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June 6, 2017

MEMORANDUM TO: Ronald K. Lorentzen
Acting Assistant Secretary
for Enforcement and Compliance

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

SUBJECT: Issues and Decision Memorandum for the Final Results of
Antidumping Duty Administrative Review of Circular Welded
Non-Alloy Steel Pipe from the Republic of Korea: 2014-2015

I. SUMMARY

We have analyzed the comments received in the case and rebuttal briefs of interested parties in the administrative review of the antidumping duty (AD) order on circular welded non-alloy steel pipe (CWP) from the Republic of Korea (Korea) for the period of review (POR) November 1, 2014, through October 31, 2015. We recommend that you approve the positions described in the “Discussion of the Issues” section of this memorandum. Below is the complete list of the issues in this administrative review for which we received comments and rebuttal comments from parties.

Comment 1: Theoretical Weight
Comment 2: Hyundai’s Claim of No Shipments
Comment 3: Reporting Period for U.S. and Comparison Market Sales
Comment 4: Programming Codes for Mixed Currencies
Comment 5: Classification of Comparison Market Credit Expenses

II. BACKGROUND

On December 9, 2016, the Department of Commerce (the Department) published the preliminary results of the administrative review of the AD order on CWP from Korea.¹ This administrative review covers one mandatory respondent, a producer/exporter of the subject merchandise to the United States, Husteel Co., Ltd. (Husteel).

¹ See *Circular Welded Non-Alloy Steel Pipe from the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review; 2014-2015*, 81 FR 89059 (December 9, 2016) (*Preliminary Results*) and accompanying Preliminary Decision Memorandum.



Following the *Preliminary Results*, Wheatland Tube Company (Wheatland), a domestic producer and interested party, requested a hearing, and Husteel requested to participate in the hearing.² On January 10, 2017, we extended the deadlines for case and rebuttal briefs.³ On April 4, 2017, Wheatland withdrew its hearing request.⁴

On January 13, 2017, Wheatland and Husteel submitted case briefs.⁵ On January 18, 2017, per Husteel's request, we extended the deadline for the submission of rebuttal briefs.⁶ On January 25, 2017, Hyundai Steel Company (Hyundai) and Husteel submitted rebuttal briefs.⁷

On February 16, 2017, we placed certain entry documents from U.S. Customs and Border Protection (CBP) on the record of this administrative review and invited parties to comment on the entry documents.⁸ Per Husteel's request, we extended the deadline for comments by one day.⁹ In response to our invitation for comments, Hyundai and Wheatland submitted comments on February 24, 2017, and February 27, 2017, respectively.¹⁰ We met with counsel for Wheatland on April 12, 2017,¹¹ Hyundai on April 19, 2017,¹² and Husteel on May 2, 2017.¹³

III. SCOPE OF ORDER

The merchandise subject to the order is circular welded non-alloy steel pipe and tube, of circular cross-section, not more than 406.4 millimeters (16 inches) in outside diameter, regardless of wall thickness, surface finish (black, galvanized, or painted), or end finish (plain end, beveled end, threaded, or threaded and coupled). These pipes and tubes are generally known as standard pipes and tubes and are intended for the low-pressure conveyance of water, steam, natural gas, air, and other liquids and gases in plumbing and heating systems, air-conditioning units, automatic sprinkler systems, and other related uses. Standard pipe may also be used for light load-bearing applications, such as for fence tubing, and as structural pipe tubing used for framing and as support members for reconstruction or load-bearing purposes in the construction, shipbuilding, trucking, farm equipment, and other related industries. Unfinished conduit pipe is also included in the order.

² See Wheatland's hearing request dated January 6, 2017, and Husteel's request to participate at hearing dated January 9, 2017.

³ See Letter to Interested Parties, January 10, 2017.

⁴ See Wheatland's withdrawal of hearing request dated April 4, 2017.

⁵ See Wheatland's Case Brief dated January 13, 2017, and Husteel's Case Brief dated January 13, 2017.

⁶ See Letter to Interested Parties dated January 18, 2017. See also Husteel's rebuttal brief extension request dated January 17, 2017.

⁷ See Hyundai's Rebuttal Brief dated January 25, 2017, and Husteel's Rebuttal Brief dated January 25, 2017.

⁸ See Letter to Interested Parties dated February 16, 2017.

⁹ See Letter to Interested Parties dated February 23, 2017. See also Husteel's extension request dated February 22, 2017.

