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International Trade Administration
Washington, D.C. 20230 A-570-918
Anti-Circumvention Inquiry
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October 21, 2011

MEMORANDUM TO: Ronald K. Lorentzen
Deputy Assistant Secretary
for Import Administration

FROM: Christian Marsh
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations

SUBJECT: Steel Wire Garment Hangers from the People's Republic of China:
Issues and Decision Memorandum for the Final Determination of
the Anti-Circumvention Inquiry

SUMMARY:

We have analyzed the case and rebuttal briefs of interested parties in the anti-circumvention inquiry of the antidumping duty order¹ on steel wire garment hangers ("garment hangers") from the People's Republic of China ("PRC"). We have not departed from our conclusions in Steel Wire Garment Hangers From the People's Republic of China: Affirmative Preliminary Determination of Circumvention of the Antidumping Duty Order and Extension of Final Determination, 76 FR 27007 (May 10, 2011) ("Preliminary Determination"). We recommend that you approve the positions described in the "Discussion of the Issues" section of this Issues and Decision Memorandum. Below is the complete list of the issues in this antidumping duty anti-circumvention inquiry for which we received comments and rebuttal comments from interested parties:

- Comment 1: Affirmative Preliminary Determination of Circumvention Regarding Quyky²
- Comment 2: Affirmative Preliminary Determination of Circumvention Regarding Angang³
- Comment 3: Appropriate Suspension of Liquidation of Angang's Exports
- Comment 4: Whether to Require a Certification Process for Angang's Exports
- Comment 5: Appropriate Rate to Assign to Angang

BACKGROUND:

The Department established the scope of the order to cover garment hangers as described in the "Scope of the Order" sections of the Order and Preliminary Determination. In accordance with 19 CFR 351.309, we invited parties to comment on our Preliminary Determination.

¹ See Notice of Antidumping Duty Order: Steel Wire Garment Hangers from the People's Republic of China, 73 FR 58111 (October 6, 2008) ("Order").

² Quyky Yanglei International Co., Ltd.

³ Angang Clothes Rack Manufacture Co., Ltd.



On June 13, 2011, M&B Metal Products Co., Inc. ("Petitioner") and Angang filed case briefs. On June 20, 2011, Petitioner and Angang filed rebuttal briefs. On June 28, 2011, the Department of Commerce ("the Department") held a public hearing, as requested by Angang.

DISCUSSION OF THE ISSUES:

General Issues

Comment 1: Affirmative Preliminary Determination of Circumvention Regarding Quyky

Petitioner's Case Brief

- The Department correctly applied total adverse facts available to Quyky for not cooperating with the Department.

Quyky did not provide any comment regarding the Department's Preliminary Determination.

Department's Position:

The Department agrees with Petitioner with respect to our Preliminary Determination regarding Quyky. Section 776(a) of the Tariff Act of 1930, as amended ("the Act") provides that, if an interested party: (A) withholds information requested by the Department; (B) fails to provide information within the deadlines established, or in the form and manner requested by the Department, subject to subsections (c)(1) and (e) of section 782 of the Act; (C) significantly impedes a proceeding; or (D) provides information that cannot be verified, the Department shall use, subject to section 782(d) of the Act, facts otherwise available in reaching the applicable determination. Section 776(b) of the Act authorizes the Department to use an adverse inference with respect to an interested party if the Department finds that the party failed to cooperate by not acting to the best of its ability to comply with a request for information. Specifically, the statute directs the Department to rely on information derived from: (1) the petition; (2) the final determination in the investigation; (3) any previous review or determination; or (4) any other information placed on the record.

Because the facts on the record of this proceeding have not changed since the Preliminary Determination, we continue to find that, pursuant to sections 776(a)(2)(A) and (B) and 776(b) of the Act, it is appropriate to apply facts available with an adverse inference to Quyky. As an adverse inference, we continue to find that all of Quyky's exports to the United States have circumvented the antidumping duty order on garment hangers from the PRC and are subject to the adverse facts available rate of 187.25 percent.

