one factor is dispositive in determining whether to collapse the producers.⁴⁰

As noted previously, SRC and SRH are producers of subject merchandise and are ultimately owned by SRI.⁴¹ We also note that SRC and SRH operate production facilities that produce similar or identical products.⁴² Due to the common ownership of SRC and SRH through SRI, we preliminarily determine that there is a significant potential for the manipulation of price or production among these three companies as evidenced by the level of common ownership, the degree of management overlap, and the intertwined nature of the operations of these companies.⁴³ Given the aforementioned information on the record, we preliminarily determine that SRI, SRH, and SRC should be treated as the single entity, Sumitomo, pursuant to 19 CFR 351.401(f) (2)(i), (ii), and (iii).

VI. DISCUSSION OF THE METHODOLOGY

Non-Market Economy Country

Commerce considers China to be an NME country.⁴⁴ In accordance with section 771(18)(C)(i) of the Act, any determination that a country is an NME country shall remain in effect until revoked by the administering authority. Further, as part of this administrative review, we have received no request to reconsider Commerce's determination that China is an NME country. Therefore, we will continue to treat China as an NME country for purposes of these preliminary results. We calculated NV using a factors of production (FOP) methodology in accordance with section 773(c) of the Act, which applies to NME countries.

Separate Rate Determinations

In proceedings involving NME countries, Commerce maintains a rebuttable presumption that all companies within the NME country are subject to government control and, therefore, should be assessed a single AD margin unless the company can affirmatively demonstrate an absence of

⁴⁰ See *Koyo Seiko Co., Ltd. v. United States*, 516 F. Supp. 2d 1323, 1346 (CIT 2007) (*Koyo Seiko*) (citing *Light Walled Rectangular Pipe and Tube from Turkey; Notice of Final Determination of Sales at Less Than Fair Value*, 69 FR 53675 (September 2, 2004), and accompanying Issues and Decision Memorandum (IDM) at Comment 10); *id.* (citing *Nihon Cement Co. v. United States*, 17 C.I.T. 400, 426 (1993) (quoting *Final Determination of Sales at Less than Fair Value: Antifriction Bearings (Other than Tapered Roller Bearings) and Parts Thereof from the Federal Republic of Germany*, 54 FR 18992, 19089 (May 3, 1989)).

⁴¹ See SRH January 8, 2021 AQR at 1; *see also* SRH SRA at 2; and SRC SRA at 2.

⁴² See 19 CFR 351.401(f)(1).

⁴³ See Memorandum, "Antidumping Administrative Review of Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China: Preliminary Analysis Memorandum for Sumitomo Rubber Industries Ltd.; Sumitomo Rubber (Hunan) Co., Ltd.; and Sumitomo Rubber (Changshu) Co., Ltd.," at Single Entity Analysis, dated concurrently with the instant memorandum (Sumitomo Preliminary Calculation Memorandum).

⁴⁴ See, e.g., *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), and accompanying IDM at Comment 1; *see also* *Certain Steel Nails from the People's Republic of China: Final Results of Third Antidumping Duty Administrative Review; 2010-2011*, 78 FR 16651, 16652 (March 18, 2013), and accompanying IDM at Comment 1.

government control, both in law (*de jure*) and in fact (*de facto*), with respect to exports.⁴⁵ In the *Initiation Notice*, we notified parties of the application process by which exporters and producers may obtain separate-rate status in NME proceedings.⁴⁶ To establish whether a company is sufficiently independent to be entitled to a separate, company-specific dumping margin, Commerce analyzes each entity's export independence under a test first articulated in *Sparklers*, as amplified by *Silicon Carbide*.⁴⁷ However, if Commerce determines that a company is wholly foreign-owned or located in a market economy (ME) country, then analysis of the *de jure* and *de facto* criteria are not necessary to determine whether the company is independent from government control and eligible for a separate AD margin.⁴⁸

Commerce continues to evaluate its separate rates analysis practice in light of the *Diamond Sawblades* from China AD proceeding, and Commerce's determinations therein.⁴⁹ In particular, in litigation involving the *Diamond Sawblades* from China proceeding, the CIT found Commerce's existing separate rates analysis deficient in circumstances where a government controlled entity had significant ownership in the respondent exporter.⁵⁰ Following the CIT's reasoning, we have concluded that where a government entity holds a majority equity ownership, either directly or indirectly, in the respondent exporter, this interest, in and of itself, means that the government exercises, or has the potential to exercise, control over the company's operations

⁴⁵ See *Notice of Final Determination of Sales at Less Than Fair Value, and Affirmative Critical Circumstances, In Part: Certain Lined Paper Products from the People's Republic of China*, 71 FR 53079, 53082 (September 8, 2006); see also *Final Determination of Sales at Less Than Fair Value and Final Partial Affirmative Determination of Critical Circumstances: Diamond Sawblades and Parts Thereof from the People's Republic of China*, 71 FR 29303, 29307 (May 22, 2006).

⁴⁶ See *Initiation Notice*, 85 FR 63081.

⁴⁷ 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*); see also *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*).

⁴⁸ See, e.g., *Final Results of Antidumping Duty Administrative Review: Petroleum Wax Candles from the People's Republic of China*, 72 FR 52355, 52356 (September 13, 2007).

⁴⁹ 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., et al. v. United States*, 885 F. Supp. 2d 1343 (CIT 2012) (*Advanced Technology I*), *aff'd Advanced Technology & Materials Co., Ltd., et al. v. United States*, 938 F. Supp. 2d 1342 (CIT 2013), *aff'd Advanced Technology & Materials Co., Ltd., et al. v. United States*, Case No. 2014-1154 (Fed. Cir. 2014); see also *Diamond Sawblades and Parts Thereof from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review; 2011-2012*, 78 FR 77098 (December 20, 2013), and accompanying PDM at 7, unchanged in *Diamond Sawblades and Parts Thereof from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2011-2012*, 79 FR 35723 (June 24, 2014), and accompanying IDM at Comment 1 (*Diamond Sawblades*).

⁵⁰ See, e.g., *Advanced Technology I*, 885 F. Supp. 2d at 1349 ("The court remains concerned that Commerce has failed to consider important aspects of the problem and offered explanations that run counter to the evidence before it."); *id.* at 1351 ("Further substantial evidence of record does not support the inference that SASAC's {state-owned assets supervision and administration commission}' management' of its 'state-owned assets' is restricted to the kind of passive-investor *de jure* 'separation' that Commerce concludes."); *id.* at 1355 ("The point here is that 'governmental control' in the context of the separate rate test appears to be a fuzzy concept at least to this court, since a 'degree' of it can obviously be traced from the controlling shareholder, to the board, to the general manager, and so on along the chain to 'day-today decisions of export operations,' including terms, financing, and inputs into finished product for export."); *id.* at 1357 ("AT&M itself identifies its 'controlling shareholder' as CISRI {owned by SASAC} in its financial statements and the power to veto nomination does not equilibrate the power of control over nomination.") (footnotes omitted).

generally.⁵¹ This may include control over, for example, the selection of board members and management, a key factor in determining whether a company has sufficient independence in its export activities to merit a separate dumping margin.⁵² Consistent with normal business practices, we would expect any majority shareholder, including a government, to have the ability to control, and possess an interest in controlling, the operations of the company that it owns, including the selection of board members, management, and the profitability of the company. Accordingly, we have considered the level of government ownership in our separate rates analysis where necessary.

In order to demonstrate eligibility for separate-rate status, Commerce normally requires entities for which a review was requested, and which were assigned a separate rate in a previous segment of this proceeding, to submit a separate rate certification (SRC) stating that they continue to meet the criteria for obtaining a separate rate.⁵³ For entities that were not assigned a separate rate in the previous segment of this proceeding, to demonstrate eligibility, Commerce requires a separate rate application (SRA).⁵⁴ Companies that submit an SRA or SRC which are subsequently selected as mandatory respondents must respond to all parts of Commerce's questionnaire in order to be eligible for separate-rate status.⁵⁵

Between October 28, 2021, and November 12, 2021, Shandong Qilun, PCT, Shouguang Firemax, Zhaoqing Junhong, SRH, SRC, Qingdao Landwinner, and Qingdao Nexen applied for separate rate status, and submitted SRAs or SRCs, as appropriate.⁵⁶ On November 13, 2021, Shandong Qilun submitted a revised SRA.⁵⁷ Between December 21, 2021, and December 22, 2021, PCT and Shouguang Firemax timely withdrew from the review.⁵⁸

⁵¹ See *Carbon and Certain Alloy Steel Wire Rod from the People's Republic of China: Preliminary Determination of Sales at Less Than Fair Value and Preliminary Affirmative Determination of Critical Circumstances*, in Part, 79 FR 53169 (September 8, 2014), and accompanying PDM at 5-9 (*Wire Rod Preliminary Results*), unchanged in *Carbon and Certain Alloy Steel Wire Rod from the People's Republic of China: Final Determination of Sales at Less Than Fair Value and Final Affirmative Determination of Critical Circumstances*, in Part, 79 FR 68860 (November 19, 2014), and accompanying IDM (*Wire Rod Final Results*).