¹⁰ See Hyundai's CBP Comments dated February 24, 2017, and Wheatland's CBP Comments dated February 27, 2017.

¹¹ See Memorandum to the File, "Circular Welded Non-Alloy Steel Pipe from Republic of Korea: Ex Parte Meeting with Wheatland," dated April 12, 2017.

¹² See Memorandum to the File, "Circular Welded Non-Alloy Steel Pipe from Republic of Korea: Ex Parte Meeting with Hyundai Steel Company," dated April 19, 2017.

¹³ See Memorandum to the File, "Circular Welded Non-Alloy Steel Pipe from Republic of Korea: Ex Parte Meeting with Counsel for Husteel Co., Ltd.," dated May 3, 2017.

All carbon-steel pipes and tubes within the physical description outlined above are included within the scope of the order except line pipe, oil-country tubular goods, boiler tubing, mechanical tubing, pipe and tube hollows for redraws, finished scaffolding, and finished conduit.¹⁴

Imports of these products are currently classifiable under the following Harmonized Tariff Schedule of the United States (HTSUS) numbers: 7306.30.1000, 7306.30.5025, 7306.30.5032, 7306.30.5040, 7306.30.5055, 7306.30.5085, and 7306.30.5090. Although the HTSUS numbers are provided for convenience and customs purposes, our written description of the scope of the order is dispositive.

IV. DISCUSSION OF THE ISSUES

Comment 1: Theoretical Weight

In the *Preliminary Results*, the Department accepted and used, with no recalculation, the theoretical weights of merchandise under consideration Husteel reported in its comparison market and U.S. sales databases. Wheatland asserts that, while Husteel reported data based on theoretical weight, in accordance with the Department's preference,¹⁵ Husteel misreported theoretical weight for certain comparison market and U.S. sales. Wheatland requests that the Department recalculate the theoretical weight for all of Husteel's sales for the final results and revise the price and price adjustment fields for all comparison market and U.S. sales transactions. While Wheatland and Husteel agree on the same formula to determine theoretical weight, Wheatland asserts that Husteel did not report theoretical weight as calculated by this formula for all its comparison market sales transactions. In support of this assertion, Wheatland points to the significant differences between the reported weight and the calculated weight using the agreed upon formula.

Wheatland states that as there is no corresponding miscalculation of theoretical weight in Husteel's cost database, it is not necessary to recalculate Husteel's reported cost data. Wheatland nevertheless requests the recalculation of Husteel's reported quantities and gross unit prices using the programming language provided in Wheatland's case brief.

¹⁴ See *Final Negative Determination of Scope Inquiry on Certain Circular Welded Non-Alloy Steel Pipe and Tube from Brazil, the Republic of Korea, Mexico, and Venezuela*, 61 FR 11608 (March 21, 1996). In accordance with this determination, pipe certified to the API 5L line-pipe specification and pipe certified to both the API 5L line-pipe specifications and the less-stringent ASTM A-53 standard-pipe specifications, which falls within the physical parameters as outlined above, and entered as line pipe of a kind used for oil and gas pipelines, is outside of the scope of the AD order.

¹⁵ See Wheatland's Case Brief at 2, citing to *Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Korea: Final Determination of Sales at Less Than Fair Value*, 81 FR 47347 (July 21, 2016), and accompanying Issues and Decision Memorandum at Comment 2; *Circular Welded Carbon-Quality Steel Pipe from the United Arab Emirates: Final Determination of Sales at Less Than Fair Value*, 81 FR 75030 (Oct. 28, 2016), and accompanying Issues and Decision Memorandum at Comment 2; *Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Turkey: Final Determination of Sales at Less Than Fair Value*, 81 FR 47355 (July 21, 2016), and accompanying Issues and Decision Memorandum at Comment 2; *Welded Stainless Pressure Pipe from India: Final Determination of Sales at Less Than Fair Value*, 81 FR 66921 (Sept. 29, 2016), and accompanying Issues and Decision Memorandum at Comment 2.