Comment 2: Affirmative Preliminary Determination of Circumvention Regarding Angang

Petitioner's Case Brief

- The Department correctly determined that Angang has circumvented the Order by insignificantly processing in the Socialist Republic of Vietnam ("Vietnam") semi-finished hangers purchased from the PRC and re-exporting them to the United States as Vietnamese origin.

Angang's Rebuttal Brief

- Angang stated that it does not challenge the merits of the Department's affirmative preliminary finding of circumvention.

Department's Position:

The Department agrees with Petitioner regarding our affirmative preliminary finding of circumvention with respect to Angang's exports of garment hangers produced from PRC-origin, semi-finished hangers. Angang has not disputed the Department's affirmative determination of circumvention,⁴ and substantial record evidence, discussed in detail in the Preliminary Determination, supports this finding. Therefore, for the final determination, we continue to find that based on record evidence Angang has circumvented the Order on garment hangers from the PRC by purchasing semi-finished hangers from its PRC affiliate, insignificantly processing those semi-finished hangers in Vietnam, and re-exporting those finished garment hangers to the United States as Vietnamese origin, thereby avoiding paying the cash deposits required for entries of merchandise subject to this Order.

Comment 3: Appropriate Suspension of Liquidation of All of Angang's Exports

Angang's Case Brief

- Angang is able to segregate inventory for all future sales so the Department cannot apply the Order to future sales of Angang that do not implicate the criteria that led to the Department's affirmative preliminary determination.⁵
- Angang only partially commingled its past production and thus the Department should not suspend liquidation of all of its previous sales, regardless of whether the pre-formed wires produced in the PRC and those self-produced are actually commingled.⁶

Petitioner's Rebuttal Brief

- The record of this proceeding -- which is primarily comprised of Angang's own responses -- clearly and unequivocally establishes that Angang cannot segregate circumventing garment hangers from those that are allegedly "self-produced" by Angang.⁷
- Angang's new position -- that now it is now possible to distinguish between finished hangers produced from pre-formed hangers from the PRC and those "self-produced" in Vietnam -- belies Angang's earlier statements in the record.⁸
- The record confirms that it is not possible for the Department or U.S. Customs and Border Protection ("CBP") to distinguish circumventing garment hangers and "self-produced" garment hangers among the commingled garment hangers that Angang exports to the United States.⁹

⁴ See Angang's Case Brief dated June 13, 2011 at 22.

⁵ See id. at 4-9.

⁶ See id. at 9-18.

⁷ See Petitioner's Rebuttal Brief dated June 20, 2011, at 3-10.

⁸ See id.

⁹ See id. at 9-10.

Department's Position:

The Department agrees with Petitioner regarding the prevalence of Angang's statements that it cannot segregate the self-produced semi-finished hangers from the PRC-origin, semi-finished hangers. As an initial matter, we will refer to the record with respect to Angang's statements of fact regarding the nature of its purchases of semi-finished hangers from the PRC and the commercial documents that Angang provided for those purchases. Subsequently, we will address Angang's late-stage argument that it can now easily segregate PRC-sourced semi-finished hangers from its self-produced hangers, each of which undergoes further processing into finished garment hangers, and distinguish finished garment hangers destined for the United States produced using PRC-origin semi-finished hangers from finished garment hangers produced using Angang's self-produced hangers.