⁵² See, e.g., *Wire Rod Preliminary Results* PDM at 5-9, unchanged in *Wire Rod Final Results; Truck and Bus Tires from the People's Republic of China: Final Affirmative Determinations of Sales at Less Than Fair Value and Critical Circumstances*, 82 FR 8559 (January 27, 2017), and accompanying IDM at Comment 2; *Diamond Sawblades Manufacturers Coalition v. United States*, 866 F.3d 1304 (Fed. Cir. 2017); and *Diamond Sawblades Manufacturers Coalition v. United States*, Court Nos. 2016-1254, 1255, 2017 WL 3381909, 2017 U.S. App. LEXIS 14472 (Fed. Cir. 2017).

⁵³ See *Initiation Notice*, 85 FR 63081.

⁵⁴ *Id.*

⁵⁵ *Id.*

⁵⁶ See Shandong Qilun SRA; see also PCT SRA; Shouguang Firemax SRC; Zhaoqing Junhong SRC; SRH SRA; SRC SRA; Qingdao Landwinner SRA; and Qingdao Nexen SRA.

⁵⁷ See Shandong Qilun Revised SRA.

⁵⁸ See Shouguang Firemax's Letter, "Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China – Withdrawal of Request for Administrative Review," dated December 21, 2020; see also PCT's Letter, "Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China – Withdrawal of Request for Administrative Review," dated December 22, 2020.

Separate-Rate Recipients

We conducted separate rate analyses for Shandong Qilun, Zhaoqing Junhong, Sumitomo entities SRH and SRC, Qingdao Landwinner, and Qingdao Nexen, each of which submitted a timely SRA or SRC.

1. Wholly Foreign-Owned Companies

Qingdao Nexen, SRH, and SRC provided evidence that they are wholly foreign-owned companies.⁵⁹ Because Qingdao Nexen, SRH, and SRC are wholly foreign-owned, and we have no evidence indicating that these companies are under the control of the Chinese government, an analysis of the *de jure* and *de facto* criteria is not necessary to determine whether they are independent from government control.⁶⁰ Accordingly, we have preliminarily granted a separate rate to Qingdao Nexen, SRH, and SRC.

2. Wholly or Partially Chinese-Owned Companies

Shandong Qilun, Zhaoqing Junhong, and Qingdao Landwinner each reported that they are either wholly or partially owned by a domestic entity/entities located in China.⁶¹ In accordance with our practice, we analyzed whether these companies demonstrated an 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 to grant a company a separate rate: (1) an absence of restrictive stipulations associated with an individual exporter's business and export licenses; (2) legislative enactments decentralizing control over export activities of companies; and (3) other formal measures by the government decentralizing control over export activities of companies.⁶²

The evidence provided by Shandong Qilun, Zhaoqing Junhong, and Qingdao Landwinner, supports a preliminary finding of the absence of *de jure* government control of export activities based on the following: (1) there is an absence of restrictive stipulations associated with the individual exporter's business and export licenses; (2) there are applicable legislative enactments decentralizing control of the companies; and (3) there are formal measures by the government decentralizing control of the companies.⁶³

⁵⁹ See Qingdao Nexen SRA; see also SRH SRA; and SRC SRA.

⁶⁰ See Qingdao Nexen SRA at 8 and Exhibit 7; see also SRH SRA at 2 and Exhibit SRH-4; and SRC SRA at 2 and Exhibit SRC-4.

⁶¹ See Shandong Qilun Revised SRA; see also Zhaoqing Junhong SRC; and Qingdao Landwinner SRA.

⁶² See *Sparklers*, 56 FR at 20589.

⁶³ See Shandong Qilun Revised SRA at 9-13 and Exhibit 2; see also Zhaoqing Junhong SRC at 5-6; and Qingdao Landwinner at 8-11 and Exhibit 7.

b. Absence of *De Facto* Control

Typically, Commerce considers four factors in evaluating whether a company is subject to *de facto* government control of its export functions: (1) whether the export sales prices are set by, or are subject to the approval of, a government agency; (2) whether the company has the authority to negotiate and sign contracts and other agreements; (3) whether the company has autonomy from the government in making decisions regarding the selection of management; and (4) whether the company retains the proceeds of its export sales and makes independent decisions regarding disposition of profits or financing of losses.⁶⁴ Commerce has determined that an analysis of *de facto* control is critical in determining whether a company is, in fact, subject to a degree of government control which would preclude Commerce from assigning the company a separate rate.⁶⁵

The evidence provided by Shandong Qilun, Zhaoqing Junhong, and Qingdao Landwinner supports a preliminary finding of the absence of *de facto* government control based on evidence that the companies: (1) set their own export sales prices independent of the government and without the approval of a government authority; (2) have the authority to negotiate and sign contracts and other agreements; (3) maintain autonomy from the government in making decisions regarding the selection of management; and (4) retain the proceeds of their respective export sales and make independent decisions regarding the disposition of profits or financing of losses.⁶⁶

Based on the above analysis, we have preliminarily granted separate rate status to Shandong Qilun, Zhaoqing Junhong, SRH, SRC, Qingdao Landwinner,⁶⁷ and Qingdao Nexen.

⁶⁴ 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 (May 8, 1995).

⁶⁵ *Id.*

⁶⁶ See Shandong Qilun Revised SRA at 13-18 and Exhibit 5; see also Zhaoqing Junhong SRC at 6-7; and Qingdao Landwinner SRA at 11-14 and Exhibit 7.

⁶⁷ The petitioner commented regarding the bona fides of the sales that are the basis for the separate rate application by Qingdao Landwinner. However, Commerce's practice is not to perform a bona fides analysis on sales made by separate rate applicants that are not mandatory respondents. See, e.g., *Certain New Pneumatic Off the-Road Tires from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2012-2013*, 80 FR 20197 (April 15, 2015) at Comment 3. Rather, we rely upon CBP data and/or CBP entry documentation to determine if the separate rate applicant had suspended entries during the POR. If there is record evidence of suspended entries, then the Department considers whether the documentation provided by the separate rate applicants establishes that they are entitled to a separate rate. See *Aluminum Extrusions from the People's Republic of China: Final Results of Antidumping Duty Administrative Review and Rescission, in Part, 2010/12*, 79 FR 96 (January 2, 2014), and accompanying IDM at Comment 8. Qingdao Landwinner placed CBP entry documentation on the record in their separate rate applications demonstrating that they had suspended entries during the POR and other information demonstrating an absence of *de jure* and *de facto* government control under the criteria identified in *Sparklers* and *Silicon Carbide*. Thus, we have preliminarily granted separate rate status to Qingdao Landwinner.

3. China-Wide Entity

Under Commerce’s policy regarding conditional review of the China-wide entity,⁶⁸ the China-wide entity will not be under review unless a party specifically requests, or Commerce self-initiates, a review of the entity. Because no party requested a review of the China-wide entity in this review, the entity is not under review, and the entity’s current cash deposit rate of 76.46 percent is not subject to change.⁶⁹

4. Separate Rate for Eligible Non-Selected Respondents

The statute and Commerce’s regulations do not identify the rate to be applied to respondents not selected for individual examination in an administrative review, pursuant to section 777A(c)(2) of the Act. Generally, Commerce looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in an investigation, for guidance when calculating the rate for respondents which were not individually examined in an administrative review. Under section 735(c)(5)(A) of the Act, the all-others rate is normally “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 dumping margins, and any dumping margins determined entirely {on the basis of facts available}.” When the weighted-average dumping margins established for all individually examined respondents are zero, *de minimis*, or based entirely on facts available, 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.” In these preliminary results, Commerce has calculated a rate for the mandatory respondent SRI which is not zero, *de minimis*, or based entirely on facts available. Therefore, in accordance with section 735(c)(5)(A) of the Act and its prior practice, Commerce has preliminarily assigned SRI’s calculated rate (*i.e.*, 1.18 percent) as the separate rate for non-examined separate rate applicants not individually examined.

