

that it requests postponement of the preliminary determinations of these investigations to allow Commerce and the parties to fully develop and review the record and relevant issues in anticipation of the preliminary determinations.<sup>5</sup>

For the reasons stated above, and because there are no compelling reasons to deny the request, Commerce, in accordance with section 733(c)(1)(A) of the Act, is postponing the deadline for the preliminary determinations by 50 days (*i.e.*, 190 days after the date on which these investigations were initiated plus 40 days for tolling). As a result, Commerce will issue its preliminary determinations no later than May 28, 2019. In accordance with section 735(a)(1) of the Act and 19 CFR 351.210(b)(1), the deadline for the final determinations of these investigations will continue to be 75 days after the date of publication of the preliminary determinations, unless postponed at a later date.

This notice is issued and published pursuant to section 733(c)(2) of the Act and 19 CFR 351.205(f)(1).

Dated: March 13, 2019.

**Gary Taverman,**

*Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.*

[FR Doc. 2019-05005 Filed 3-18-19; 8:45 am]

**BILLING CODE 3510-DS-P**

**DEPARTMENT OF COMMERCE**

**International Trade Administration**

[A-570-104, A-533-887, A-583-865, A-549-840]

**Carbon and Alloy Steel Threaded Rod From India, Taiwan, Thailand, and the People's Republic of China: Initiation of Less-Than-Fair-Value Investigations**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**DATES:** Applicable March 13, 2019.

**FOR FURTHER INFORMATION CONTACT:** Annatheia Cook at (202) 482-0250 (India); Nicholas Czajkowski at (202) 482-1395 (Taiwan); Kabir Archuletta at (202) 482-2593 (Thailand); Andre Gziyran at (202) 482-2201 (the People's Republic of China (China)); AD/CVD Operations, Enforcement and Compliance, International Trade

Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230.

**SUPPLEMENTARY INFORMATION:**

**The Petitions**

On February 21, 2019, the U.S. Department of Commerce (Commerce) received antidumping duty (AD) petitions concerning imports of carbon and alloy steel threaded rod (steel threaded rod) from India, Taiwan, Thailand, and China.<sup>1</sup> The AD Petitions, as amended, were filed in proper form by Vulcan Threaded Products Inc. (the petitioner).<sup>2</sup> The AD Petitions, as amended, were accompanied by countervailing duty (CVD) petitions concerning imports of steel threaded rod from India and China.

On February 26, March 4, and March 6, 2019, Commerce requested supplemental information pertaining to certain aspects of the AD Petitions in separate supplemental questionnaires.<sup>3</sup> Responses to the supplemental questionnaires were filed on February 28, March 6, and March 7, 2019.<sup>4</sup>

<sup>1</sup> See the Petitioner's Letter, "Petitions for the Imposition of Antidumping and Countervailing Duties: Carbon and Alloy Steel Threaded Rod from the People's Republic of China, India, Taiwan, and Thailand," dated February 21, 2019 (the AD Petitions).

<sup>2</sup> See the Petitioner's Letter, "Petitions for the Imposition of Antidumping and Countervailing Duties: Carbon and Alloy Steel Threaded Rod from the People's Republic of China, India, Taiwan, and Thailand: Clarification of Petitioner's Name," dated March 1, 2019.

<sup>3</sup> See Commerce Letters, "Petitions for the Imposition of Antidumping and Countervailing Duties on Imports of Carbon and Alloy Steel Threaded Rod from the People's Republic of China, India, Taiwan, and Thailand: Supplemental Questions;" "Petition for the Imposition of Antidumping Duties on Imports of Carbon and Alloy Steel Threaded Rod from India: Supplemental Questions;" "Petition for the Imposition of Antidumping Duties on Imports of Carbon and Alloy Steel Threaded Rod from Taiwan: Supplemental Questions;" "Petition for the Imposition of Antidumping Duties on Imports of Carbon and Alloy Steel Threaded Rod from Thailand: Supplemental Questions;" and "Petition for the Imposition of Antidumping Duties on Imports of Carbon and Alloy Steel Threaded Rod from the People's Republic of China: Supplemental Questions." All of these documents are dated February 26, 2019. See also Commerce Letter, "Petition for the Imposition of Antidumping Duties on Imports of Carbon and Alloy Steel Threaded Rod from Thailand: Second Supplemental Questions," dated March 4, 2019. See also Commerce's Letter, "Petition for the Imposition of Antidumping Duties on Imports of Carbon and Alloy Steel Threaded Rod from Taiwan: Second Supplemental Questions," dated March 4, 2019; and Memorandum, "Phone Call with Counsel to the Petitioner," dated March 6, 2019.

<sup>4</sup> See the Petitioner's Letters, "Carbon and Alloy Steel Threaded Rod from India: Response to Questionnaire on Antidumping Petition" (India AD Supplement); "Carbon and Alloy Steel Threaded Rod from Taiwan: Response to Questionnaire on Antidumping Petition" (Taiwan AD Supplement); "Carbon and Alloy Steel Threaded Rod from

In accordance with section 732(b) of the Tariff Act of 1930, as amended (the Act), the petitioner alleges that imports of steel threaded rod from India, Taiwan, Thailand, and China are being, or are likely to be, sold in the United States at less than fair value (LTFV) within the meaning of section 731 of the Act, and that such imports are materially injuring, or threatening material injury to, the domestic industry producing steel threaded rod in the United States. Consistent with section 732(b)(1) of the Act, the AD Petitions, as amended, are accompanied by information reasonably available to the petitioner supporting its allegations.

Commerce finds that the petitioner filed the AD Petitions, as amended, on behalf of the domestic industry, because the petitioner is an interested party, as defined in section 771(9)(C) of the Act. Commerce also finds that the petitioner demonstrated sufficient industry support with respect to the initiation of the requested AD investigations.<sup>5</sup>

**Periods of Investigation**

Because the AD Petitions, as amended, were filed on February 21, 2019, pursuant to 19 CFR 351.204(b)(1), the period of investigation (POI) for the India, Taiwan, and Thailand investigations is January 1, 2018, through December 31, 2018. Because China is a non-market economy (NME) country, pursuant to 19 CFR 351.204(b)(1), the POI for the China investigation is July 1, 2018, through December 31, 2018.