1. Angang's Statements on the Record

In its submission dated September 8, 2010, Angang stated that it does not "require fancy product codes for the products it produces. Every product is assigned with full names and no product codes are assigned. Identical product codes are assigned the same name in both production and sales, no matter where they are sold."¹⁰ In the same submission, Angang reported that the items obtained from the PRC were not exported to the United States in the same condition as received from the PRC.¹¹ Angang also provided a table of the products exported along with the Harmonized Tariff Schedule Sub-category assigned to each product name/type.¹²

In its September 17, 2010, response, Angang stated that it purchased semi-finished hangers or parts of hangers for the manufacture of hangers and included sample documents showing those purchases.¹³ While the information contained within those sales documents is business proprietary, thereby preventing the publication of such data in this memorandum, we ascertained that the sales documents do not indicate specific information regarding the physical characteristics of the PRC-sourced, semi-finished hangers. In its October 1, 2010, response, Angang provided the quantity and value of the purchases of PRC-origin, semi-finished hangers, along with sample purchase documents which also did not indicate the physical description of the semi-finished hangers.¹⁴ Angang also provided a chart showing the materials, labor, and energy used to produce garment hangers produced from: (1) self-produced hangers, and (2) PRC-origin, semi-finished hangers.¹⁵ Importantly, the product names for both production lines are identical, with no other reported differentiated product specifications provided.

In its response dated October 8, 2010, Angang stated that, in reference to its sample expanded sales report from March to August 2010, it "did not account separately in its normal books and records hangers made from pre-formed wire from the PRC as opposed to the same hangers made from steel wire rod at its facilities."¹⁶ Angang further noted that:

¹⁰ See Angang's submission dated September 3, 2010, at 8.

¹¹ See *id.*

¹² See *id.* at 9-11.

¹³ See Angang's submission dated September 17, 2010, at 6 and Exhibit 9.

¹⁴ See Angang submission dated October 1, 2010, at Exhibit 1.

¹⁵ See *id.* at Exhibit 2.

¹⁶ See Angang's submission dated October 8, 2010, at Exhibit 1B.

it **did not** and **cannot** segregate the two models of pre-formed wire out of approximately 150 models because when finished they are identical; of course, Angang can and does segregate production of different models (one model from the other) in the normal course of business.¹⁷ (emphasis added).

In its submission dated November 19, 2010, Angang provided images of PRC-origin, semi-finished hangers, with no accompanying physical description or specification detail.¹⁸ Further, despite our request for a full description of the PRC-origin, semi-finished hangers, Angang simply cited to the same sample images, again, without any physical description of these semi-finished hangers.¹⁹ On Page 12 of the same document, Angang stated that it “produced 16-inch and 18-inch finished products from pre-formed, uncoated and unfinished steel wire from China.”²⁰ Although we note that Angang also reported that it self-produced numerous product types that are also 16 inch and 18 inch models,²¹ this fact does not provide a precise measure of what Angang admits to have circumvented because the commercial documentation for the PRC-sourced, semi-finished hangers cannot be linked to any finished hanger model. Regardless, Angang more importantly stated for the second time that it:

cannot further differentiate the source of each final product because the pre-formed steel wire that Angang procures from China are stored in the same warehouse as the hanger forms that Angang itself fashions from purchased steel wire rod. The semi-finished products from both sources look exactly the same at the point when they are ready to go through the next processing steps simultaneously.²²

In its submission dated March 21, 2011, Angang reported for the third time that:

once purchased pre-formed wire forms arrive at Angang’s facility, they are stored in the same warehouse together with self-produced hanger forms prior to further processing. From that moment, **pre-formed wire forms are indistinguishable from self-produced hanger forms.**²³ (emphasis added).

Angang reported that it is able to report the quantity and value of its purchases of PRC-origin, semi-finished hangers and even report the quantity and value of sales of steel wire garment hangers produced from PRC-origin, semi-finished hangers. However, based on Angang’s statements and the record evidence, Angang is unable to link the purchases of PRC-origin semi-finished hangers to specific sales to the United States. In other words, the downstream finished product exported by Angang could have been produced from either source of semi-finished hangers (PRC-origin or self-produced) because Angang did not track the specific PRC-origin, semi-finished hangers through the further processing stage and finished product warehouse, as noted in the above-quoted statements. Thus, CBP would not be able to accurately detect or

¹⁷ See *id.*

¹⁸ See Angang’s submission dated November 19, 2010, at 10 and Exhibit 4.

¹⁹ See *id.* at 11 and Exhibit 4.