Surrogate Country

When Commerce is investigating or reviewing imports from an NME country, section 773(c)(1) of the Act directs us to base NV, in most circumstances, on the NME producer’s factors of production (FOPs), valued in a surrogate market economy (ME) country or countries considered to be appropriate by Commerce. Specifically, 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: (A) at a level of economic development comparable to that of the NME country; and (B) significant producers of comparable merchandise.⁷⁰ If there are multiple potential surrogate countries that are at a level of economic development comparable to

⁶⁸ 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, 65970 (November 4, 2013).

⁶⁹ See *Order*, 80 FR at 47902.

⁷⁰ For a description of our practice, see Policy Bulletin 04.1: Non-Market Economy Surrogate Country Selection Process (March 1, 2004) (Policy Bulletin 04.1), available at <https://enforcement.trade.gov/policy/bull04-1.html>.

that of the NME country and are significant producers of comparable merchandise, Commerce will consider which potential surrogate country has the best data available.⁷¹

As a general rule, Commerce selects a surrogate country that is at the same level of economic development as the NME unless we determine that none of the countries are viable options because: (a) they either 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.⁷² 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 per capita gross national income (GNI) data from the World Bank's *World Development Report*.⁷³ Further, Commerce normally values all FOPs in a single surrogate country.⁷⁴ If more than one country satisfies the two criteria noted above, Commerce narrows the field of potential surrogate countries to a single country based on data availability and quality.

1. Economic Comparability

Section 773(c)(4)(A) of the Act states that Commerce “shall utilize, to the extent possible, the prices or costs of {FOPs} in one or more market economy countries that are ... at a level of economic development comparable to that of the {NME} country.” The applicable statute does not expressly define the phrase “level of economic development comparable” or what methodology Commerce must use in evaluating this criterion. The U.S. Court of International Trade (CIT) has found the use of per capita GNI to be a “consistent, transparent, and objective metric to identify and compare a country’s level of economic development” and “a reasonable interpretation of the statute.”⁷⁵

On January 26, 2021, consistent with our practice, and section 773(c)(4) of the Act, we identified Romania, Russia, Malaysia, Turkey, Mexico, and Brazil as countries at the same level of economic development as China, based on per capita GNI data from the World Bank's *World Development Report*.⁷⁶ Therefore, we consider all six countries as having met this economic comparability prong of the surrogate country selection criteria. The countries identified are not ranked and are considered equivalent in terms of economic comparability. As noted above, we received timely comments on surrogate country selection from the petitioner and SRI.

⁷¹ *Id.*

⁷² *Id.*

⁷³ *Id.*

⁷⁴ See 19 CFR 351.408(c)(2).

⁷⁵ See *Jiaxing Brother Fastener Co. v. United States*, 961 F. Supp. 2d 1323, 1329 (CIT 2014), *aff'd Jiaxing Brother Fastener Co. v. United States*, 822 F.3d 1289 (Fed. Cir. 2016).

⁷⁶ See Commerce's Letter, “Administrative Review of Passenger Vehicle and Light Truck Tires from the People's Republic of China: Request for Economic Development, Surrogate Country and Surrogate Value Comments and Information,” dated January 26, 2021.

2. Significant Producer of Comparable Merchandise

Section 773(c)(4)(B) of the Act requires Commerce, to the extent possible, to value FOPs in a surrogate country that is a significant producer of comparable merchandise. Neither the statute nor Commerce's regulations provide further guidance on what may be considered "a significant producer" or "comparable merchandise." Given the absence of any definition in the Act or regulations, Commerce looks to other sources such as the Policy Bulletin 04.1 for guidance on defining comparable merchandise. The Policy Bulletin 04.1 states that "in all cases, if identical merchandise is produced, the country qualifies as a producer of comparable merchandise."⁷⁷ Conversely, if identical merchandise is not produced, then a country producing comparable merchandise is sufficient in selecting a surrogate country.⁷⁸ Further, when selecting a surrogate country, the Act requires Commerce to consider the comparability of the merchandise, not the comparability of the industry.⁷⁹ "In cases where the identical merchandise is not produced, Commerce must determine if other merchandise that is comparable is produced. How Commerce does this depends on the subject merchandise."⁸⁰ In this regard, Commerce recognizes that any analysis of comparable merchandise must be done on a case-by-case basis.

Further, the Act grants Commerce discretion to examine various data sources for determining the best available information.⁸¹ The legislative history provides that the term "significant producer" includes any country that is a significant "net exporter."⁸² Therefore, to determine whether the above-referenced countries are significant producers of comparable merchandise, Commerce's practice is to examine which countries on the potential surrogate country list exported merchandise comparable to the merchandise under consideration.⁸³

Following our practice, we analyzed exports of comparable merchandise, as defined by the Harmonized Tariff Schedule (HTS) subheadings listed in the scope of the *Order*, from the economically comparable countries during the POR as a proxy for production data.⁸⁴ We obtained export data using the Global Trade Atlas (GTA) values for HTS items 4011.10 (New Pneumatic Tires, Of Rubber, Of A Kind Used On Motor Cars) and 4011.20 (New Pneumatic Tires, Of Rubber, Of A Kind Used On Buses Or Trucks).⁸⁵ Based on these data, we preliminarily find that Brazil, Malaysia, Mexico, Romania, Russia, and Turkey reported export volumes of identical or comparable merchandise in the POR. Therefore, we preliminarily find

⁷⁷ See Policy Bulletin 04.1 at 2.

⁷⁸ Policy Bulletin 04.1 at note 6 ("If considering a producer of identical merchandise leads to data difficulties, the operations team may consider countries that produce a broader category of reasonably comparable merchandise.")

⁷⁹ See *Sebacic Acid from the People's Republic of China; Final Results of Antidumping Duty Administrative Review*, 62 FR 65674, 65675-76 (December 15, 1997) ("{T}o impose a requirement that merchandise must be produced by the same process and share the same end uses to be considered comparable would be contrary to the intent of the statute").

⁸⁰ See Policy Bulletin 04.1 at 2.

⁸¹ See section 773(c) of the Act; see also *Nation Ford Chem. Co. v. United States*, 166 F.3d 1373, 1377 (CAFC 1990).

⁸² See Conference Report to the 1988 Omnibus Trade & Competitiveness Act, H.R. Rep. No. 100-576 at 590 (1988).

⁸³ See Policy Bulletin 04.1.

⁸⁴ See *Certain Uncoated Paper from the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 81 FR 3112 (January 20, 2016), and accompanying IDM at Comment 1.

⁸⁵ See Memorandum, "Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China: Preliminary Surrogate Value Memorandum," dated concurrently with the instant memorandum (Preliminary SV Memorandum).

that Brazil, Malaysia, Mexico, Romania, Russia, and Turkey meet the “significant producer of comparable” requirement of section 773(c)(4) of the Act.⁸⁶

3. Data Availability

If more than one potential surrogate country satisfies the statutory threshold requirements for selection as a surrogate country, Commerce selects the primary surrogate country based on data availability and reliability.⁸⁷ When evaluating SV data, Commerce considers several factors, including whether the SV data are publicly available, contemporaneous with the POR, representative of a broad market average, tax and duty-exclusive, and specific to the inputs being valued.⁸⁸ There is no hierarchy among these criteria.⁸⁹ Commerce’s preference is to satisfy the breadth of these selection criteria.⁹⁰ Moreover, it is Commerce’s practice to consider carefully the available evidence in light of the particular facts of each industry when undertaking its analysis of valuing the FOPs.⁹¹ Commerce must weigh the available information with respect to each input value and make a product-specific and case-specific decision as to what constitutes the “best” available SV for each input.⁹²

The petitioner submitted Russian SV information on the record, and SRI submitted Malaysian SV information.⁹³

As noted above, Commerce identified several countries, including Malaysia and Russia, as countries at the same level of economic development as China. Commerce determines that data from Malaysia offers the best available surrogate value information and rejects the Russian data because data from Malaysia covered each type of FOP used by SRI, whereas Russian data does not contain useable imports for natural rubber. Additionally, Russian import data for the natural rubber HTS category, 400121, show that imports were from countries that Commerce disregards for purposes of import surrogate values (*i.e.*, Indonesia and Thailand). In accordance with the legislative history of the Omnibus Trade and Competitiveness Act of 1988,⁹⁴ Commerce continues to apply its longstanding practice of disregarding SVs if it has a reason to believe or suspect the source data may include subsidies.⁹⁵ Commerce finds it reasonable to infer that exporters from Indonesia and Thailand may have benefitted from subsidy programs made

⁸⁶ See Policy Bulletin 04.1.