Thailand: Response to Questionnaire on Antidumping Petition" (Thailand AD Supplement); and "Carbon and Alloy Steel Threaded Rod from the People's Republic of China: Response to Questionnaire on Antidumping Petition" (China AD Supplement). All of these documents are dated February 28, 2019. See also the Petitioner's Letter, "Carbon and Alloy Steel Threaded Rod from the People's Republic of China, India, Taiwan, and Thailand: Response to General Issues Questionnaire," dated February 28, 2019 (General Issues Supplement); see also the Petitioner's Letter, "Petition for the Imposition of Antidumping Duties on Imports of Carbon and Alloy Steel Threaded Rod from Taiwan: Responses to Second Supplemental Questions," dated March 6, 2019 (Second Taiwan AD Supplement); the Petitioner's Letter, "Petition for the Imposition of Antidumping Duties on Imports of Carbon and Alloy Steel Threaded Rod from Taiwan: Responses to Third Supplemental Questions," dated March 7, 2019 (Third Taiwan AD Supplement); see also the Petitioner's Letter, "Petition for the Imposition of Antidumping Duties on Imports of Carbon and Alloy Steel Threaded Rod from Thailand: Responses to Second Supplemental Questions," dated March 6, 2019 (Second Thailand AD Supplement); see also "Petition for the Imposition of Antidumping Duties on Imports of Carbon and Alloy Steel Threaded Rod from Thailand: Amended Calculations," dated March 7, 2019 (Third Thailand AD Supplement).

<sup>5</sup> See the AD Petitions at 2-3.

Mexico: Petitioner's Request to Extend Preliminary Determinations," dated March 8, 2019 (Requests for Postponement).

<sup>5</sup> See Requests for Postponement.

## Scope of the Investigations

The product covered by these investigations is steel threaded rod from India, Taiwan, Thailand, and China. For a full description of the scope of these investigations, see the Appendix to this notice.

## Scope Comments

During our review of the AD Petitions, Commerce issued questions to, and received responses from, the petitioner pertaining to the proposed scope to ensure that the scope language in the AD Petitions, as amended, would be an accurate reflection of the products for which the domestic industry is seeking relief.<sup>6</sup>

As discussed in the *Preamble* to Commerce's regulations, we are setting aside a period for interested parties to raise issues regarding product coverage (scope).<sup>7</sup> Commerce will consider all comments received from interested parties and, if necessary, will consult with interested parties prior to the issuance of the preliminary determinations. If scope comments include factual information,<sup>8</sup> all such factual information should be limited to public information. To facilitate preparation of its questionnaires, Commerce requests that all interested parties submit scope comments by 5:00 p.m. Eastern Time (ET) on April 2, 2019, which is 20 calendar days from the signature date of this notice. Any rebuttal comments, which may include factual information, must be filed by 5:00 p.m. ET on April 12, 2019, which is 10 calendar days from the initial comment deadline.<sup>9</sup>

Commerce requests that any factual information parties consider relevant to the scope of the investigations be submitted during this period. However, if a party subsequently finds that additional factual information pertaining to the scope of the investigations may be relevant, the party may contact Commerce and request permission to submit the additional information. All such submissions must be filed on the records of the concurrent AD and CVD investigations.

## Filing Requirements

All submissions to Commerce must be filed electronically via Enforcement and Compliance's Antidumping Duty and Countervailing Duty Centralized

Electronic Service System (ACCESS).<sup>10</sup> An electronically filed document must be received successfully in its entirety by the time and date it is due. Documents exempted from the electronic submission requirements must be filed manually (*i.e.*, in paper form) with Enforcement and Compliance's APO/Dockets Unit, Room 18022, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230, and stamped with the date and time of receipt by the applicable deadlines.

## Comments on Product Characteristics

Commerce is providing interested parties an opportunity to comment on the appropriate physical characteristics of steel threaded rod to be reported in response to Commerce's AD questionnaires. This information will be used to identify the key physical characteristics of the subject merchandise in order to report the relevant factors of production (FOPs) accurately, as well as to develop appropriate product-comparison criteria.

Interested parties may provide any information or comments that they feel are relevant to the development of an accurate list of physical characteristics. Specifically, they may provide comments as to which characteristics are appropriate to use as: (1) General product characteristics, and (2) product comparison criteria. We note that it is not always appropriate to use all product characteristics as product comparison criteria. We base product comparison criteria on meaningful commercial differences among products. In other words, although there may be some physical product characteristics utilized by manufacturers to describe steel threaded rod, it may be that only a select few product characteristics take into account commercially meaningful physical characteristics. In addition, interested parties may comment on the order in which the physical characteristics should be used in matching products. Generally, Commerce attempts to list the most important physical characteristics first and the least important characteristics last.

<sup>10</sup> See *Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures*, 76 FR 39263 (July 6, 2011); see also *Enforcement and Compliance; Change of Electronic Filing System Name*, 79 FR 69046 (November 20, 2014) for details of Commerce's electronic filing requirements, effective August 5, 2011. Information on help using ACCESS can be found at <https://access.trade.gov/help.aspx> and a handbook can be found at <https://access.trade.gov/help/Handbook%20on%20Electronic%20Filing%20Procedures.pdf>.

In order to consider the suggestions of interested parties in developing and issuing the AD questionnaires, all product characteristics comments must be filed by 5:00 p.m. ET on April 2, 2019, which is 20 calendar days from the signature date of this notice.<sup>11</sup> Any rebuttal comments must be filed by 5:00 p.m. ET on April 12, 2019. All comments and submissions to Commerce must be filed electronically using ACCESS, as explained above, on the record of each of the AD investigations.

## Determination of Industry Support for the AD Petitions

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) At least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 732(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, Commerce shall: (i) Poll the industry or rely on other information in order to determine if there is support for the petition, as required by subparagraph (A); or (ii) determine industry support using a statistically valid sampling method to poll the "industry."