Husteel argues that it reported correct theoretical weights and that the slight differences between reported theoretical weights and the recalculated theoretical weights using the sales listing data are due to rounding and unit conversions, which do not affect the accuracy of the reported theoretical weight. Husteel attributes the rounding differences to the calculation of the theoretical metric ton quantities in the sales files using the United States standard measurements as per the U.S. invoices, while the production and comparison market theoretical metric ton quantities were calculated based on the metric system. Husteel argues that these conversions are necessary because the industry standard is metric and the feet-to-meter conversion necessitates a unit conversion. Husteel explains that, in addition to unit conversion, the company rounds the wall thickness to the first decimal place, and converts the feet to meters, which is rounded to the nearest whole number. According to Husteel, the result is minor differences in the inputs to the formulas used to calculate the theoretical weights that it used in its normal course of business and reported on invoices and sales listings. Husteel claims that its methodology has been verified and accepted by the Department.

Husteel denies Wheatland's claim that it reported incorrect sales quantities (*i.e.*, weights) in the comparison market and U.S. sales databases. Husteel contends that its commercial invoices issued to customers correspond precisely to the metric tons reported in its comparison market and U.S. sales databases. Husteel argues that the weights reported in its comparison market and U.S. sales databases are fully reconciled to its accounts and records. Husteel explains that it reported comparison market and U.S. sales reconciliations for total sales from two fiscal periods, using trial balances that link to the financial statement and arrived at the total quantity and value reported to the Department.

Husteel asserts that, if the Department decides to follow Wheatland's proposal and recalculate the metric ton quantities and values in the databases, then it should use specific programming codes to correct an obvious input error in the U.S. sales database under quantity variable QTY1U, which is part of Wheatland's programming language revision. Husteel claims that the omission of this correction would erroneously reduce prices for certain sales and significantly increase Husteel's margin.

Husteel argues that fair and accurate determinations are fundamental to the proper administration of the dumping laws.¹⁶ Husteel cautions that the use of clearly erroneous data would constitute a ministerial error, which can otherwise be avoided. Husteel argues that the facts in the instant review are similar to *Alloy Piping*, where the data were obviously erroneous and following Wheatland's proposal to use these data to revise the final margin would be an abuse of discretion.

Further, Husteel argues that Wheatland's comment questioning the accuracy of Husteel's reporting of the theoretical weight of its sales observations is untimely because Husteel's data have been on the record of this administrative review since June 7, 2016. According to Husteel, Wheatland did not question Husteel's methodology until it submitted a case brief. Husteel states that its methodology is not new, has been verified by the Department, and rounding and unit conversions have been accepted as legitimate. Husteel argues that there is no justification to

¹⁶ See Husteel's Rebuttal Brief at 10, citing *Koyo Seiko Co., v. United States*, 746 F. Supp. 1108, 1110 (CIT 1990), and *Alloy Piping Prods. v. Kanzen Tetsu Sdn. Bhd.*, 334 F.3d 1284, 1292-93 (Fed. Cir. 2003) (*Alloy Piping*).

raise this issue at this stage of the proceeding, especially since it is too late to submit any clarifying information for the Department's analysis. Citing *PVA from Taiwan* and *OJ from Brazil*, Husteel argues that the Department should decline to consider Wheatland's argument which was raised for the first time in its case brief.¹⁷

Department's Position: For the final results, we recalculated the theoretical weight for Husteel's comparison market and U.S. sales and corrected the input error that Husteel identified in its rebuttal to Wheatland's argument. We find that there are certain differences between Husteel's reported theoretical weight and the recalculated theoretical weight provided by Wheatland that cannot be reasonably attributed to rounding and unit conversions. Our analysis of Husteel's reported theoretical weight and the recalculated theoretical weight demonstrates that certain distortions exist beyond the differences that could be attributable to rounding and unit conversions that would be expected. We recalculated the theoretical weight for Husteel's comparison market and U.S. sales, accordingly.

Additionally, we agree with Husteel that there is an input error, in certain invoices, for one of the variables used in the formula to recalculate theoretical weight. The error was confined to those sales identified by Husteel and does not constitute a widespread error in the reported data. We reached this determination by comparing average prices for the entire dataset with those of the selected invoices, which demonstrate the existence of errors in the selected invoices. To remedy these input errors, we have used the programming language provided in Husteel's rebuttal brief.¹⁸

Contrary to Husteel's assertion, we find that Wheatland's argument on this issue in its case brief has been timely filed and that *PVA from Taiwan* and *OJ from Brazil* are inapposite. In *PVA from Taiwan*, we determined that, although the respondent's data may have been problematic, there was insufficient information on the record to examine the differences between the respondent's per-unit market price for an input, the transfer price, or the per-unit COP, and, thus, declined to address the petitioner's allegation in that case. In the instant case, however, Husteel provided information in its databases that permits us to compare the reported theoretical weight with the recalculated theoretical weight.¹⁹ In *OJ from Brazil*, we stated that the petitioners in that case raised a specific issue for the first time in their case brief and it is our general practice not to request additional information after the submission of briefs. However, *OJ from Brazil* does not state that we decline to consider an argument raised for the first time in a case brief.²⁰ Because we have information on the record of this review to address the present issue, our consideration of this issue does not require the submission of additional information.