⁸⁷ See 19 CFR 351.408(c)(2) (“{Commerce} normally will value all factors in a single surrogate country.”)

⁸⁸ See Policy Bulletin 04.1; see also *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.

⁸⁹ See, e.g., *Certain Preserved Mushrooms from the People’s Republic of China: Final Results and Final Partial Rescission of the Sixth Administrative Review*, 71 FR 40477 (July 17, 2006) (*Mushrooms China Final*), and accompanying IDM at Comment 1.

⁹⁰ 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).

⁹¹ See *Mushrooms China Final* IDM at Comment 1.

⁹² *Id.*

⁹³ See Petitioner’s SV Comments; see also SRH SV Comments.

⁹⁴ See Conf. Report to Accompany H.R. 3, H.R. Rep. No. 576, 100th Cong., 2nd Sess. (1988) at 590.

⁹⁵ See *China Nat’l Mach. Import & Export Corp. v. United States*, 293 F. Supp. 2d at 1334 (CIT 2003), *aff’d* 104 Fed. Appx. 183 (Fed. Cir. 2004).

available to all exporters and producers in these countries at the time of the POR.⁹⁶ Malaysian data does not contain imports from countries that would be disqualified from consideration.

Record information for valuing financial ratios include the 2020 financial statements of the following Malaysian companies: Sun Yuen Rubber Manufacturing Co. SDN. BHD. (Sun Yuen) and Golden Horse Rubber SDN. BHD (Golden Horse); and the 2019 financial statements of Sun Tyre Industries SDN. BHD. (Sun Tyre) and Toyo Tyre Malaysia SDN BHD (Toyo Tyre).⁹⁷ We preliminarily find Toyo Tyre’s financial statements to be the best available information for calculating surrogate financial ratios because they are from a company that produces comparable merchandise.⁹⁸ SRI provided evidence on the record indicating that the products Sun Yuen and Sun Tyre produces are not comparable to passenger tires. Sun Yuen’s financial statement indicates its principal activities are “manufacturing of rubber tubes, air bags, and other similar products for all types of motor vehicles.”⁹⁹ Sun Tyre’s financial statement indicates its principal activities are “the retreading of tyres, dealing in rubber products and investment holding.”¹⁰⁰ The 2020 financial statement for Golden Horse indicates an affiliation with Qingdao Fullrun Tyre Corp., Ltd., a producer and exporter of subject merchandise in China.¹⁰¹

For the *Preliminary Results*, pursuant to 19 CFR 351.408(c)(4), Commerce valued factory overhead, selling, general and administrative expenses, and profit using non-proprietary information gathered from Toyo Tyre, a Malaysian tire company, for the fiscal year ending December 31, 2019. Specifically, Toyo Tyre’s financial statement states that the principal activities of the company are the “manufacture and sale of tyres, rubber compounds and other related rubber products.”¹⁰² Additionally, Commerce has a regulatory preference to “value all factors in a single surrogate country,” pursuant to 19 CFR 351.408(c)(2), as well as a practice “to only resort to a secondary surrogate country if data from the primary surrogate country are unavailable or unreliable.”

We preliminarily find that the Malaysian SV data are the best information available on the record for valuing FOPs because Malaysia is a significant producer of comparable merchandise, and that the record contains complete, publicly available, and contemporaneous Malaysian data.¹⁰³ We preliminarily find that Toyo Tyre’s financial statements are the best information available on the record with which to calculate surrogate financial ratios because they are complete, fully translated, and contemporaneous with the POR. Further, Toyo Tyre’s financial statements are specific to the respondent’s financial and market experience because they are from a producer of passenger tires.¹⁰⁴ Therefore, we preliminarily find that Malaysia best meets our criteria for

⁹⁶ See *Certain Cut-to-Length Carbon-Quality Steel Plate from Indonesia: Final Results of Expedited Sunset Review*, 70 FR 45692 (August 8, 2005), and accompanying IDM at 4; see also *Certain Frozen Warmwater Shrimp from Thailand: Final Negative Countervailing Duty Determination*, 78 FR 50379 (August 19, 2013), and accompanying IDM at IV.

⁹⁷ See SRH SV Comments at Attachment 7, 8, and 9; see also SRH’s Additional SV Comments at Attachment 2.

⁹⁸ See SRH SV Comments at Attachment 9.

⁹⁹ *Id.* at Attachment 7.

¹⁰⁰ *Id.* at Attachment 8.

¹⁰¹ See SRH’s Additional SV Comments at 2 and Attachment 2; see also Petitioner’s Additional Rebuttal Comments at 2 and Exhibit 1.

¹⁰² See SRH SV Comments at Attachment 9.

¹⁰³ *Id.*

¹⁰⁴ *Id.*

selection as the primary surrogate country because Malaysia is: (1) at the level of economic development comparable to that of China; (2) a significant producer of merchandise comparable to the merchandise under consideration; and (3) the source of the best available data for valuing FOPs. An explanation of the SVs upon which Commerce is preliminarily relying can be found in the “Normal Value” section of this memorandum.

Date of Sale

In identifying the date of sale of subject merchandise, in accordance with 19 CFR 351.401(i), Commerce will normally “use the date of invoice, as recorded in the exporter or producer’s records kept in the normal course of business” unless a different date better reflects the date on which the material terms of sale (*e.g.*, price and quantity) are established.¹⁰⁵ Furthermore, we have a long-standing practice of finding that, where shipment date precedes invoice date, shipment date better reflects the date on which the material terms of sale are established.¹⁰⁶ Sumitomo reported the date of the invoice as the date of sale.¹⁰⁷ Commerce found no evidence contrary to Sumitomo’s claim that the invoice date reflected the date on which the material terms of sale were established. Thus, because record evidence does not demonstrate that the material terms of sale were established on another date, Commerce used the invoice date as the date of sale for these preliminarily results, in accordance with 19 CFR 351.401(i).¹⁰⁸

Comparisons to NV

Pursuant to section 773(a) of the Act and 19 CFR 351.414(c)(1) and (d), to determine whether SRI’s sales of subject merchandise from China to the United States were made at less than NV, we compared net U.S. sales prices to NV as described in the “Export Price” and “Normal Value” sections of this memorandum.

1. Comparison Method

Pursuant to 19 CFR 351.414(c)(1), Commerce calculates dumping margins by comparing weighted-average NVs to weighted-average EPs or CEPs (the average-to-average comparison method) unless Commerce determines that another method is appropriate in a particular situation. In AD investigations, Commerce examines whether to compare weighted-average NVs to the prices of individual export transactions (the average-to-transaction comparison method) as an alternative comparison method using an analysis consistent with section

¹⁰⁵ See, *e.g.*, *Notice of Final Determinations of Sales at Less Than Fair Value; Certain Cold-Rolled Flat-Rolled Carbon Quality Steel Products from Turkey*, 65 FR 15123 (March 21, 2000), and accompanying IDM at Comment 1.

¹⁰⁶ See, *e.g.*, *Certain Cut-to-Length Carbon-Quality Steel Plate Products from the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review; 2016-2017*, 83 FR 10670 (March 12, 2018), and accompanying PDM at 6-7, unchanged in *Certain Cut-to-Length Carbon-Quality Steel Plate Products from the Republic of Korea: Final Results of Antidumping Duty Administrative Review; 2016-2017*, 83 FR 32629 (July 13, 2018).

¹⁰⁷ See SRH January 29, 2021 CQR at 16.