Section 771(4)(A) of the Act defines the "industry" as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs Commerce to look to producers and workers who produce the domestic like product. The International Trade Commission (ITC), which is responsible for determining whether "the domestic industry" has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both Commerce and the ITC must apply the same statutory definition regarding the domestic like product,<sup>12</sup> they do so for different purposes and pursuant to a separate and distinct authority. In addition, Commerce's determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such

<sup>11</sup> See 19 CFR 351.303(b).

<sup>12</sup> See section 771(10) of the Act.

<sup>6</sup> See General Issues Supplemental at 3–6.

<sup>7</sup> See *Antidumping Duties; Countervailing Duties, Final Rule*, 62 FR 27296, 27323 (May 19, 1997).

<sup>8</sup> See 19 CFR 351.102(b)(21) (defining "factual information").

<sup>9</sup> See 19 CFR 351.303(b).

differences do not render the decision of either agency contrary to law.<sup>13</sup>

Section 771(10) of the Act defines the domestic like product as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title.” Thus, the reference point from which the domestic like product analysis begins is “the article subject to an investigation” (*i.e.*, the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition).

With regard to the domestic like product, the petitioner does not offer a definition of the domestic like product distinct from the scope of the AD Petitions, as amended.<sup>14</sup> Based on our analysis of the information submitted on the record, we have determined that steel threaded rod, as defined in the scope, constitutes a single domestic like product, and we have analyzed industry support in terms of that domestic like product.<sup>15</sup>

In determining whether the petitioner has standing under section 732(c)(4)(A) of the Act, we considered the industry support data contained in the AD Petitions, as amended, with reference to the domestic like product as defined in the “Scope of the Investigations,” in the Appendix to this notice. To establish industry support, the petitioner provided its own production of the domestic like product in 2018, as well as the 2018 production of Bay Standard Manufacturing Inc. (Bay Standard), a U.S. producer of steel threaded rod that supports the AD Petitions, as

amended.<sup>16</sup> The petitioner compared the production of the supporters of the AD Petitions, as amended, to the estimated total production of the domestic like product for the entire domestic industry.<sup>17</sup> We relied on data provided by the petitioner and Bay Standard for purposes of measuring industry support.<sup>18</sup>

Our review of the data provided in the AD Petitions, as amended, the General Issues Supplement, the Letter of Support, and other information readily available to Commerce indicates that the petitioner has established industry support for the AD Petitions, as amended.<sup>19</sup> First, the AD Petitions, as amended, established support from domestic producers (or workers) accounting for more than 50 percent of the total production of the domestic like product and, as such, Commerce is not required to take further action in order to evaluate industry support (*e.g.*, polling).<sup>20</sup> Second, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(i) of the Act, because the domestic producers (or workers) who support the AD Petitions, as amended, account for at least 25 percent of the total production of the domestic like product.<sup>21</sup> Finally, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(ii) of the Act, because the domestic producers (or workers) who support the AD Petitions, as amended, account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the AD

Petitions, as amended.<sup>22</sup> Accordingly, Commerce determines that the AD Petitions, as amended, were filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act.

Commerce finds that the petitioner filed the AD Petitions, as amended, on behalf of the domestic industry, because it is an interested party, as defined in section 771(9)(C) of the Act, and it has demonstrated sufficient industry support with respect to the AD investigations that it is requesting that Commerce initiate.<sup>23</sup>

### Allegations and Evidence of Material Injury and Causation

The petitioner alleged that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the imports of the subject merchandise sold at less than normal value (NV). In addition, the petitioner alleges that subject imports exceed the negligibility threshold provided for under section 771(24)(A) of the Act.<sup>24</sup> The petitioner contends that the industry’s injured condition is illustrated by a significant and increasing volume of subject imports; reduced market share; underselling and price suppression; decline in the domestic industry’s capacity utilization; the domestic industry’s lagging production and shipments; decline in the domestic industry’s financial performance; and lost sales and revenues.<sup>25</sup> We have assessed the allegations and supporting evidence regarding material injury, threat of material injury, causation, as well as cumulation, and we have determined that these allegations are properly supported by adequate evidence, and meet the statutory requirements for initiation.<sup>26</sup>

### Allegations of Sales at LTFV

The following is a description of the allegation of sales at LTFV upon which Commerce based its decision to initiate AD investigations of imports of steel threaded rod from India, Taiwan,

<sup>13</sup> See *USEC, Inc. v. United States*, 132 F. Supp. 2d 1, 8 (CIT 2001) (citing *Algoma Steel Corp., Ltd. v. United States*, 688 F. Supp. 639, 644 (CIT 1988), *aff’d* 865 F.2d 240 (Fed. Cir. 1989)).

<sup>14</sup> See Volume I of the AD Petitions at 8–12.

<sup>15</sup> For a discussion of the domestic like product analysis as applied to these cases and information regarding industry support, see Antidumping Duty Investigation Initiation Checklist: Carbon and Alloy Steel Threaded Rod from the People’s Republic of China (China AD Initiation Checklist), at Attachment II, Analysis of Industry Support for the Antidumping and Countervailing Duty Petitions Covering Carbon and Alloy Steel Threaded Rod from the People’s Republic of China, India, Taiwan, and Thailand (Attachment II); see also Antidumping Duty Investigation Initiation Checklist: Carbon and Alloy Steel Threaded Rod from India (India AD Initiation Checklist), at Attachment II; see also Antidumping Duty Investigation Initiation Checklist: Carbon and Alloy Steel Threaded Rod from Taiwan (Taiwan AD Initiation Checklist), at Attachment II; see also Antidumping Duty Investigation Initiation Checklist: Carbon and Alloy Steel Threaded Rod from Thailand (Thailand AD Initiation Checklist), at Attachment II. These checklists are dated concurrently with, and hereby adopted by, this notice and on file electronically via ACCESS. Access to documents filed via ACCESS is also available in the Central Records Unit, Room B8024 of the main Department of Commerce building.