²⁰ See *id.* at 12.

²¹ See Angang’s submission dated September 3, 2010, at 4-6.

²² See Angang’s submission dated November 19, 2010, at 13.

²³ See Angang’s submission dated March 21, 2011, at 2.

suspend the circumventing merchandise.²⁴ Furthermore, despite Angang's arguments that it only produced two model types from PRC-origin, semi-finished hangers, the record does not indicate any evidence of a physical description assigned to the PRC-origin, semi-finished hangers, allegedly processed into only two models of finished hangers, thereby preventing CBP from accurately identifying, detecting and suspending the circumventing merchandise.

In summary, the Department understands from Angang's many statements on the record the following information: (1) Angang "did not account separately in its normal books and records hangers made from pre-formed wire from the PRC as opposed to the same hangers made from steel wire rod at its facilities;"²⁵ (2) Angang "did not and cannot segregate the two models of pre-formed wire out of approximately 150 models because when finished they are identical;"²⁶ and (3) "Angang cannot further differentiate the source of each final product because the pre-formed steel wire that Angang procures from the PRC are stored in the same warehouse as the hanger forms that Angang itself fashions from purchased steel wire rod. The semi-finished products from both sources look exactly the same at the point when they are ready to go through the next processing steps simultaneously."²⁷

2. Analysis of Angang's Commingling Argument

The Department disagrees with Angang's assertion that it is able to segregate the PRC-origin semi-finished hangers from those that are self-produced. Based on all the record evidence, the Department preliminarily determined that Angang was unable to segregate finished merchandise (whether limited to two models or not) between finished product produced from PRC-origin, semi-finished hangers or self-produced hangers. Despite this determination based on record evidence, Angang has now argued in its case brief that the Department's determination "that Angang is entirely unable to segregate its hanger production in any way and for all time...is clearly unsupported by the administrative record of this review..."²⁸ At no point in the proceeding has the Department stated or inferred that Angang's current inability to segregate PRC-origin, semi-finished hangers from self-produced hangers forever forecloses Angang from doing so at some point in the future, as Angang has alleged. This allegation misconstrues the record evidence. The Department made a determination that was a direct result of Angang's very own statements on the record.²⁹ In its record submissions and responses, Angang made no statement on its future ability to segregate circumventing merchandise, and consequently the Department has not made an inference on the same. Moreover, in the Preliminary Determination, we noted that "should the Department conduct an administrative review of the Order in the future, both Quyky and Angang will have the opportunity to provide information related to their use of PRC-origin or self-produced hangers so that the appropriate assessment rate can be determined."³⁰ Therefore, the Department never made a determination on Angang's future ability to segregate PRC-origin, semi-finished hangers from self produced hangers.

²⁴ See Angang's response dated February 1, 2011, at 5 (where Angang reported that it purchased two models of semi-finished hangers from the PRC affiliate) and at Exhibit 9 (where Angang reported the overlapping models that were produced from PRC-origin, semi-finished hangers and self-produced hangers).

²⁵ See Angang's submission dated October 8, 2010, at Exhibit 1B.

²⁶ See *id.*

²⁷ See Angang's submission dated November 19, 2010, at 13.

²⁸ See Angang's Case Brief dated June 13, 2011, at 2.

²⁹ See Angang's submission dated October 8, 2010, at Exhibit 1B; Angang's submission dated November 19, 2010, at 13; Angang's submission dated March 21, 2011, at 2.

³⁰ See Preliminary Determination, 76 FR at 27015.

Angang also argues that it is now able to segregate this very same semi-finished product. Notwithstanding this newfound ability to segregate all semi-finished hangers, the commercial documentation of the PRC-origin, semi-finished hangers supports the Department's determination as well. None of the commercial documents related to Angang's semi-finished hanger purchases provide any sort of physical description of that product. Absent physical description information on the record, CBP would not be able to distinguish circumventing merchandise from non-circumventing merchandise with confidence and exactitude, thereby preventing CBP from detecting and suspending circumventing merchandise.