¹⁰⁸ See, *e.g.*, *Notice of Final Determination of Sales at Less Than Fair Value and Negative Final Determination of Critical Circumstances: Certain Frozen and Canned Warmwater Shrimp from Thailand*, 69 FR 76918 (December 23, 2004), and accompanying IDM at Comment 10; see also *Allied Tube and Conduit Corp. v. United States*, 132 F. Supp. 2d 1087, 1090-92 (CIT 2001) (upholding Commerce’s rebuttable presumption that invoice date is the appropriate date of sale).

777A(d)(1)(B) of the Act. Although section 777A(d)(1)(B) of the Act does not strictly govern Commerce’s 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 AD investigations.¹⁰⁹

In numerous investigations and reviews, Commerce applied a “differential pricing” analysis to determine whether the application of average-to-transaction comparisons is appropriate in a particular situation pursuant to 19 CFR 351.414(c)(1) and consistent with section 777A(d)(1)(B) of the Act.¹¹⁰ Commerce finds the differential pricing analysis is instructive for purposes of examining whether to apply an alternative comparison method in this administrative review.¹¹¹ 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 average-to-average method in calculating weighted-average dumping margins.

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

¹⁰⁹ See *Ball Bearings and Parts Thereof from France, Germany, and Italy: Final Results of Antidumping Duty Administrative Reviews*; 2010–2011, 77 FR 73415 (December 10, 2012), and accompanying 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).

¹¹⁰ See *Hardwood and Decorative Plywood from the People’s Republic of China: Antidumping Duty Investigation*, 78 FR 25946 (May 3, 2013), unchanged in *Hardwood and Decorative Plywood*; see also *Certain Steel Threaded Rod from the People’s Republic of China: Preliminary Results of Antidumping Duty Administrative Review*; 2011–2012, 78 FR 21101 (April 9, 2013), unchanged in *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 *Certain Lined Paper Products from the People’s Republic of China: Preliminary Results and Rescission in Part of Antidumping Duty Administrative Review*; 2011–2012, 78 FR 34640 (June 10, 2013), unchanged in *Certain Lined Paper Products from the People’s Republic of China: Notice of Final Results and Partial Rescission of Antidumping Duty Administrative Review*; 2011–2012, 78 FR 65274 (October 31, 2013).

¹¹¹ See, e.g., *Activated Carbon from the People’s Republic of China: Preliminary Results of Antidumping Duty Administrative Review*; 2011–2012, 78 FR 26748 (May 8, 2013), unchanged in *Certain Activated Carbon from the People’s Republic of China: Final Results of Antidumping Duty Administrative Review*; 2011–2012, 78 FR 70533 (November 26, 2013), and accompanying IDM at Comment 4.

In the first stage of the differential pricing analysis used here, we applied the “Cohen’s *d* test.” The Cohen’s *d* test is a generally recognized statistical measure of the extent of the difference between the mean of a test group and the mean of a comparison group. First, for comparable merchandise, we applied the Cohen’s *d* test when the test and comparison groups of data each have at least two observations, and when the sales quantity for the comparison group accounts for at least five percent of the total sales quantity of the comparable merchandise. Then, we calculated the Cohen’s *d* coefficient to evaluate the extent to which the net prices to a particular purchaser, region, or in a time period differ significantly from the net prices of all other sales of comparable merchandise. The extent of these differences can be quantified by one of three fixed thresholds defined by the Cohen’s *d* test: small, medium, or large. Of these thresholds, the large threshold provides the strongest indication that there is a significant difference between the means of the test and comparison groups, while the small threshold provides the weakest indication that such a difference exists. For this analysis, we considered the difference significant, and the sales in the test group were found to have passed 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, we used the “ratio test” to assess 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 average-to-transaction comparison method to all sales as an alternative to the average-to-average comparison method. If the value of sales to purchasers, regions, and time periods that pass the Cohen’s *d* test accounts for more than 33 percent and less than 66 percent of the value of total sales, then the results support consideration of the application of an average-to-transaction comparison method to those sales identified as passing the Cohen’s *d* test as an alternative to the average-to-average comparison method, and application of the average-to-average comparison method to those sales identified as not passing the Cohen’s *d* test. If 33 percent or less of the value of total sales passes the Cohen’s *d* test, then the results of the Cohen’s *d* test do not support consideration of an alternative to the average-to-average comparison method.

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

Interested parties may present arguments and justifications in relation to the above-described differential pricing approach used in these preliminary results of review, including arguments for modifying the group definitions used in this review.¹¹²

2. Results of the Differential Pricing Analysis

For SRI, based on the results of the differential pricing analysis, Commerce preliminarily finds that 56.50 percent of the value of U.S. sales pass the Cohen's *d* test,¹¹³ and confirms the existence of a pattern of prices that differ significantly among purchasers, regions, or time periods. Further, Commerce preliminarily determines that there is a meaningful difference between the weighted-average dumping margin calculated using the average-to-average method and the weighted-average dumping margin calculated using an alternative comparison method based on applying the average-to-transaction method to those U.S. sales which passed the Cohen's *d* test and the average-to-average method to those sales which did not pass the Cohen's *d* test. Thus, for these preliminary results, Commerce is applying the mixed alternative method for all U.S. sales to calculate the weighted-average dumping margin for SRI.

U.S. Price

Constructed Export Price

In accordance with section 772(b) of the Act, CEP is “the price at which the subject merchandise is first sold (or agreed to be sold) in the United States before or after the date of importation by or for the account of the producer or exporter of such merchandise or by a seller affiliated with the producer or exporter, to a purchaser not affiliated with the producer or exporter, as adjusted under subsections (c) and (d).” SRI reported that it made all of its U.S. sales on a CEP basis.¹¹⁴

Where appropriate, we made deductions from the starting price (gross unit price) for billing adjustments, rebates, discounts, foreign, international, and U.S. movement expenses section 772(c)(2)(A) of the Act. We also made adjustments for direct and indirect selling expenses, credit expenses, advertising expenses, warranty expenses, and inventory carrying costs, all of which relate to commercial activity in the United States, in accordance with section 772(d)(1) of the Act. In addition, we made adjustments for CEP profit, in accordance with sections 772(d)(3) and 772(f) of the Act.

1. Value-Added Tax (VAT)

Commerce's practice, in calculating EP and CEP in NME cases, is to subtract the amount of any un-refunded (irrecoverable) VAT, in accordance with section 772(c)(2)(B) of the Act.¹¹⁵ Where the irrecoverable VAT is a fixed percentage of the U.S. price, Commerce performs a tax-neutral

¹¹² The U.S. Court of Appeals for the Federal Circuit (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.

¹¹³ See Sumitomo Preliminary Calculation Memorandum at Differential Pricing Analysis.

¹¹⁴ See SRH January 29, 2021 CQR at 15.

¹¹⁵ 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, 36483-84 (June 19, 2012).

dumping calculation by reducing the U.S. price by this percentage.¹¹⁶ Thus, Commerce's methodology essentially amounts to performing two basic steps: (1) determining the amount (or rate) of the irrecoverable VAT tax on subject merchandise; and (2) reducing U.S. price by the amount (or rate) determined in step one.

The Chinese VAT schedule on the record demonstrates that the VAT rate and the rate for rebating VAT on subject merchandise upon exportation were the same throughout the POR.¹¹⁷ Thus, the record indicates that there is no irrecoverable VAT associated with the exportation of subject merchandise. For purposes of these preliminary results of review, therefore, we have not reduced U.S. prices for VAT.

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 case 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.¹¹⁸ 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.¹¹⁹ We used quantities/distances (as appropriate) reported by SRI for materials, energy, labor, by-products, packing, and freight in our NV calculations. In accordance with section 773(c) of the Act and 19 CFR 351.408(c)(1), we calculated the cost of FOPs by multiplying each of the reported per-unit FOP consumption quantities by the relevant publicly available SV. We summed the surrogate input cost and surrogate freight cost for transporting the input to SRI to derive the total cost of each input used by SRI to produce passenger.

1. Factor Valuations

We used the FOPs reported by SRI 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 the cost of FOPs by multiplying the reported per-unit FOP consumption rates by publicly available SVs.¹²⁰ We summed the FOP and freight costs to derive NV. When selecting from among the available information for valuing FOPs, we considered, among other criteria, whether the SVs are publicly available, and contemporaneous with the POR or closest in time to the

¹¹⁶ *Id.*

¹¹⁷ See SRH January 29, 2021 CQR at C-40 through C-42 and Exhibit C-26-D.

