FINAL RESULTS OF REDETERMINATION PURSUANT TO COURT REMAND

TIANJIN MACHINERY IMPORT AND EXPORT CORP. and SHANDONG HUARONG GENERAL GROUP CORP. V. UNITED STATES and AMES TRUE TEMPER Court No. 02-00637

SUMMARY AND BACKGROUND

The Department of Commerce (the Department) has prepared these final results of redetermination pursuant to the remand order of the U.S. Court of International Trade (Court) in Tianjin Machinery Import and Export Corp and Shandong Huarong General Group Corp. v. United States and Ames True Temper, Court No. 02-00637, (January 22, 2003) (Tianjin Machinery). On September 12, 2002, the Department published the final results of the tenth administrative review of heavy forged hand tools (HFHTs) from the People's Republic of China (PRC). See Heavy Forged Hand Tools From the People's Republic of China: Final Results and Partial Rescission of Antidumping Duty Administrative Review and Determination Not To Revoke in Part, 67 FR 57789 (September 12, 2002) (Final Results), and accompanying Issues and Decision Memorandum. On September 16, 2002, the petitioner Ames True Temper, and the respondents, Shandong Machinery Import & Export Corporation (SMC), Tianjin Machinery Import & Export Corporation (TMC), Liaoning Machinery Import & Export Corporation (LMC), and Shandong Huarong General Group Corporation (Huarong), alleged, pursuant to section 351.224(e) of the Department's regulations, that the Department made several ministerial errors in calculating the dumping margins in the final results of review. On September 17, 2002, the petitioner submitted a letter to the Department claiming that TMC's ministerial error comments contain new factual information submitted past the deadline for new information specified in section 351.301(b)(2) of the Department's regulations. On September 23, 2002, the petitioner and respondents filed rebuttal comments.

On September 30, 2002, the respondents filed a summons and complaint with the Court. On October 8, 2002, the plaintiffs (i.e., TMC, LMC, Huarong, and SMC) amended their complaint to include all four classes or kinds of merchandise. The plaintiffs filed a second amended complaint on November 8, 2002 whereby SMC and LMC were removed as party-plaintiffs. The second amended complaint removed TMC's claims with respect to bars/wedges, limiting litigation to axes/adzes, hammers/sledges, and picks/mattocks. Huarong's claims were limited to bars/wedges.

On January 22, 2003, the Court issued a limited remand directing the Department to address the ministerial errors alleged by the parties covered by the litigation, TMC and Huarong. The term "ministerial error" is defined by 351.224(f) of the Department's regulations as "an error in addition, subtraction, or other arithmetic function, clerical error resulting from inaccurate copying, duplication, or the like, and any other similar type of unintentional error which the Secretary considers ministerial."

ALLEGATIONS OF MINISTERIAL ERRORS

Ames True Temper alleges (1) that the Department miscalculated the surrogate values for several factors of production (FOP); (2) that the Department miscalculated one importer-specific assessment rate in the TMC calculations; and (3) that the Department erred when it did not apply a freight charge to the pallet FOP with respect to Huarong. The plaintiffs allege (1) that the Department erred when it calculated steel factor freight charges and the pallet FOP for TMC's hammers/sledges class; (2) that the Department miscalculated the total cost of direct input materials and energy inputs for TMC when it included the weight of tool handles into the total cost; (3) that the Department erred when it included cast iron pick sales in TMC's margin calculation as unreported sales; (4) that the Department miscalculated two of the surrogate values that were also cited by Ames True Temper; and (5) that the Department erred when it did not exclude aberrational values from two surrogate value calculations affecting TMC.

After reviewing the allegations made by Ames True Temper and the plaintiffs, we have determined, in accordance with 19 CFR 351.224(e), that the <u>Final Results</u> did include several ministerial errors. However, we do not agree with several other allegations of ministerial errors. In regard to allegations made by Ames True Temper, we have determined that: (1) the Department miscalculated surrogate values for several FOP; (2) the Department miscalculated one importer-specific assessment rate in the TMC calculations; and (3) the Department did make a ministerial error when it did not apply a freight charge to the pallet FOP with respect to Huarong.

In regard to the plaintiffs' allegations, we have determined that: (1) the Department did make a ministerial error when it calculated steel factor freight charges, but did not make a ministerial error when it calculated the pallet FOP for TMC's hammers/sledges class; (2) the Department miscalculated the total cost of direct input materials and energy inputs for TMC when it included the weight of tool handles into the total cost; (3) the Department did not make a ministerial error, but rather made a deliberate decision when it included cast iron pick sales in TMC's margin calculation as unreported sales; (4) the Department miscalculated two of the surrogate values that were also cited by Ames True Temper; and (5) the Department did not make a ministerial error, but rather made a deliberate decision when it did not exclude aberrational values from two surrogate value calculations affecting TMC.

We also found that, pursuant to section 351.301(b)(2), certain exhibits attached to the ministerial error allegations made by TMC, and references to the exhibits in the narrative of this submission, are untimely new factual information. Although the Department's policy pursuant to 19 CFR 351.302(d) is to eliminate all untimely material from the record, the Department simply did not consider the material in the amended final results of this review. For a detailed discussion of our analysis, see Memorandum from Bernard T. Carreau, Deputy Assistant Secretary, to Faryar Shirzad, Assistant Secretary, "Tenth Antidumping Duty Review of Heavy Forged Hand Tools from the People's Republic of China - Amended Final Determination," dated February 6, 2003.

Lastly, in the course of correcting the ministerial error allegations raised by the plaintiffs and defendant-intervenor, the Department found additional errors in our margin calculations for TMC not

raised by the parties. Although these errors do impact TMC's margin for the merchandise subject to litigation, we are not correcting them at this time since these errors are not among the ministerial error allegations raised by the parties.

RESULTS OF REDETERMINATION

Upon issuance of a final and conclusive Court decision, the Department will publish the final results of this remand. As a result of correcting the ministerial errors made in the calculations performed for TMC and Huarong, the revised weighted average margins are as follows:			
Manufacturer/exporter		Margin (percent)	
Tianjin Machinery Import &	Export Corporation		
Hammers/Sledges		5.21 14.61 4.47	
	2/1/00-1/31/01	18.99	
Faryar Shirzad Assistant Secretary for Import Administration			
Data			