¹⁷ See Husteel's Rebuttal Brief at 12, citing *Polyvinyl Alcohol from Taiwan: Final Results of Second Antidumping Duty Administrative Review*, 64 FR 32024 (June 15, 1999) (*PVA from Taiwan*) and accompanying Issues and Decision Memorandum at comment 3, and *Certain Orange Juice from Brazil: Final Results of Antidumping Duty Administrative Review, Determination Not To Revoke Antidumping Duty Order in Part, and Final No Shipment Determination*, 76 FR 50176 (Aug. 12, 2011) (*OJ from Brazil*) and accompanying Issues and Decision Memorandum at Comment 6.

¹⁸ See Memorandum to the File, "Circular Welded Non-Alloy Steel Pipe from the Republic of Korea: Final Results Analysis Memorandum for Husteel Co., Ltd.," dated concurrently with this Issues and Decision Memorandum (Husteel Final Analysis Memorandum) at 2.

¹⁹ See Husteel's supplemental response dated October 17, 2016, comparison market and U.S. sales databases.

²⁰ See *OJ from Brazil* and accompanying Issues and Decision Memorandum at Comment 6.

Comment 2: Hyundai's Claim of No Shipments

Hyundai submitted a letter claiming no shipments of subject merchandise during the POR. The Department issued a no-shipments inquiry to CBP and received no notifications of any entries of subject merchandise. Therefore, for purposes of the *Preliminary Results*, the Department found that Hyundai had no reviewable transactions during the POR.

Wheatland challenges the Department's reliance on the non-response to the no-shipment inquiry to CBP for the preliminary determination of no reviewable entries for Hyundai. Specifically, Wheatland argues that the no-shipments inquiry that the Department sent to CBP does not exist on the record of this review. In addition, Wheatland contends that the absence of CBP's response to the Department's no-shipments inquiry to CBP provides no basis for the Department's preliminary determination of no reviewable entries for Hyundai. Wheatland explains that, as the Court of International Trade (CIT) held in *Shandong Huarong Mach. Co. v. United States*, 29 CIT 484, 498 (2005), it is not sufficient for the Department to rely on the absence of information and evidence to reach a decision of no shipments, and there should be findings and analysis justifying the Department's determinations.

In response to certain CBP entry documentation the Department released on February 16, 2017,²¹ which was after parties, including Wheatland, submitted case and rebuttal briefs, Wheatland submitted the 2013 and 2014 audited financial statements of Hyundai's predecessor-in-interest, Hyundai HYSCO Co., Ltd.²² Wheatland argues that the Department should determine whether Hyundai "knew or should have known at the time of its sale to the reseller that the merchandise was destined to the United States."²³ Wheatland contends that, in light of the CBP data, the CBP entry documents, and Hyundai HYSCO's financial statements, the Department should conclude that Hyundai had shipments of the subject merchandise during the POR and apply adverse facts available (AFA).

Wheatland contends that CBP data benefit from the "presumption of regularity."²⁴ Wheatland explains that CIT upheld the Department's reliance on CBP data based on a lack of evidence calling into doubt the usability of CBP data in *Pakfood*. Accordingly, Wheatland argues, the use of AFA and application of the petition rate is appropriate under these circumstances. Wheatland contends that sections 776(a)(2)(C) and (D) and 776(b) of the Act provide for the application of AFA where an interested party significantly impedes a proceeding or provides information that cannot be verified, and has not acted to the best of its ability. Wheatland argues that the imposition of AFA to Hyundai is appropriate.

Hyundai argues that it twice confirmed with the Department that it had no reviewable shipments during the POR. Hyundai claims that the petitioner did not question Hyundai's no-shipments

²¹ See the Letter to All Interested Parties dated February 16, 2017.

²² See Wheatland's comments on CBP entry documentation dated February 24, 2017 (Wheatland CBP Comments).