¹¹⁸ 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).

¹¹⁹ See Section 773(c)(3)(A)-(D) of the Act.

¹²⁰ See Preliminary SV Memorandum.

POR.¹²¹ As appropriate, we adjusted FOP costs by including freight costs to make them delivered values. Specifically, we added a surrogate freight cost, where appropriate, to surrogate input values using the shorter of the reported distance from the domestic supplier to the respondent's factory or the distance from the nearest seaport to the respondent's factory.¹²² An overview of the SVs used to calculate weighted-average dumping margins for the mandatory respondent is described below. For a detailed description of all SVs used to calculate the weighted-average dumping margins, *see* the Preliminary SV Memorandum.

A. Direct and Packing Materials

Except as noted below, we based SVs for direct materials, packing materials, and by-products on import values from the GTA for Malaysia, the primary surrogate country selected for this review. These values are generally publicly available, representative of a broad market average, contemporaneous with the POR, product-specific, and tax-exclusive.¹²³

Pursuant to section 773(c)(5) of the Act and the legislative history of the Omnibus Trade and Competitiveness Act of 1988, Commerce continues to apply its long-standing practice of disregarding certain prices as SVs if it has reason to believe or suspect that those prices may have been dumped or subsidized.¹²⁴ In this regard, Commerce previously found that it is appropriate to disregard such prices from India, Indonesia, South Korea, and Thailand because we determined that these countries maintain broadly available, non-industry specific, export subsidies.¹²⁵ Based on the existence of these subsidy programs that were generally available to all exporters and producers in these countries at the time of the POR, Commerce finds 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 the prices of goods imported into Malaysia from India, Indonesia, South Korea, and Thailand to calculate import-based SVs. Commerce similarly disregarded prices from NME countries. Finally, imports that were labeled as originating from an "unspecified" country were excluded from the average value, since Commerce could not be certain that these imports were not from either an NME country or a country with generally available export subsidies.¹²⁶

¹²¹ *See, 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).

¹²² *See Sigma Corp. v. United States*, 117 F. 3d 1401, 1407-08 (Fed. Cir. 1997) (*Sigma Corp.*).

¹²³ *See* Preliminary SV Memorandum.

¹²⁴ *See* Omnibus Trade and Competitiveness Act of 1988, Conf. Report to Accompany H.R. 3, H.R. Rep. No. 576, 100th Cong., 2nd Sess. (1988) at 590.

¹²⁵ *See, e.g., Carbazole Violet Pigment 23 from India: Final Results of the Expedited Five-year (Sunset) Review of the Countervailing Duty Order*, 75 FR 13257 (March 19, 2010), and accompanying IDM at 4-5; *Certain Cut-to-Length Carbon-Quality Steel Plate from Indonesia: Final Results of Expedited Sunset Review*, 70 FR 45692 (August 8, 2005), and accompanying IDM at 4; *Corrosion-Resistant Carbon Steel Flat Products from the Republic of Korea: Final Results of Countervailing Duty Administrative Review*, 74 FR 2512 (January 15, 2009), and accompanying IDM at 17, 19-20; and *Certain Frozen Warmwater Shrimp from Thailand: Final Negative Countervailing Duty Determination*, 78 FR 50379 (August 19, 2013), and accompanying IDM at IV.

¹²⁶ *See, e.g., Polyethylene Terephthalate Film, Sheet, and Strip from the People's Republic of China: Preliminary Determination of Sales at Less Than Fair Value*, 73 FR 24552, 24559 (May 5, 2008), unchanged in *Polyethylene*

B. Energy

We valued electricity using purchase prices for electricity, natural gas, and water as reported by Malaysia Cost of Doing Business published by the Malaysian Investment Development Authority in 2020.¹²⁷ We valued natural gas using statistics published by Gas Malaysia.¹²⁸

C. Labor

In *Labor Methodologies*,¹²⁹ Commerce determined that the best methodology to value the labor input is to use industry-specific labor rates from the primary surrogate country. Commerce does not, however, preclude other sources for valuing labor.¹³⁰ Rather, we continue to follow our practice of selecting the best available information. Here, we determined that the best data source from the primary surrogate country was the labor data from the Department of Statistics, Malaysia, published in 2021.¹³¹

D. Movement Services

We used Malaysia Cost of Doing Business published by the Malaysian Investment Development Authority in 2020 to value foreign inland freight and brokerage and handling (B&H).¹³²

E. Financial Ratios

Pursuant to 19 CFR 351.408(c)(4), Commerce values selling, general and administrative (SG&A) expenses, factory overhead expenses, and profit using publicly available information gathered from producers of comparable merchandise in the surrogate country. To value factory overhead, SG&A expenses, and profit for these preliminary results, we relied on the 2019 financial statements from Toyo Tyre, a Malaysian producer of tires, rubber compounds and other related rubber products, which represents the best available information on the record.¹³³ As stated above, we preliminarily find Toyo Tyre's financial statements to be the best available information for calculating surrogate financial ratios because they are from a company that produces comparable merchandise (*i.e.*, passenger tires) among its products.

F. Adjustments Under Section 777A(f) of the Act

In applying section 777A(f) of the Act, the Commerce examines: (1) whether a countervailable subsidy (other than an export subsidy) has been provided with respect to a class or kind of

Terephthalate Film, Sheet, and Strip from the People's Republic of China: Final Determination of Sales at Less Than Fair Value, 73 FR 55039 (September 24, 2008); and Preliminary SV Memorandum.

¹²⁷ See SRH SV Comments at Attachment 5.

¹²⁸ *Id.* at Attachment 6.

¹²⁹ See *Antidumping Methodologies in Proceedings Involving Non-Market Economies: Valuing the Factor of Production: Labor*, 76 FR 36092-36094 (June 21, 2011) (*Labor Methodologies*).

¹³⁰ See *Steel Wire Garment Hangers from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review; 2012–2013*, 79 FR 65616 (November 5, 2014), and accompanying IDM at 11.

¹³¹ See SRH's Additional SV Comments at Attachment 1.

¹³² See SRH SV Comments at Attachment 10.

¹³³ *Id.* at Attachment 9.

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.¹³⁴ For a subsidy meeting these criteria, the statute requires Commerce to reduce the AD cash deposit rate by the estimated amount of the increase in the weighted-average dumping margin subject to a specified cap.¹³⁵ In conducting this analysis, Commerce has not concluded that concurrent application of NME dumping duties and countervailing duties (CVDs) 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.

For purposes of our analysis under sections 777A(f)(1)(A) and (f)(1)(C) of the Act, we requested firm-specific information from Sumitomo.¹³⁶ We sought information regarding whether countervailed subsidies were received during the relevant period, information on costs, and information regarding the respondent's pricing policies and practices. Additionally, we required Sumitomo to provide documents supporting the information provided. On January 7, 2021, Sumitomo submitted its response to Commerce's double remedies questionnaire.¹³⁷ The responses included information concerning countervailable subsidies received during the relevant period, as well as information regarding Sumitomo's costs and pricing policies and practices.

Analysis

Even though Sumitomo is not a mandatory respondent in the completed companion CVD administrative review, it reported receiving countervailable subsidies for the provisions of carbon black, nylon cord, synthetic rubber/butadiene, natural rubber, and electricity for less than adequate remuneration (LTAR).¹³⁸ Sumitomo also provided monthly POR costs for its purchases of carbon black, nylon cord, synthetic rubber/butadiene, natural rubber, and electricity.¹³⁹

In accordance with section 777A(f)(1)(A) of the Act, Commerce examined whether a countervailable subsidy (other than an export subsidy) has been provided with respect to a class or kind of merchandise. Sumitomo provided information regarding its monthly costs for the POR associated with its purchases of carbon black, nylon cord, synthetic rubber/butadiene, natural rubber, and electricity.¹⁴⁰ Because Commerce found the provision of carbon black, nylon cord, synthetic rubber/butadiene, natural rubber, and electricity for LTAR to be countervailable with respect to the class or kind of merchandise under consideration in the most recently

¹³⁴ See section 777A(f)(1)(A)-(C) of the Act.

¹³⁵ See section 777A(f)(1)-(2) of the Act.

