

May 12, 2014

**FINAL SECOND REMAND DETERMINATION**

***JTEKT Corporation v. United States***

Consol. Court No. 06-00250, Slip Op. 11-92 (CIT January 29, 2010) and 14-13 (CIT February 10, 2014).

**Summary**

This final remand determination is submitted in accordance with the orders of the U.S. Court of International Trade (the Court or CIT) of February 10, 2014 (Slip Op. 14-13) and January 29, 2010 (Slip Op. 11-92). The remand involves challenges to the determinations of the U.S. Department of Commerce (the Department) in the administrative review of the antidumping duty order on ball bearings and parts thereof from Japan concerning the period of review from May 1, 2004, through April 30, 2005.<sup>1</sup> In accordance with the Court's orders, the Department reconsidered the proposal by NTN<sup>2</sup> to incorporate into the model-match methodology additional design-type categories to the extent necessary to correct errors relating to the matching of housed or deep groove bearing design types. The Department found that no errors involving matching of housed or deep groove bearings occurred during the review. On March 21, 2014, the Department released the draft remand determination to The Timken Company (Timken) and NTN and invited comments.<sup>3</sup> On March 28, 2014, Timken filed a

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<sup>1</sup> See *Ball Bearings and Parts Thereof from France, Germany, Italy, Japan, and the United Kingdom: Final Results of Antidumping Duty Administrative Reviews*, 71 FR 40064 (July 14, 2006) (AFBs 16).

<sup>2</sup> NTN Corporation, NTN Bearing Corporation of America, American NTN Bearing Manufacturing Corporation, NTN-BCA Corporation, NTN-Bower Corporation, and NTN Driveshaft, Inc. (collectively, NTN).

<sup>3</sup> See the March 20, 2014, draft second remand determination for *JTEKT Corporation v. United States*, Consol. Court No. 06-00250, Slip Op. 11-92 (CIT January 29, 2010) and 14-13 (CIT February 10, 2014); see also the March 21, 2014, letters to Timken and NTN.

comment supporting the draft remand determination.<sup>4</sup> NTN filed no comments. Accordingly, in this second remand determination, we have not recalculated the margins for NTN.

## **Discussion**

In the underlying administrative review, NTN reported bearing designs based on the design-type classifications it employs in the normal course of business as well as based on design-type categories instructed by the Department.<sup>5</sup> NTN proposed that the Department use NTN's internally-designated bearing design type classifications instead of our seven established bearing design classifications.<sup>6</sup> Because NTN did not provide compelling evidence that each of its reported bearing designs merited its own classification distinct and separate from the categories we identified in the questionnaire, we used the design types NTN reported based on our instructions in the questionnaire.<sup>7</sup>

In its first remand with respect to this review, the Court directed us to reconsider our decision to reject NTN's proposal to incorporate into our model-match methodology additional design-type categories and, in particular, to explain how our model-match methodology handles situations in which certain of NTN's designs fall within more than one of our design-type designations.<sup>8</sup> We filed our redetermination pursuant to remand on May 17, 2010.<sup>9</sup> In the *First Remand*, the Department explained how the model-match methodology handled the bearings NTN reported that potentially fell within more than one design-type category and, accordingly, that we did not need to incorporate additional bearing design types into the model-match methodology.<sup>10</sup>

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<sup>4</sup> See Timken's March 28, 2014, letter on the draft second remand determination.

<sup>5</sup> See Exhibits B-3 and B-3A of NTN's September 26, 2005, questionnaire response.

<sup>6</sup> See *AFBs 16*, and accompanying Issues and Decision Memorandum at Comment 27.

<sup>7</sup> *Id.*

<sup>8</sup> See *JTEKT Corp. v. United States*, 675 F. Supp. 2d 1206, 1229 and 1264 (CIT 2009).

<sup>9</sup> See *Final Results of Redetermination* dated May 17, 2010 (*First Remand*).

<sup>10</sup> *Id.*, at 17-19.

The Court upheld the Department's determination as it related to NTN's angular contact thrust ball bearings.<sup>11</sup> However, the Court found that the Department erred in concluding that there was no overlap between housed and deep-groove bearings and remanded the issue of NTN's proposed bearing design types for the Department "to determine whether any of NTN's housed deep groove bearings were matched with bearings other than housed deep groove bearings, and whether any other error involving matching of housed or deep groove bearings occurred, such as matching of any NTN non-housed deep groove bearings that may have been included in the review with housed bearings or with any bearings that were not non-housed deep groove bearings."<sup>12</sup> The Court instructed that, if any mismatches were revealed by the Department's analysis, the Department was to address them through the addition of one or more new design type categories or another appropriate remedy.<sup>13</sup>

To ensure we were able to comply with the Court's instruction, we sent a supplemental questionnaire to NTN seeking clarification concerning its reporting of bearings as housed bearings, insert bearings,<sup>14</sup> or deep-groove bearings under the Department's design-type classifications. We sent the supplemental questionnaire on August 15, 2011, and received NTN's response on August 22, 2011. NTN reported that "{a}ll bearings with a DOC design type of 'HB'<sup>15</sup> were deep-groove bearings that were housed," that "{a}ll bearings with a DOC design type of 'IB'<sup>16</sup> were deep-groove bearings that were insert bearings," and that "{a}ll bearings with a DOC design type of 'DG'<sup>17</sup> were neither housed bearings nor insert bearings."<sup>18</sup>

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<sup>11</sup> See Slip Op. 11-92 at 21.

<sup>12</sup> *Id.*, at 23-24.

<sup>13</sup> *Id.*, at 24.

<sup>14</sup> We inquired about insert bearings because a potential mismatch involving housed bearings might also involve insert bearings.

<sup>15</sup> The designation for housed bearings.

<sup>16</sup> The designation for insert bearings.

<sup>17</sup> The designation for deep-groove bearings.

<sup>18</sup> See NTN's August 22, 2011, supplemental response at 1.

In other words, NTN reported (1) all housed deep-groove bearings as housed bearings, (2) all insert deep-groove bearings as insert bearings, and (3) all non-housed, non-insert deep-groove bearings as non-housed, non-insert bearings. Moreover, NTN reported that all housed bearings and all insert bearings were deep-groove bearings, which means there is no reason to not compare a particular housed bearing with another housed bearing or a particular insert bearing with another insert bearing based on the bearing design. There is no possibility that NTN's housed (deep-groove) bearings were matched with something other than a housed (deep-groove) bearing or of any mismatches of design types involving housed bearings, insert bearings, or non-housed, non-insert bearings. Accordingly, we find that it is neither necessary nor appropriate to create any additional design types.

#### **Final Results of Redetermination**

In accordance with the Court's orders, the Department reconsidered the remanded issues. Our reconsideration has not resulted in a recalculation of the dumping margin for any party. Accordingly, the margins for all respondents are the same as listed in *AFBs 16*, 71 FR at 40066, with the exception of Nachi-Fujikoshi Corporation and NTN, whose dumping margins we recalculated on remand in the *First Remand*.

These final results of redetermination are issued pursuant to the Court's order in *JTEKT Corporation v. United States*.

  
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Paul Piquado  
Assistant Secretary  
for Enforcement and Compliance

30 APRIL 2014  
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(Date)