<sup>16</sup> See Volume I of the Petitions, at Exhibit I–2; see also Letter from Bay Standard, “Carbon and Alloy Steel Threaded Rod from the People’s Republic of China, India, Taiwan, and Thailand: Support for the Petitions,” dated February 25, 2019 (Letter of Support), at Attachment I.

<sup>17</sup> See General Issues Supplement, at 6 and Exhibits 3 and 5.

<sup>18</sup> *Id.* For further discussion, see China AD Initiation Checklist at Attachment II; India AD Initiation Checklist at Attachment II; Taiwan AD Initiation Checklist at Attachment II; and Thailand AD Initiation Checklist, at Attachment II.

<sup>19</sup> See China AD Initiation Checklist, at Attachment II; India AD Initiation Checklist, at Attachment II; Taiwan AD Initiation Checklist, at Attachment II; and Thailand AD Initiation Checklist, at Attachment II.

<sup>20</sup> See section 732(c)(4)(D) of the Act; see also China AD Initiation Checklist, at Attachment II; India AD Initiation Checklist, at Attachment II; Taiwan AD Initiation Checklist, at Attachment II; and Thailand AD Initiation Checklist, at Attachment II.

<sup>21</sup> See China AD Initiation Checklist, at Attachment II; India AD Initiation Checklist, at Attachment II; Taiwan AD Initiation Checklist, at Attachment II; and Thailand AD Initiation Checklist, at Attachment II.

<sup>22</sup> *Id.*

<sup>23</sup> *Id.*

<sup>24</sup> See Volume I of the Petitions, at 18 and Exhibit I–14.

<sup>25</sup> *Id.* at 15–35 and Exhibits I–3, I–4, I–10, I–11, I–13, I–14 and I–16 through I–20.

<sup>26</sup> See China AD Initiation Checklist, at Attachment III, Analysis of Allegations and Evidence of Material Injury and Causation for the Antidumping and Countervailing Duty Petitions Covering Carbon and Alloy Steel Threaded Rod from the People’s Republic of China, India, Taiwan, and Thailand (Attachment III); see also India AD Initiation Checklist, at Attachment III; Taiwan AD Initiation Checklist, at Attachment III; and Thailand AD Initiation Checklist, at Attachment III.

Thailand, and China. The sources of data for the deductions and adjustments relating to U.S. price and normal value (NV) are discussed in greater detail in the AD Initiation Checklist for each country.

### Export Price

For India, Thailand, and China, the petitioner based the U.S. price on export price (EP) using average unit values (AUVs) of publicly available import data.<sup>27</sup> For Taiwan, the petitioner based U.S. price on pricing information for steel threaded rod produced in, and exported from, Taiwan and offered for sale in the United States.<sup>28</sup> Where applicable, the petitioner made deductions from U.S. price for movement and other expenses, consistent with the terms of sale.<sup>29</sup>

### Normal Value

For India, the petitioner based NV on home market prices obtained through market research for steel threaded rod produced in and sold, or offered for sale, in India within the POI.

For Taiwan and Thailand, the petitioner was unable to obtain information relating to the prices charged for steel threaded rod produced and sold in the respective home markets or third country prices; accordingly, the petitioner based NV on constructed value (CV).<sup>30</sup> For further discussion of CV, see the section “Normal Value Based on Constructed Value” below.<sup>31</sup>

With respect to China, Commerce considers China to be an NME country.<sup>32</sup> In accordance with section 771(18)(C)(i) of the Act, the

presumption of NME status remains in effect until revoked by Commerce. Therefore, we continue to treat China as an NME for purposes of the initiation of this investigation. Accordingly, NV in China is appropriately based on FOPs valued in a surrogate market economy country, in accordance with section 773(c) of the Act.<sup>33</sup>

The petitioner claims that Mexico is an appropriate surrogate country for China, because it is a market economy country that is at a level of economic development comparable to that of China, it is a significant producer of comparable merchandise, and public information from Mexico is available to value all material input factors.<sup>34</sup> Based on the information provided by the petitioner, we determine that it is appropriate to use Mexico as a surrogate country for initiation purposes.

Interested parties will have the opportunity to submit comments regarding surrogate country selection and, pursuant to 19 CFR 351.301(c)(3)(i), will be provided an opportunity to submit publicly available information to value FOPs within 30 days before the scheduled date of the preliminary determination.

Interested parties will have the opportunity to submit comments regarding surrogate country selection and, pursuant to 19 CFR 351.301(c)(3)(i), will be provided an opportunity to submit publicly available information to value FOPs within 30 days before the scheduled date of the preliminary determination.

### Factors of Production

Because information regarding the volume of inputs consumed by the Chinese producers/exporters is not available, the petitioner relied on its own production experience as an estimate of Chinese manufacturers’ FOPs.<sup>35</sup> The petitioner valued the estimated FOPs using surrogate values from Mexico and used the average POI exchange rate to convert the data to U.S. dollars.<sup>36</sup>

### Normal Value Based on Constructed Value

As noted above, the petitioner was unable to obtain information relating to the prices charged for steel threaded rod produced in Taiwan and Thailand, or third country prices; accordingly, the petitioner based NV on CV.<sup>37</sup> Pursuant to section 773(e) of the Act, CV consists

of the cost of manufacturing (COM), selling, general, and administrative (SG&A) expenses, financial expenses, packing expenses, and profit. For Taiwan and Thailand, the petitioner calculated the COM based on the input factors of production and its own usage rates. The input factors of production were valued using publicly available data on costs specific to Taiwan and Thailand, during the proposed POI.<sup>38</sup> Specifically, the prices for raw materials, reclaimed steel scrap, and packing inputs were valued using publicly available import and domestic price data for Taiwan and Thailand.<sup>39</sup> Labor and energy costs were valued using publicly available sources for Taiwan and Thailand.<sup>40</sup> The petitioner calculated factory overhead, SG&A expenses, financial expenses, and profit for Taiwan and Thailand based on the ratios found in the experience of a producer of identical or comparable merchandise from each of these countries.<sup>41</sup>