¹³⁶ See Commerce's Letter, "Administrative Review of the Antidumping Order on Passenger Vehicle and Light Truck Tires from the People's Republic of China: Double Remedy Questionnaire," dated December 7, 2020.

¹³⁷ See SRH Double Remedy QR.

¹³⁸ *Id.* at 7-8.

¹³⁹ *Id.* at Exhibits DR-3 through DR-7

¹⁴⁰ *Id.* at Exhibits DR-4 and DR-5.

completed companion CVD administrative review, Commerce preliminarily finds that the requirement of section 777A(f)(1)(A) of the Act has been met.¹⁴¹

While countervailable subsidies have been provided with respect to passenger tires,¹⁴² we have not found a general decrease in the U.S. average import price during the relevant period. Section 777A(f)(1)(B) of the Act requires Commerce to determine whether such countervailable subsidies have been demonstrated to have reduced the average price of imports of the class or kind of merchandise during the relevant period. To make this determination, we examined International Trade Commission (ITC) import data for the POR.¹⁴³ Based on this information, Commerce preliminarily finds that import prices of the class or kind of merchandise at issue during that relevant period increased.¹⁴⁴ As there was no general decrease in the U.S. average import price during the relevant period, we preliminarily find that the requirement under section 777A(f)(1)(B) of the Act has not been met, and hence we did not make an adjustment under section 777A(f) of the Act.

Additionally, in accordance with section 777A(f)(1)(C) of the Act, Commerce examined whether Sumitomo demonstrated: (1) a subsidies-to-cost link, *i.e.*, a subsidy effect on the cost of manufacturing (COM) the merchandise under consideration; and (2) a cost-to-price link, *i.e.*, respondent's prices were dependent on changes in the COM. With respect to the subsidies-to-cost link, in its double remedies questionnaire response, Sumitomo reported that it consumed carbon black, nylon cord, synthetic rubber/butadiene, natural rubber, and electricity in the production of subject merchandise and that it received subsidies for these inputs.¹⁴⁵

Sumitomo provided information in support of its claim that the subsidy programs it benefitted from affected its COM. Sumitomo stated that export prices may fluctuate to reflect changes in the cost of production at its plants.¹⁴⁶ However, the supporting documentation provided by Sumitomo does not demonstrate a discernable link between the subsidies and COM. Therefore, Commerce preliminarily concludes that Sumitomo did not establish a subsidies-to-cost link because it did not demonstrate how the subsidies for the provision of carbon black, nylon cord, synthetic rubber/butadiene, natural rubber, and electricity for LTAR impact Sumitomo's costs for producing subject merchandise.

For the cost-to-price link, Commerce examined whether Sumitomo demonstrated that changes in costs affected, or are taken into consideration when setting, prices. Sumitomo stated that certain U.S. customers regularly track the costs of major raw material inputs used in the production of subject merchandise, and on occasion request downward price adjustments when those costs are seen to decline.¹⁴⁷ In addition, Sumitomo provided customer price lists in its response.¹⁴⁸

¹⁴¹ See *Countervailing Duty Order on Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China: Final Results of Countervailing Duty Administrative Review; 2017*, 85 FR 22718 (April 23, 2020), and accompanying IDM at 25-27.

¹⁴² See SRH Double Remedy QR; and Sumitomo Preliminary Calculation Memorandum at Attachment IV.

¹⁴³ See Sumitomo Preliminary Calculation Memorandum at Attachment IV.

¹⁴⁴ *Id.*

¹⁴⁵ See SRH Double Remedy QR at 7-8.

¹⁴⁶ *Id.* at 2.

¹⁴⁷ *Id.* at 3.

¹⁴⁸ *Id.* at Exhibits DR-1, DR-2, DR-8, and DR-9.

However, Sumitomo did not provide an example of a price decrease request nor explain whether it lowered prices per the customers' requests. Therefore, Commerce preliminarily concludes that Sumitomo did not establish a cost-to-price link because it did not demonstrate how it adjusted its prices to customers in relation to its COM.

Based on the above, Commerce finds that Sumitomo did not provide adequate information to establish a link between subsidies (the provision of carbon black, nylon cord, synthetic rubber/butadiene, natural rubber, and electricity for LTAR), costs, and prices. In addition, as there was no general decrease in the U.S. average import price during the relevant period, we preliminarily find that the requirements under sections 777A(f)(1)(B) and (C) of the Act have not been met, and hence we are preliminarily not making an adjustment under section 777A(f) of the Act.

G. Export Subsidies

Pursuant to section 772(c)(1)(C) of the Act, when calculating EP or CEP, Commerce increases the reported U.S. price by the amount of any countervailing duty imposed to offset an export subsidy. Because Sumitomo was not a mandatory respondent in the most recently completed CVD review, we adjusted its U.S. prices using the simple average of the export subsidy rates determined for the mandatory respondents in the most recently completed CVD review that was not based on adverse facts available.¹⁴⁹

Separate Rate Companies

Because Commerce has not individually examined the separate rate companies in the most recently completed CVD review, we preliminarily based the subsidy adjustments for these companies on the export subsidy determined for Sumitomo.

VII. CURRENCY CONVERSION

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

¹⁴⁹ See Sumitomo Preliminary Calculation Memorandum at "Adjustment to the Margin Calculation" and Attachment V.

VIII. RECOMMENDATION

We recommend applying the above methodology for this preliminary determination.

Agree

Disagree

8/31/2021

X



Signed by: RYAN MAJERUS

Ryan Majerus
Deputy Assistant Secretary
for Policy and Negotiations

Attachment I

Requests for Review

1. Shandong Qilun Rubber Co., Ltd.¹⁵⁰
2. Qingdao Nexen Tire Corporation¹⁵¹
3. Prinx Chengshan (Shandong) Tire Company Ltd.¹⁵²
4. Shouguang Firemax Tyre Co., Ltd.¹⁵³
5. Giti Tire Global Trading Pte. Ltd.¹⁵⁴
6. Giti Radial Tire (Anhui) Company Ltd.¹⁵⁵
7. Giti Tire (Fujian) Company Ltd.¹⁵⁶
8. Giti Tire (Hualin) Company Ltd.¹⁵⁷
9. Shandong Wanda Boto Tyre Co., Ltd.¹⁵⁸
10. Shandong Guofeng Rubber Plastics Co., Ltd.¹⁵⁹
11. ITG Voma Corporation¹⁶⁰
12. Sumitomo Rubber (Changshu) Co., Ltd.¹⁶¹
13. Sumitomo Rubber (Hunan) Co., Ltd.¹⁶²
14. Haohua Orient International Trade Ltd.¹⁶³

¹⁵⁰ See Shandong Qilun's Letter, "Passenger Vehicle and Light Truck Tires from the People's Republic of China: Request for Administrative Review," dated August 24, 2020.

¹⁵¹ See Qingdao Nexen Tire Corporation's Letter, "Administrative Review of the Antidumping Order on Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China – Request for Review," dated August 28, 2020.

¹⁵² See Prinx Chengshan (Shandong) Tire Company Ltd.'s, and Shouguang Firemax Tyre Co., Ltd.'s Letter, "Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China – Request for Administrative Review," dated August 30, 2020.

¹⁵³ *Id.*

¹⁵⁴ See Giti Tire Global Trading Pte. Ltd.'s, Giti Radial Tire (Anhui) Company Ltd.'s, Giti Tire (Fujian) Company Ltd.'s, and Giti Tire (Hualin) Company Ltd.'s Letter, "Passenger Vehicle and Light Truck Tires from the People's Republic of China: Request for Administrative Review," dated August 31, 2020.

¹⁵⁵ *Id.*

¹⁵⁶ *Id.*

¹⁵⁷ *Id.*

¹⁵⁸ See Shandong Wanda Boto Tyre Co., Ltd.'s Letter, "Passenger Vehicle and Light Truck Tires from the People's Republic of China: Request for Administrative Review – 2019-2020 Review Period," dated August 31, 2020.

¹⁵⁹ See Shandong Guofeng Rubber Plastics Co., Ltd.'s Letter, "Passenger Vehicle and Light Truck Tires from the People's Republic of China: Request for Administrative Review – 2019-2020 Review Period," dated August 31, 2020.

¹⁶⁰ See ITG Voma Corporation's Letter, "Passenger Vehicle and Light Truck Tires from the People's Republic of China: Request for Administrative Review – 2019-2020 Review Period," dated August 31, 2020.