The Department's decision to suspend all of Angang's exports rests on the following analysis: if Angang is "unable to differentiate the source of each final product because the pre-formed steel wire that Angang procures from China {is} stored in the same warehouse as the hanger forms that Angang itself fashions from purchased steel wire rod,"³¹ then it would be impossible for CBP to differentiate the circumventing merchandise as well. While Angang may argue that only two models of finished steel wire garment hangers were produced from PRC-origin, semi-finished hangers, the record evidence does not support that statement, as there is not one reference to the physical description or specifications of the PRC-origin, semi-finished hangers within the commercial documents from the PRC affiliate to Angang. The absence of such information and documentation prevents the Department from comparing PRC-origin, semi-finished hangers with other sourced hangers and, thus, from having substantial evidence on which to potentially segregate all models, regardless of source. Indeed, the very vague description of the PRC-origin, semi-finished hangers³² within the affiliates' sales documents also demonstrates Angang's inability to trace these PRC-origin, semi-finished hangers to the purportedly small percentage of further processed finished hangers that, it argues, should be suspended by CBP as circumventing merchandise.

While Angang also argues that its finished products have a very high level of specificity,³³ without any physical description of the imported PRC-origin, semi-finished hangers on the commercial documents, these hangers similarly cannot be linked to any of Angang's numerous finished hanger models, whether or not specific to 16 or 18 inch models. Moreover, Angang's inclusion of the images in its case brief,³⁴ referenced by argument to specific hanger models, still does not remedy the issue that PRC-origin, semi-finished hangers lack a physical description on the record. Angang's pictures do not establish an evidentiary link between either: (1) the semi-finished hangers sourced from the PRC, or (2) the claimed self-produced hangers (in Vietnam), to the final product. Absent a physical description of the PRC-sourced, semi-finished hangers on the record, the Department could not determine which of the semi-finished hangers (*i.e.*, sourced from Vietnam or the PRC) Angang used to produce the finished hangers.

Finally, the Department finds Angang's argument on its share of total exports irrelevant. Angang claims that its exports of garment hangers produced from PRC-origin, semi-finished hangers comprised only a fraction of total exports. However, Angang has not been able to provide sufficient evidence supporting its assertion that it has been able to (and will be able to in the

³¹ See Angang's submission dated March 21, 2011, at 2.

³² See, e.g., Angang's submission dated October 1, 2010, at Exhibit 1.

³³ See Angang's Case Brief Dated June 13, 2011, at 13.

³⁴ Angang also refers to the physical description of the PRC-origin, semi-finished hangers in its November 19, 2010, response at 10 and Exhibit 4, but there is no physical description ascribed to the photographs, nor is there any evidence of their physical description contained on the sales documentation for these semi-finished hangers from the PRC affiliate.

future) segregate finished garment hangers produced using PRC-sourced, semi-finished hangers from its self-produced hangers. Consequently, for the final determination, we will continue to suspend liquidation of all of Angang's exports, consistent with our final determination in the tissue paper anti-circumvention inquiry.³⁵

Comment 4: Whether to Require a Certification Process for Angang's Exports

Angang's Case Brief

- The Department should establish a mechanism by which Angang can certify any future shipments are outside the scope of the Department's final affirmative circumvention finding by certifying, subject to verification, that the wire used for the hanger production was not formed in the PRC.³⁶

Petitioner's Rebuttal Brief

- The Department should reject Angang's request for special certification because Angang has repeatedly stated on the record that it cannot segregate inventory and because Angang has demonstrated in this inquiry that it is unable to submit accurate, reliable, and trustworthy information to the Department.³⁷

Department's Position:

The Department disagrees with Angang regarding the establishment of a certification process. While Angang provided an example of a certification used in another anti-circumvention inquiry,³⁸ we find that adopting a certification process in this case would not overcome the obstacles identified in detail in Comment 3 above, notably that Angang: (1) "did not and cannot segregate the two models of pre-formed wire out of approximately 150 models because when finished they are identical,"³⁹ in its normal course of business and (2) did not provide any supporting documentation linking the PRC-origin product to the finished product, which are the garment hangers exported to the United States.