²³ See Wheatland's CBP Comments at 3, quoting *Brass Sheet and Strip from Germany: Preliminary Results of Antidumping Duty Administrative Review and Preliminary Determination of No Shipments; 2014-2015*, 81 FR 21312 (April 11, 2016), and accompanying Preliminary Decision Memorandum at 4-5.

²⁴ See Wheatland's CBP Comments at 3, citing *Pakfood Pub. Co. v. United States*, 753 F. Supp. 2d 1334, 1345-46 (CIT 2011) ("...the presumption of regularity entails the reasonable conclusion that, in the absence of evidence to the contrary, the data obtained by Customs officials in their regular course of business is accurate") (*Pakfood*).

certification or otherwise request the Department to conduct a further analysis of Hyundai or the CBP data. Hyundai contends that the Department followed its standard practice following Hyundai's no-shipments certification and issued an inquiry to CBP requesting entry information that would contradict Hyundai's no-shipments certification. Hyundai asserts that there is no record information from CBP that would contradict its no-shipments certification. Hyundai argues further that reliance on CBP data alone is insufficient to establish whether a party had shipments, because those documents do not demonstrate the "first party with knowledge of U.S. destination for each shipment."²⁵ Hyundai questions whether the CBP data can conclusively contradict a no-shipments statement, because the information fields in the CBP data do not establish the full details of a transaction and identify the party in the transaction with the first knowledge of the U.S. destination. Hyundai contends that, although the CBP data are not suitable to confirm whether a party had shipments or not, Hyundai's certified claim of no shipments confirms that Hyundai had no knowledge of U.S. destination for any of subject merchandise during the POR. In this review, according to Hyundai, the Department has followed its standard practice as in past reviews.²⁶

Finally, in response to the CBP data released on February 16, 2017,²⁷ Hyundai submitted its home market customer list for the subject merchandise covering the POR in its filing and the affiliated companies of the Hyundai Motor Group.

Department's Position: For the final results, we continue to find that Hyundai had no reviewable transactions during the POR. To begin with, contrary to Hyundai's assertion otherwise, the petitioner did argue against Hyundai's claim of no shipments.²⁸

In the *Preliminary Results*, we stated that we had transmitted a no-shipment inquiry to CBP regarding Hyundai and received no notifications of any entries of subject merchandise from this company.²⁹ It has been our practice to rely on CBP's non-response to our no-shipment inquiries as our affirmative evidence to determine no shipments of reviewable entries.³⁰ Following the *Preliminary Results*, however, we continued to examine Hyundai's claim of no shipments. We requested CBP entry documentation to examine whether certain entries are in any way connected

²⁵ See Hyundai's Rebuttal Brief at 3-4, citing *Stainless Steel Sheet and Strip in Coils from Taiwan: Final Results of Antidumping Duty Administrative Review*, 75 FR 76700 (Dec. 9, 2010) and accompanying Issues and Decision Memorandum Comment 1.

²⁶ See Hyundai's Rebuttal Brief at 5, citing *Circular Welded Non-Alloy Steel Pipe from the Republic of Korea: Preliminary Results and Rescission in Part of the Antidumping Duty Administrative Review*, 74 FR 64670 (December 8, 2009).

²⁷ See the Letter to All Interested Parties, dated February 16, 2017.

²⁸ See, Wheatland's CBP Comments.

²⁹ See *Preliminary Results* and accompanying Preliminary Decision Memorandum at 3.

³⁰ See, e.g., *Carbon and Certain Alloy Steel Wire Rod from Mexico: Preliminary Results of Antidumping Duty Administrative Review; 2014-2015*, 81 FR 80638, 80639 (November 16, 2016), unchanged in *Carbon and Certain Alloy Steel Wire Rod from Mexico: Final Results of Antidumping Duty Administrative Review and Final Determination of No Shipments; 2014-2015*, 82 FR 23190 (May 22, 2017), and *Small Diameter Graphite Electrodes from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review; 2015-2016*, 81 FR 72777, 72778 (October 21, 2016), unchanged in *Small Diameter Graphite Electrodes from the People's Republic of China: Final Results of Antidumping Duty Administrative Review and Final Determination of No Shipments; 2015-2016*, 82 FR 10876, 10877 (February 16, 2017).

to Hyundai and, thus, reviewable.³¹ For our decision, we considered Hyundai's claim of no shipments along with additional CBP data, including the "presumption of regularity" that these official documents are accurate.³²

Because of the proprietary nature of CBP data that are available only to Hyundai's counsel under the administrative protective order, Hyundai was able to provide limited, though useful, information regarding certain sales of subject merchandise during the POR. Based on Hyundai's submission, and other record information, we conclude that the sales in question do not contradict our review of the CBP data, the CBP entry documentation, and Hyundai's financial statements.