### Fair Value Comparisons

Based on the data provided by the AD Petitions, as amended, there is reason to believe that imports of steel threaded rod from India, Taiwan, Thailand, and China are being, or are likely to be, sold in the United States at LTFV. Based on comparisons of EP to NV in accordance with sections 772 and 773 of the Act, the estimated dumping margins for steel threaded rod for each of the countries covered by this initiation are as follows: (1) India—25.43 and 28.34 percent;<sup>42</sup> (2) Taiwan—32.26 percent;<sup>43</sup> (3) Thailand—20.83 percent;<sup>44</sup> and (4) China—57.36 and 59.45 percent.<sup>45</sup>

### Initiation of LTFV Investigations

Based upon the examination of the AD Petitions, as amended, and supplemental responses, we find that the AD Petitions, as amended, meet the requirements of section 732 of the Act. Therefore, we are initiating AD investigations to determine whether imports of steel threaded rod from India, Taiwan, Thailand, and China are being, or are likely to be, sold in the United States at LTFV. In accordance with section 733(b)(1)(A) of the Act and 19 CFR 351.205(b)(1), unless postponed, we will make our preliminary determinations no later than 140 days after the date of this initiation.

<sup>38</sup> *Id.*

<sup>39</sup> *Id.*

<sup>40</sup> *Id.*

<sup>41</sup> *Id.*

<sup>42</sup> See India AD Initiation Checklist.

<sup>43</sup> See Taiwan AD Initiation Checklist.

<sup>44</sup> See Thailand AD Initiation Checklist.

<sup>45</sup> See China AD Initiation Checklist.

<sup>27</sup> See India AD Initiation Checklist, China AD Initiation Checklist; Thailand AD Initiation Checklist.

<sup>28</sup> See Taiwan AD Initiation Checklist.

<sup>29</sup> See India AD Initiation Checklist, China AD Initiation Checklist; Taiwan AD Initiation Checklist; and Thailand AD Initiation Checklist.

<sup>30</sup> See Taiwan AD Initiation Checklist and Thailand AD Initiation Checklist.

<sup>31</sup> In accordance with section 505(a) of the Trade Preferences Extension Act of 2015, amending section 773(b)(2) of the Act, for this investigation, Commerce will request information necessary to calculate the CV and cost of production (COP) to determine whether there are reasonable grounds to believe or suspect that sales of the foreign like product have been made at prices that represent less than the COP of the product. Commerce no longer requires a COP allegation to conduct this analysis.

<sup>32</sup> See *Antidumping Duty Investigation of Certain Aluminum Foil from the People’s Republic of China: Affirmative Preliminary Determination of Sales at Less-Than-Fair Value and Postponement of Final Determination*, 82 FR 50858, 50861 (November 2, 2017), and accompanying decision memorandum, *China’s Status as a Non-Market Economy*, unchanged in *Certain Aluminum Foil from the People’s Republic of China: Final Determination of Sales at Less Than Fair Value*, 83 FR 9282 (March 5, 2018).

<sup>33</sup> See China AD Initiation Checklist.

<sup>34</sup> See Volume II of the Petition at 2–4.

<sup>35</sup> See China AD Initiation Checklist.

<sup>36</sup> *Id.*

<sup>37</sup> See Taiwan AD Initiation Checklist and Thailand AD Initiation Checklist.

## Respondent Selection

The petitioner named 32 companies in India,<sup>46</sup> 25 companies in Taiwan,<sup>47</sup> and five companies in Thailand,<sup>48</sup> as producers/exporters of steel threaded rod. Following standard practice in AD investigations involving market economy countries, in the event Commerce determines that the number of companies is large and it cannot individually examine each company based upon Commerce's resources, where appropriate, Commerce intends to select respondents in India, Taiwan, and Thailand based on U.S. Customs and Border Protection (CBP) data for U.S. imports under the appropriate Harmonized Tariff Schedule of the United States (HTSUS) numbers listed with the scope in the Appendix, below.<sup>49</sup>

The petitioner named 446 producers/exporters of steel threaded rod in China.<sup>50</sup> In AD investigations involving NME countries, Commerce selects respondents based on quantity and value (Q&V) questionnaires in cases where it has determined that the number of companies is large and it cannot individually examine each company based upon its resources. After considering the large number of producers and exporters identified in the China AD Petition, and considering the resources that must be used by Commerce to mail Q&V questionnaires to all of these companies, Commerce has determined that we do not have sufficient administrative resources to mail Q&V questionnaires to all 446 identified producers and exporters. Therefore, Commerce has determined to limit the number of Q&V questionnaires it will send out to exporters and producers based on CBP data for imports during the POI under the appropriate HTSUS numbers listed with the scope in the Appendix, below. Accordingly, Commerce will send Q&V questionnaires to the largest producers and exporters that are identified in the CBP data for which there is address information on the record.

On March 11, 2019, Commerce released CBP data on imports of steel threaded rod from India, Taiwan, Thailand, and China under APO to all parties with access to information protected by APO and indicated that interested parties wishing to comment

on the CBP data must do so within three business days of the publication date of the notice of initiation of these investigations.<sup>51</sup> We further stated that we will not accept rebuttal comments.

In addition, Commerce will post the Q&V questionnaire along with filing instructions on the Enforcement and Compliance website at <http://www.trade.gov/enforcement/news.asp>. In accordance with our standard practice for respondent selection in AD cases involving NME countries, we intend to base respondent selection on the responses to the Q&V questionnaire that we receive.

Producers/exporters of steel threaded rod from China that do not receive Q&V questionnaires by mail may still submit a response to the Q&V questionnaire and can obtain a copy of the Q&V questionnaire from Enforcement & Compliance's website. The Q&V response must be submitted by the relevant Chinese exporters/producers no later than 5:00 p.m. ET on March 27, 2019. All Q&V responses must be filed electronically via ACCESS.