We recently stated in the Tissue Paper Anti-Circ 2011 that when a third country exporter/producer uses semi-finished merchandise from the PRC and fails to "link U.S. exports to the source of production, the Department must assume that {the third country exporter/producer's} merchandise produced using {Chinese-sourced, semi-finished merchandise} continues to be exported to the United States."⁴⁰ In this case, the Department must employ this presumption because the Department cannot identify the source of production of U.S. imports absent physical descriptions or specifications of the semi-finished merchandise sourced from the PRC. Consequently, the use of certifications would not assist the Department or CBP in identifying the hangers self-produced by Angang in Vietnam. Further, the

³⁵ See Certain Tissue Paper Products From the People's Republic of China: Affirmative Final Determination of Circumvention of the Antidumping Duty Order, 76 FR 47551 (August 5, 2011) and accompanying Issues and Decision Memorandum ("Tissue Paper Anti-Circ 2011").

³⁶ See Angang's Case Brief dated June 13, 2011, at 20-21.

³⁷ See Petitioner's Rebuttal Brief dated June 20, 2011, at 10-13.

³⁸ See Angang's Case Brief dated June 13, 2011 at Exhibit 1 (citing Certain Tissue Paper Products From the People's Republic of China: Affirmative Final Determination of Circumvention of the Antidumping Duty Order, 73 FR 57591 (October 3, 2008) and accompanying Issues and Decision Memorandum ("Tissue Paper Anti-Circ 2008")).

³⁹ See Angang's submission dated October 8, 2010, at Exhibit 1B.

⁴⁰ See Tissue Paper Anti-Circ 2011 at Comment 4.

Department's decision in Tissue Paper Anti-Circ 2008 to institute a certification process contains distinct facts that render the determination inapplicable to the current proceeding. In Tissue Paper Anti-Circ 2008, the third country exporter/producer had the ability to segregate PRC-sourced material from non-PRC sourced material.⁴¹ However, in this case⁴² and in the recently decided Tissue Paper Anti-Circ 2011,⁴³ the third country exporter/producer could not segregate PRC-sourced material from non-PRC sourced material in producing the final product. Consequently, consistent with our determination in Tissue Paper Anti-Circ 2011, the Department declines to institute a certification program for Angang's exports to the United States. Rather, consistent with Tissue Paper Anti-Circ 2011, should the Department conduct an administrative review in the future, and determine in the context of that review that Angang or Quiky have not produced for export garment hangers using PRC-origin, semi-finished hangers, the Department will consider initiating a changed circumstances review pursuant to section 751(b) of the Act to determine if the continued suspension of all garment hangers produced by Angang or Quiky is warranted.⁴⁴

Comment 5: Appropriate Rate to Assign to Angang

Angang's Case Brief

- The Department should only assign required cash deposits for those entries limited to the two hanger models that were processed from the PRC-origin, semi-finished hangers.
- The cash deposit rate should be the same rate as its PRC affiliate's most recent separate rate rather than the "PRC Entity penalty rate."⁴⁵

Petitioner's Rebuttal Brief

- Record evidence shows that Angang has submitted information to the Department that is inaccurate and misleading, that cannot be reconciled with other information submitted by Angang, and that indicates Angang and its PRC affiliate may be engaged in schemes to evade the payment of applicable dumping duties. This pattern of behavior should not be rewarded with a favorable deposit rate from a separate proceeding.
- The Department should continue to assign the PRC-wide entity rate for garment hangers from the PRC to all Angang's exports of garment hangers to the United States.

Department's Position:

The Department disagrees with Angang regarding the proper cash deposit rate assigned to Angang's exports. First, while the Department determined that two PRC companies and Angang are affiliated,⁴⁶ the Department does not collapse companies across borders as single entities and, consequently, did not collapse Angang and its two PRC affiliates into a single entity.⁴⁷ Second,

⁴¹ See Tissue Paper Anti-Circ 2008 at Comment 3.