Further, we do not find any statutory basis under sections 776(a) and (b) of the Act for the use of facts available against Hyundai. Hyundai responded to all our requests for information in a timely manner and provided comments regarding the CBP entry documents placed on the record of this review. Hyundai did not withhold information that we requested or in any way impede this review. Because of Hyundai's full cooperation, we do not find that either facts available or AFA is warranted against Hyundai. For any entries of subject merchandise during the POR produced by Hyundai for which it did not know that the merchandise was destined for the United States, we will instruct CBP to liquidate such entries at the all-others rate if there is no rate for the intermediate companies involved in the transaction.³³

Accordingly, for these final results, based on the information we obtained before and after the *Preliminary Results*, we continue to find that Hyundai had no reviewable entries of the subject merchandise during the POR.³⁴ Due to the business proprietary nature of this issue, we explained more in detail our analysis and decision in the final analysis memorandum.³⁵

Comment 3: Reporting Period for U.S. and Comparison Market Sales

For purposes of the *Preliminary Results*, we intended to use the dates of the first and last sale to define the universe of comparison market and U.S. sales, but we inadvertently selected the wrong end dates.³⁶ Husteel requests that the Department use the correct end dates for the universe of the comparison market and U.S. sales. Wheatland did not comment on this issue.

Department's Position: For the final results, we used the correct end date of the U.S. sales to accurately define the universe of the U.S. sales and include all reported U.S. sales made during

³¹ See Letter to all Interested Parties, citing to the Department's request to CBP for entry documentation, at Attachment 1, dated February 16, 2017.

³² See *Fresh Garlic from the People's Republic of China: Final Results and Partial Rescission of the 14th Antidumping Duty Administrative Review*, 75 FR 37976 (June 21, 2010) and accompanying Issues and Decision Memorandum at Comment 2.

³³ See the Memorandum to the File, "Certain Circular Welded Non-Alloy Steel Pipe from the Republic of Korea: Final Results Analysis Memorandum for Hyundai Steel Company" dated concurrently with this Issues and Decision Memorandum (Hyundai Final Analysis Memorandum), at 4.

³⁴ See Hyundai Final Analysis Memorandum.

³⁵ *Id.*

³⁶ The dates at issue are business proprietary information. See Husteel Final Analysis Memorandum.

the POR. We also corrected the end date of the comparison market sales to correspond with the correctly defined universe of the U.S. sales.³⁷

Comment 4: Programming Codes for Mixed Currencies

In the *Preliminary Results*, the Department did not properly code the use of mixed currencies in the comparison market program, generating inaccurate cost differences and incorrect matches, which then affected the margin calculation. Husteel argues that the Department's coding error with respect to mixed currencies matched incorrect models in the margin calculation program. Husteel requests that the Department fix this error with its proposed programming code.

Department's Position: For the final results, we adopted Husteel's suggested programming revisions and properly matched the models in the margin calculation program.

Comment 5: Classification of Comparison Market Credit Expenses

In the *Preliminary Results*, the Department treated Husteel's comparison market credit expenses as one of the direct selling expenses that are used for cost tests. Husteel claims that this treatment is an error and requests that the Department reclassify Husteel's comparison market credit expenses as a separate direct selling expense used in the calculation of net comparison market prices for comparison purposes only, not for purposes of cost tests.

Department's Position: For the final results, we corrected the classification of Husteel's comparison market credit expenses as a separate direct selling expense used in the calculation of net comparison market prices only. We did not use Husteel's comparison market credit expenses for cost test purposes in the final results of this review.

³⁷ See Husteel Final Analysis Memorandum.

V. RECOMMENDATION

Based on our analysis of the comments received, we recommend adopting the above positions. If these recommendations are accepted, we will publish the final results of the review and the final dumping margins for all of the reviewed companies in the *Federal Register*.



Agree



Disagree

6/6/2017

X *Ronald K. Lorentzen*

Signed by: RONALD LORENTZEN

Ronald K. Lorentzen
Acting Assistant Secretary
for Enforcement and Compliance