## Separate Rates

In order to obtain separate-rate status in an NME investigation, exporters and producers must submit a separate-rate application.<sup>52</sup> The specific requirements for submitting a separate-rate application in the China investigation are outlined in detail in the application itself, which is available on Commerce's website at <http://enforcement.trade.gov/nme/nme-sep-rate.html>. The separate-rate application will be due 30 days after publication of this initiation notice.<sup>53</sup> Exporters and producers who submit a separate-rate application and are selected as mandatory respondents will be eligible for consideration for separate-rate status only if they respond to all parts of Commerce's AD

<sup>51</sup> See Memoranda, "Carbon and Alloy Steel Threaded Rod from India: U.S. Customs and Border Protection Data for Respondent Selection Purposes;" "Carbon and Alloy Steel Threaded Rod from Thailand: U.S. Customs and Border Protection Data for Respondent Selection Purposes;" "Carbon and Alloy Steel Threaded Rod from Taiwan: U.S. Customs and Border Protection Data for Respondent Selection Purposes;" and "Carbon and Alloy Steel Threaded Rod from the People's Republic of China: U.S. Customs and Border Protection Data for Respondent Selection Purposes," dated March 11, 2019.

<sup>52</sup> See Policy Bulletin 05.1: Separate-Rates Practice and Application of Combination Rates in Antidumping Investigation Involving Non-Market Economy Countries (April 5, 2005), available at <http://enforcement.trade.gov/policy/bull05-1.pdf> (Policy Bulletin 05.1).

<sup>53</sup> Although in past investigations this deadline was 60 days, consistent with 19 CFR 351.301(a), which states that "the Secretary may request any person to submit factual information at any time during a proceeding," this deadline is now 30 days.

questionnaire as mandatory respondents. Commerce requires that companies from China submit a response to both the Q&V questionnaire and the separate-rate application by the respective deadlines in order to receive consideration for separate-rate status. Companies not filing a timely Q&V response will not receive separate-rate consideration.

## Use of Combination Rates

Commerce will calculate combination rates for certain respondents that are eligible for a separate rate in an NME investigation. The Separate Rates and Combination Rates Bulletin states:

{w}hile continuing the practice of assigning separate rates only to exporters, all separate rates that the Department will now assign in its NME Investigation will be specific to those producers that supplied the exporter during the period of investigation. Note, however, that one rate is calculated for the exporter and all of the producers which supplied subject merchandise to it during the period of investigation. This practice applies both to mandatory respondents receiving an individually calculated separate rate as well as the pool of non-investigated firms receiving the weighted-average of the individually calculated rates. This practice is referred to as the application of "combination rates" because such rates apply to specific combinations of exporters and one or more producers. The cash-deposit rate assigned to an exporter will apply only to merchandise both exported by the firm in question and produced by a firm that supplied the exporter during the period of investigation.<sup>54</sup>

## Distribution of Copies of the AD Petitions

In accordance with section 732(b)(3)(A) of the Act and 19 CFR 351.202(f), copies of the public version of the AD Petitions, as amended, have been provided to the governments of India, Taiwan, Thailand, and China via ACCESS. To the extent practicable, we will attempt to provide a copy of the public version of the AD Petitions, as amended, to each exporter named in the AD Petitions, as amended, as provided under 19 CFR 351.203(c)(2).

## ITC Notification

We will notify the ITC of our initiation, as required by section 732(d) of the Act.

## Preliminary Determination by the ITC

The ITC will preliminarily determine, within 45 days after the date on which the AD Petitions, as amended, were filed, whether there is a reasonable indication that imports of steel threaded rod from India, Taiwan, Thailand, and/or China are materially injuring, or

<sup>54</sup> See Policy Bulletin 05.1 at 6 (emphasis added).

<sup>46</sup> See Volume I of the Petitions, at Exhibit I-13.

<sup>47</sup> *Id.*

<sup>48</sup> *Id.*

<sup>49</sup> See, e.g., *Polyester Textured Yarn from India and the People's Republic of China: Initiation of Less-Than-Fair-Value Investigations*, 83 FR 58223, 58227 (November 19, 2018).

<sup>50</sup> See Volume I of the Petitions, at Exhibit I-13.

threatening material injury to, a U.S. industry.<sup>55</sup> A negative ITC determination for any country will result in the investigation being terminated with respect to that country.<sup>56</sup> Otherwise, the investigations will proceed according to statutory and regulatory time limits.

### Submission of Factual Information

Factual information is defined in 19 CFR 351.102(b)(21) as: (i) Evidence submitted in response to questionnaires; (ii) evidence submitted in support of allegations; (iii) publicly available information to value factors under 19 CFR 351.408(c) or to measure the adequacy of remuneration under 19 CFR 351.511(a)(2); (iv) evidence placed on the record by Commerce; and (v) evidence other than factual information described in (i)–(iv). Section 351.301(b) of Commerce's regulations requires any party, when submitting factual information, to specify under which subsection of 19 CFR 351.102(b)(21) the information is being submitted<sup>57</sup> and, if the information is submitted to rebut, clarify, or correct factual information already on the record, to provide an explanation identifying the information already on the record that the factual information seeks to rebut, clarify, or correct.<sup>58</sup> Time limits for the submission of factual information are addressed in 19 CFR 351.301, which provides specific time limits based on the type of factual information being submitted. Interested parties should review the regulations prior to submitting factual information in these investigations.

### Particular Market Situation Allegation

Section 504 of the Trade Preferences Extension Act of 2015 amended the Act by adding the concept of particular market situation (PMS) for purposes of CV under section 773(e) of the Act.<sup>59</sup> Section 773(e) of the Act states that “if a particular market situation exists such that the cost of materials and fabrication or other processing of any kind does not accurately reflect the cost of production in the ordinary course of trade, the administering authority may use another calculation methodology under this subtitle or any other calculation methodology.” When an interested party submits a PMS allegation pursuant to section 773(e) of the Act, Commerce will respond to such a submission consistent with 19 CFR 351.301(c)(2)(v).

If Commerce finds that a PMS exists under section 773(e) of the Act, then it will modify its dumping calculations appropriately.