⁴² See Angang's submission dated March 21, 2011, at 2.

⁴³ See Tissue Paper Anti-Circ 2011 at Comment 4.

⁴⁴ See *id.*, 76 FR at 47554.

⁴⁵ See Angang's Case Brief Dated June 13, 2011, at 22.

⁴⁶ See Preliminary Determination, 76 FR at 27014; see also "Memorandum to the File through Catherine Bertrand, Program Manager, Office 9 from Irene Gorelik, Senior Analyst, re; Circumvention Inquiry on Steel Wire Garment Hangers from the People's Republic of China: Proprietary Analysis of Certain Statutory Factors for Angang Clothes Rack Manufacture Co., Ltd. for the Preliminary Determination," dated May 3, 2011 ("Angang Prelim Analysis Memo").

⁴⁷ See, e.g., Notice of Final Determination of Sales at Less Than Fair Value: Stainless Steel Bar From Italy, 67 FR 3155 (January 23, 2002) and accompanying Issues and Decision Memorandum at Comment 8 (stating that

Angang is not currently eligible for a separate rate nor does Angang currently have a separate rate. Consistent with Tissue Paper Anti-Circ 2011,⁴⁸ the purpose of this anti-circumvention inquiry is to determine whether garment hangers produced by Angang in Vietnam using PRC-origin, semi-finished hangers is circumventing the Order. Contrary to Angang's suggestion, in conducting this inquiry, the Department has not determined a cash deposit rate, conducted a separate rate analysis, or calculated an individual dumping margin for Angang, which is performed within the context of administrative reviews and new shipper reviews, among other proceedings. As a result of making an affirmative circumvention finding, the Department has the authority to include the merchandise at issue in the scope of the order and to order suspension of liquidation and the collection of cash deposits of that merchandise pending the conduct of a subsequent administrative review.⁴⁹ Consistent with our statement in Tissue Paper Anti-Circ 2011,⁵⁰ in NME cases, the cash deposit rate for the PRC-wide entity and applicable to this merchandise is the rate applicable to the relevant exporter.⁵¹ Consequently, for this proceeding, Angang's exports are subject only to the PRC-wide entity rate established for the Order, which is 187.25 percent. However, as the Department stated above in Comment 4, should we conduct an administrative review in the future, and determine in the context of that review that either Angang and/or Quyky have not produced for export garment hangers using PRC-origin, semi-finished hangers, the Department will consider initiating a changed circumstances review pursuant to section 751(b) of the Act to determine if the continued suspension of all garment hangers produced by either Angang and/or Quyky is warranted.

RECOMMENDATION

Based on our analysis of the comments received, we recommend adopting all of the above positions. If accepted, we will publish the final determination of this anti-circumvention inquiry in the Federal Register.

AGREE ☒

DISAGREE ☐

Ronald K. Lorentzen

Ronald K. Lorentzen
Deputy Assistant Secretary
for Import Administration

October 21, 2011

Date

"(b) because an antidumping proceeding only involves the subject merchandise of one country, this means that the Department cannot collapse producers across country lines under 19 CFR 351.401(f)".

⁴⁸ See Tissue Paper Anti-Circ 2011 at Comment 5.

⁴⁹ See section 781(b) of the Act (explaining that if the Department makes an affirmative circumvention determination pursuant to the criteria listed in section 781(b)(1)(A)-(E) of the Act, the Department "may include such imported merchandise within the scope of such order...."); see also 19 CFR 351.225(l)(3).

⁵⁰ See Tissue Paper Anti-Circ 2011 at Comment 5.

⁵¹ See, e.g., First Administrative Review of Steel Wire Garment Hangers From the People's Republic of China: Final Results and Final Partial Rescission of Antidumping Duty Administrative Review, 76 FR 27994, 27998 (May 13, 2011).