¹⁶¹ See Sumitomo Rubber (Changshu) Co., Ltd.'s, and Sumitomo Rubber (Hunan) Co., Ltd.'s Letter, "Passenger Vehicle and Light Truck Tires from the People's Republic of China: Request for Administrative Review," dated August 31, 2020.

¹⁶² *Id.*

¹⁶³ See Haohua Orient International Trade Ltd.'s, Qingdao Fullrun Tyre Tech Corp. Ltd.'s, Qingdao Lakesea Tyre Co., Ltd.'s, Riversun Industry Limited's, Safe & Well (HK) International Trading Limited's, Shandong Province Sanli Tire Manufacture Co., Ltd.'s, Windforce Tyre Co., Limited's, and Zhaoqing Junhong Co., Ltd.'s Letter, "Passenger Vehicle and Light Truck Tires from the People's Republic of China: Request for Administrative Review," dated August 31, 2020.

15. Qingdao Fullrun Tyre Tech Corp. Ltd.¹⁶⁴
16. Qingdao Lakesea Tyre Co., Ltd.¹⁶⁵
17. Riversun Industry Limited¹⁶⁶
18. Safe & Well (HK) International Trading Limited¹⁶⁷
19. Shandong Province Sanli Tire Manufacture Co., Ltd.¹⁶⁸
20. Windforce Tyre Co., Limited¹⁶⁹
21. Zhaoqing Junhong Co., Ltd.¹⁷⁰
22. Shandong New Continent Tire Co., Ltd.¹⁷¹
23. Qingdao Landwinner Tyre Co., Ltd.¹⁷²
24. Qingdao Sentury Tire Co., Ltd.¹⁷³
25. Shandong Linglong Tyre Co., Ltd.¹⁷⁴
26. Sailun Group Co., Ltd.¹⁷⁵
27. Sailun Group (HongKong) Co., Limited.¹⁷⁶
28. Sailun Tire International Corp¹⁷⁷
29. Sailun Tire Americas Inc.¹⁷⁸

¹⁶⁴ *Id.*

¹⁶⁵ *Id.*

¹⁶⁶ *Id.*

¹⁶⁷ *Id.*

¹⁶⁸ *Id.*

¹⁶⁹ *Id.*

¹⁷⁰ *Id.*

¹⁷¹ *See* Shandong New Continent Tire Co., Ltd.’s, Qingdao Landwinner Tyre Co., Ltd.’s, Qingdao Sentury Tire Co. Ltd.’s, Shandong Linglong Tyre Co., Ltd.’s, Sailun Group Co., Ltd.’s, Sailun Group (HongKong) Co., Limited’s, Sailun Tire International Corp’s, and Sailun Tire Americas Inc.’s Letter, “GDLSK Respondents Request for Administrative Review of the Antidumping Duty Order on Passenger Vehicle and Light Truck Tires (“PVL”) from the People’s Republic of China (A-570-016),” dated August 31, 2020.

¹⁷² *Id.*

¹⁷³ *Id.*

¹⁷⁴ *Id.*

¹⁷⁵ *Id.*

¹⁷⁶ *Id.*

¹⁷⁷ *Id.*

¹⁷⁸ *Id.*

Attachment II

Withdrawal Requests

1. Giti Tire Global Trading Pte. Ltd.¹⁷⁹
2. Giti Radial Tire (Anhui) Company Ltd.¹⁸⁰
3. Giti Tire (Fujian) Company Ltd.¹⁸¹
4. Giti Tire (Hualin) Company Ltd.¹⁸²
5. Shandong New Continent Tire Co., Ltd.¹⁸³
6. Qingdao Sentury Tire Co., Ltd.¹⁸⁴
7. Shandong Linglong Tyre Co., Ltd.¹⁸⁵
8. Sailun Group Co., Ltd.¹⁸⁶
9. Sailun Group (HongKong) Co., Limited.¹⁸⁷
10. Sailun Tire International Corp¹⁸⁸
11. Sailun Tire Americas Inc.¹⁸⁹
12. Haohua Orient International Trade Ltd.¹⁹⁰
13. Qingdao Lakesea Tyre Co., Ltd.¹⁹¹
14. Riversun Industry Limited¹⁹²
15. Safe & Well (HK) International Trading Limited¹⁹³
16. Shandong Province Sanli Tire Manufacture Co., Ltd.¹⁹⁴
17. Windforce Tyre Co., Limited¹⁹⁵

¹⁷⁹ See Giti Tire Global Trading Pte. Ltd.’s, Giti Radial Tire (Anhui) Company Ltd.’s, Giti Tire (Fujian) Company Ltd.’s, and Giti Tire (Hualin) Company Ltd.’s Letter, “Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Withdrawal of Request for Administrative Review,” dated October 20, 2020.

¹⁸⁰ *Id.*

¹⁸¹ *Id.*

¹⁸² *Id.*

¹⁸³ See Shandong New Continent Tire Co., Ltd.’s, Qingdao Sentury Tire Co. Ltd.’s, Shandong Linglong Tyre Co., Ltd.’s, Sailun Group Co., Ltd.’s, Sailun Group (HongKong) Co., Limited’s, Sailun Tire International Corp’s, and Sailun Tire Americas Inc.’s Letter, “Withdrawal of Request for the Administrative Review of Antidumping Duty Order on Passenger Vehicle and Light Truck Tires (“PVLТ”) from the People’s Republic of China (A-570-016),” dated October 21, 2020.

¹⁸⁴ *Id.*

¹⁸⁵ *Id.*

¹⁸⁶ *Id.*

¹⁸⁷ *Id.*

¹⁸⁸ *Id.*

¹⁸⁹ *Id.*

¹⁹⁰ See Haohua Orient International Trade Ltd.’s, Qingdao Fullrun Tyre Tech Corp. Ltd.’s, Qingdao Lakesea Tyre Co., Ltd.’s, Riversun Industry Limited’s, Safe & Well (HK) International Trading Limited’s, Shandong Province Sanli Tire Manufacture Co., Ltd.’s, Windforce Tyre Co., Limited’s, and Zhaoqing Junhong Co., Ltd.’s Letter, “Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Request for Administrative Review,” dated August 31, 2020.

¹⁹¹ *Id.*

¹⁹² *Id.*

¹⁹³ *Id.*

¹⁹⁴ *Id.*

¹⁹⁵ *Id.*

18. Shandong Wanda Boto Tyre Co., Ltd.¹⁹⁶
19. Shandong Guofeng Rubber Plastics Co., Ltd.¹⁹⁷
20. Shouguang Firemax Tyre Co., Ltd.¹⁹⁸
21. Prinx Chengshan (Shandong) Tire Company Ltd.¹⁹⁹

¹⁹⁶ See Shandong Wanda Boto Tyre Co., Ltd.’s Letter, “Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Withdrawal of Request for Administrative Review – 2019-2020 Review Period,” dated December 14, 2020.

¹⁹⁷ See Shandong Guofeng Rubber Plastics Co., Ltd.’s Letter, “Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Withdrawal of Request for Administrative Review – 2019-2020 Review Period,” dated December 14, 2020; *see also* ITG Voma Corporation’s Letter, Passenger Vehicle and Light Truck Tires from People’s Republic of China: Withdrawal of Request for Administrative Review for Shandong Guofeng Rubber Plastics Co., Ltd.,” dated December 14, 2020.

¹⁹⁸ See Shouguang Firemax Tyre Co., Ltd.’s Letter, “Certain Passenger Vehicle and Light Truck Tires from the People’s Republic of China – Withdrawal of Request for Administrative Review,” dated December 21, 2020.

¹⁹⁹ See Prinx Chengshan (Shandong) Tire Company Ltd.’s Letter, “Certain Passenger Vehicle and Light Truck Tires from the People’s Republic of China – Withdrawal of Request for Administrative Review,” dated December 22, 2020.

Attachment III

Companies Subject to this Review

1. Qingdao Fullrun Tyre Tech Corp., Ltd.
2. Qingdao Landwinner Tyre Co., Ltd.
3. Qingdao Nexen Tire Corporation
4. Shandong Qilun Rubber Co., Ltd.
5. Sumitomo Rubber (Changshu) Co., Ltd.
6. Sumitomo Rubber (Hunan) Co., Ltd.
7. Zhaoqing Junhong Co., Ltd.