Neither section 773(e) of the Act nor 19 CFR 351.301(c)(2)(v) set a deadline for the submission of PMS allegations and supporting factual information. However, in order to administer section 773(e) of the Act, Commerce must receive PMS allegations and supporting factual information with enough time to consider the submission. Thus, should an interested party wish to submit a PMS allegation and supporting new factual information pursuant to section 773(e) of the Act, it must do so no later than 20 days after submission of a respondent's initial section D questionnaire response.

### Extensions of Time Limits

Parties may request an extension of time limits before the expiration of a time limit established under 19 CFR 351.301, or as otherwise specified by the Secretary. In general, an extension request will be considered untimely if it is filed after the expiration of the time limit established under 19 CFR 351.301. For submissions that are due from multiple parties simultaneously, an extension request will be considered untimely if it is filed after 10:00 a.m. ET on the due date. Under certain circumstances, we may elect to specify a different time limit by which extension requests will be considered untimely for submissions which are due from multiple parties simultaneously. In such a case, we will inform parties in a letter or memorandum of the deadline (including a specified time) by which extension requests must be filed to be considered timely. An extension request must be made in a separate, stand-alone submission; under limited circumstances we will grant untimely-filed requests for the extension of time limits. Parties should review *Extension of Time Limits; Final Rule*, 78 FR 57790 (September 20, 2013), available at <http://www.gpo.gov/fdsys/pkg/FR-2013-09-20/html/2013-22853.htm>, prior to submitting factual information in these investigations.

### Certification Requirements

Any party submitting factual information in an AD or CVD proceeding must certify to the accuracy and completeness of that information.<sup>60</sup> Parties must use the certification formats provided in 19 CFR 351.303(g).<sup>61</sup> Commerce intends to

reject factual submissions if the submitting party does not comply with the applicable certification requirements.

### Notification to Interested Parties

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305. On January 22, 2008, Commerce published *Antidumping and Countervailing Duty Proceedings: Documents Submission Procedures; APO Procedures*, 73 FR 3634 (January 22, 2008). Parties wishing to participate in these investigations should ensure that they meet the requirements of these procedures (e.g., the filing of letters of appearance as discussed at 19 CFR 351.103(d)).

This notice is issued and published pursuant to sections 732(c)(2) and 777(i) of the Act, and 19 CFR 351.203(c).

Dated: March 13, 2019.

### Gary Taverman,

*Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.*

### Appendix

#### Scope of the Investigations

The merchandise covered by the scope of these investigations is carbon and alloy steel threaded rod. Steel threaded rod is certain threaded rod, bar, or studs, of carbon or alloy steel, having a solid, circular cross section of any diameter, in any straight length. Steel threaded rod is normally drawn, cold-rolled, threaded, and straightened, or it may be hot-rolled. In addition, the steel threaded rod, bar, or studs subject to these investigations are non-headed and threaded along greater than 25 percent of their total actual length. A variety of finishes or coatings, such as plain oil finish as a temporary rust protectant, zinc coating (i.e., galvanized, whether by electroplating or hot-dipping), paint, and other similar finishes and coatings, may be applied to the merchandise.

Steel threaded rod is normally produced to American Society for Testing and Materials (ASTM) specifications ASTM A36, ASTM A193 B7/B7m, ASTM A193 B16, ASTM A307, ASTM A329 L7/L7M, ASTM A320 L43, ASTM A354 BC and BD, ASTM A449, ASTM F1554–36, ASTM F1554–55, ASTM F1554 Grade 105, American Society of Mechanical Engineers (ASME) specification ASME B18.31.3, and American Petroleum Institute (API) specification API 20E. All steel threaded rod meeting the physical description set forth above is covered by the scope of these investigations, whether or not produced according to a particular standard.

Subject merchandise includes material matching the above description that has been

*Countervailing Duty Proceedings*, 78 FR 42678 (July 17, 2013) (*Final Rule*). Answers to frequently asked questions regarding the *Final Rule* are available at [http://enforcement.trade.gov/tlei/notices/factual\\_info\\_final\\_rule\\_FAQ\\_07172013.pdf](http://enforcement.trade.gov/tlei/notices/factual_info_final_rule_FAQ_07172013.pdf).

<sup>55</sup> See section 733(a) of the Act.

<sup>56</sup> *Id.*

<sup>57</sup> See 19 CFR 351.301(b).

<sup>58</sup> See 19 CFR 351.301(b)(2).

<sup>59</sup> See Trade Preferences Extension Act of 2015, Public Law 114–27, 129 Stat. 362 (2015).

<sup>60</sup> See section 782(b) of the Act.

<sup>61</sup> See also *Certification of Factual Information to Import Administration During Antidumping and*

finished, assembled, or packaged in a third country, including by cutting, chamfering, coating, or painting the threaded rod, by attaching the threaded rod to, or packaging it with, another product, or any other finishing, assembly, or packaging operation that would not otherwise remove the merchandise from the scope of the investigations if performed in the country of manufacture of the threaded rod.

Carbon and alloy steel threaded rod are also included in the scope of these investigations whether or not imported attached to, or in conjunction with, other parts and accessories such as nuts and washers. If carbon and alloy steel threaded rod are imported attached to, or in conjunction with, such non-subject merchandise, only the threaded rod is included in the scope.

Excluded from the scope of these investigations are: (1) Threaded rod, bar, or studs which are threaded only on one or both ends and the threading covers 25 percent or less of the total actual length; and (2) stainless steel threaded rod, defined as steel threaded rod containing, by weight, 1.2 percent or less of carbon and 10.5 percent or more of chromium, with or without other elements.

Excluded from the scope of the antidumping investigation on steel threaded rod from the People's Republic of China is any merchandise covered by the existing antidumping order on Certain Steel Threaded Rod from the People's Republic of China. *See Certain Steel Threaded Rod from the People's Republic of China: Notice of Antidumping Duty Order*, 74 FR 17154 (April 14, 2009).

Steel threaded rod is currently classifiable under subheadings 7318.15.5051, 7318.15.5056, and 7318.15.5090 of the Harmonized Tariff Schedule of the United States (HTSUS). Subject merchandise may also enter under subheading 7318.15.2095 and 7318.19.0000 of the HTSUS. The HTSUS subheadings are provided for convenience and U.S. Customs purposes only. The written description of the scope is dispositive.

[FR Doc. 2019-05136 Filed 3-18-19; 8:45 am]

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## DEPARTMENT OF COMMERCE

### International Trade Administration

[C-533-888, C-570-105]

#### Carbon and Alloy Steel Threaded Rod From India and the People's Republic of China: Initiation of Countervailing Duty Investigations

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**DATES:** Applicable March 13, 2019.

**FOR FURTHER INFORMATION CONTACT:** Ryan Mullen at (202) 482-5260 (India) and Thomas Schauer at (202) 482-0410 (People's Republic of China (China)), AD/CVD Operations, Enforcement and Compliance, International Trade

Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230.

#### SUPPLEMENTARY INFORMATION:

##### The Petitions

On February 21, 2019, the U.S. Department of Commerce (Commerce) received countervailing duty (CVD) petitions concerning imports of carbon and alloy steel threaded rod (steel threaded rod) from India and China, filed in proper form on behalf of Vulcan Threaded Products Inc. (the petitioner), a domestic producer of steel threaded rod.<sup>1</sup> The CVD Petitions were accompanied by antidumping duty (AD) petitions concerning imports of steel threaded rod from India, China, Taiwan, and Thailand.

During the period February 25 and 26, 2019, Commerce requested supplemental information pertaining to certain aspects of the CVD Petitions in separate supplemental questionnaires.<sup>2</sup> The petitioner filed responses to the supplemental questionnaires between February 28 and March 1, 2019.<sup>3</sup>

<sup>1</sup> See the petitioner's letter, "Petitions for the Imposition of Antidumping and Countervailing Duties: Carbon and Alloy Steel Threaded Rod from the People's Republic of China, India, Taiwan, and Thailand," dated February 21, 2019 (the Petitions). See also the petitioner's letter, "Petitions for the Imposition of Antidumping and Countervailing Duties: Carbon and Alloy Steel Threaded Rod from the People's Republic of China, India, Taiwan, and Thailand: Clarification of Petitioner Name," dated March 1, 2019.

<sup>2</sup> See Commerce's Letter, "Petition for the Imposition of Countervailing Duties on Imports of Carbon and Alloy Steel Threaded Rod from the People's Republic of China: Supplemental Questions," dated February 25, 2019, and Letters, "Petitions for the Imposition of Antidumping and Countervailing Duties on Imports of Carbon and Alloy Steel Threaded Rod from the People's Republic of China, India, Taiwan, and Thailand: Supplemental Questions," (General Issues Supplemental), "Petition for the Imposition of Countervailing Duties on Imports of Carbon and Alloy Steel Threaded Rod from India: Supplemental Questions," "Petition for the Imposition of Antidumping Duties on Imports of Carbon and Alloy Steel Threaded Rod from the People's Republic of China: Supplemental Questions," "Petition for the Imposition of Antidumping Duties on Imports of Carbon and Alloy Steel Threaded Rod from India: Supplemental Questions," "Petition for the Imposition of Antidumping Duties on Imports of Carbon and Alloy Steel Threaded Rod from Taiwan: Supplemental Questions," and "Petition for the Imposition of Antidumping Duties on Imports of Carbon and Alloy Steel Threaded Rod from Thailand: Supplemental Questions," dated February 26, 2019.

<sup>3</sup> See the petitioner's Letters, "Carbon and Alloy Steel Threaded Rod from the People's Republic of China, India, Taiwan, and Thailand: Response to General Issues Questionnaire," (General Issues Supplement) "Carbon and Alloy Steel Threaded Rod from India: Response to Questionnaire on Countervailing Duty Petition," "Carbon and Alloy Steel Threaded Rod from China: Response to Questionnaire on Antidumping Petition," "Carbon and Alloy Steel Threaded Rod from India: Response to Questionnaire on Antidumping Petition,"

In accordance with section 702(b)(1) of the Tariff Act of 1930, as amended (the Act), the petitioner alleges that the Governments of China and India (GOC, and GOI, respectively) are providing countervailable subsidies, within the meaning of sections 701 and 771(5) of the Act, to producers of steel threaded rod in China and India and that imports of such products are materially injuring, or threatening material injury to, the domestic steel threaded rod industry in the United States. Consistent with section 702(b)(1) of the Act and 19 CFR 351.202(b), for those alleged programs on which we are initiating CVD investigations, the CVD Petitions are accompanied by information reasonably available to the petitioner supporting their allegations.

Commerce finds that the petitioner filed the CVD Petitions on behalf of the domestic industry, because the petitioner is an interested party, as defined in section 771(9)(E) of the Act. Commerce also finds that the petitioner demonstrated sufficient industry support necessary for the initiation of the requested CVD investigations.<sup>4</sup>

#### Period of Investigations

Because the CVD Petitions were filed on February 21, 2019, the period of investigation is January 1, 2018, through December 31, 2018.

#### Scope of the Investigations

The product covered by these investigations is steel threaded rod from China and India. For a full description of the scope of these investigations, see the Appendix to this notice.

#### Comments on the Scope of the Investigations

During our review of the CVD Petitions, Commerce issued questions to, and received responses from, the petitioner pertaining to the proposed scope to ensure that the scope language in the CVD Petitions would be an accurate reflection of the products for which the domestic industry is seeking relief.<sup>5</sup>

As discussed in the *Preamble* to Commerce's regulations, we are setting

"Carbon and Alloy Steel Threaded Rod from Taiwan: Response to Questionnaire on Antidumping Petition," and "Petition for the Imposition of Antidumping Duties on Imports of Carbon and Alloy Steel Threaded Rod from Thailand: Supplemental Questions," dated February 28, 2019, and Letter, "Carbon and Alloy Steel Threaded Rod from China: Response to Questionnaire on Countervailing Duty Petition," dated March 1, 2019.

<sup>4</sup> See the "Determination of Industry Support for the Petition" section, *infra*.

<sup>5</sup> See General Issues Supplemental at 3-4; see also General Issues Supplement at 3-6.