#### **HUSCH BLACKWELL**

# Trade Law Update

April 2025

HIGHLIGHTS FROM APRIL



### <u>Petition Summary: Lattice-Boom Crawler Cranes,</u> whether or not assembled, from Japan

On April 10, 2025 the Manitowoc Company, Inc. filed a petition for the imposition of antidumping duties on U.S. imports of lattice-boom crawler cranes from Japan.

### Petition Summary: Silicon Metal from the Republic of Angola, Australia, the Lao People's Democratic Republic, Norway, and the Kingdom of Thailand

On April 24, 2025, Ferroglobe USA, Inc. and Mississippi Silicon LLC filed a petition for the imposition of antidumping and countervailing duties on U.S. imports of ferrosilicon from the Republic of Angola, Australia, the Lao People's Democratic Republic, Norway, and the Kingdom of Thailand.

# <u>Customs Clarifies That "In Transit" Exemption</u> <u>Only Applies to Ocean Vehicles</u>

On March 20, 2025, American Fiberglass Door Coalition filed a petition for the imposition of antidumping and countervailing duties on U.S. imports of fiberglass door panels from the People's Republic of China. In addition, the same day, Petitioner filed another petition for the imposition of antidumping and countervailing duties on U.S. imports of fiberglass door panels from the People's Republic of China.

#### 100 Days of Trade

In the ten weeks since President Trump began his second term, the administration has issued dozens of executive orders and other actions that are reshaping trade policies across various sectors. To help you stay informed, Husch Blackwell's International Trade & Supply Chain team has launched a dedicated series tracking these new actions and their implications for your business.

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- Petition Summaries
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- · U.S. International Trade Commission
- U.S. Customs and Border Protection
- · Court of International Trade

#### U.S. DEPARTMENT OF COMMERCE DECISIONS

#### **Investigations**

- Hard Empty Capsules From India: On April 1, 2025, Commerce issued its Preliminary Affirmative Countervailing Duty <u>Determination</u> and Alignment of Final Determination With Final Antidumping Duty Determination.
- Granular Polytetrafluoroethylene Resin From India: On April 2, 2025, Commerce issued its Notice of Court Decision Not in Harmony With the Final <u>Determination</u> of Antidumping Investigation; Notice of Amended Final Determination; Notice of Amended Order, in Part.
- Certain Corrosion-Resistant Steel Products From the United Arab Emirates and South Africa: On April 3, 2025, Commerce issued its Preliminary Affirmative <u>Determination</u>, in Part, of Critical Circumstances.
- Certain Epoxy Resins From India: On April 3, 2025, Commerce issued its Final Affirmative Countervailing Duty Determination.
- Certain Epoxy Resins From Taiwan: On April 3, 2025, Commerce issued its Final Affirmative Countervailing Duty Determination.
- Certain Epoxy Resins From the People's Republic of China: On April 3, 2025, Commerce issued its Final Affirmative Countervailing Duty <u>Determination</u> and Final Affirmative Determination of Critical Circumstances.
- Certain Epoxy Resins From the Republic of Korea: On April 3, 2025, Commerce issued its Final Affirmative Countervailing Duty <u>Determination</u> and Final Negative Critical Circumstances Determination.
- Overhead Door Counterbalance Torsion Springs From India: On April 3, 2025, Commerce issued its Preliminary Affirmative Countervailing Duty <u>Determination</u> and Alignment of Final Determination With Final Antidumping Duty Determination.
- Overhead Door Counterbalance Torsion Springs From the People's Republic of China: On April 3, 2025, Commerce issued its Preliminary Affirmative Countervailing Duty <u>Determination</u> and Alignment of Final Determination With Final Antidumping Duty Determination.
- Slag Pots From the People's Republic of China: On April 3, 2025, Commerce issued its Preliminary Affirmative Countervailing Duty <u>Determination</u>.
- Certain Epoxy Resins From India: On April 3, 2025, Commerce issued its Final Affirmative <u>Determination</u> of Sales at Less Than Fair Value.
- Certain Epoxy Resins From South Korea: On April 3, 2025, Commerce issued its Final Affirmative <u>Determination</u> of Sales at Less Than Fair Value and Final Negative Determination of Critical Circumstances.
- Certain Epoxy Resins From Taiwan: On April 3, 2025, Commerce issued its Final Affirmative <u>Determination</u> of Sales at Less Than Fair Value.
- Certain Epoxy Resins From Thailand: On April 3, 2025, Commerce issued its Final Affirmative <u>Determination</u> of Sales at Less-Than-Fair Value and Final Negative Determination of Critical Circumstances.
- Certain Epoxy Resins From the People's Republic of China: On April 3, 2025, Commerce issued its Final Affirmative <u>Determination</u> of Sales at Less Than Fair Value and Final Affirmative Determination of Critical Circumstances.
- 2,4-Dichlorophenoxyacetic Acid From India: On April 7, 2025,

- Commerce issued its Final Affirmative Countervailing Duty Determination.
- 2,4-Dichlorophenoxyacetic Acid From the People's Republic of China: On April 7, 2025, Commerce issued its Final Affirmative Countervailing Duty <u>Determination</u>.
- 2,4-Dichlorophenoxyacetic Acid From India: On April 7, 2025, Commerce issued its Final Affirmative <u>Determination</u> of Sales at Less Than Fair Value.
- 2,4-Dicholorphenoxyacetic Acid From the People's Republic of China: On April 7, 2025, Commerce issued its Final Affirmative Determination of Sales at Less Than Fair Value.
- Certain Corrosion-Resistant Steel Products From Australia: On April 10, 2025, Commerce issued its Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures.
- Certain Corrosion-Resistant Steel Products From Brazil: On April 10, 2025, Commerce issued its Preliminary Affirmative <u>Determination</u> of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures.
- Certain Corrosion-Resistant Steel Products From Canada: On April 10, 2025, Commerce issued its Preliminary Affirmative <u>Determination</u> of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures.
- Certain Corrosion-Resistant Steel Products From Mexico: On April 10, 2025, Commerce issued its Preliminary Affirmative <u>Determination</u> of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures.
- Certain Corrosion-Resistant Steel Products From South Africa: On April 10, 2025, Commerce issued its Preliminary Affirmative <u>Determination</u> of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures.
- Certain Corrosion-Resistant Steel Products From Taiwan: On April 10, 2025, Commerce issued its Preliminary Affirmative <u>Determination</u> of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures.
- Certain Corrosion-Resistant Steel Products From the Netherlands: On April 10, 2025, Commerce issued its Preliminary Affirmative <u>Determination</u> of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures.
- Certain Corrosion-Resistant Steel Products From the Republic of Türkiye: On April 10, 2025, Commerce issued its Preliminary Affirmative <u>Determination</u> of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures.
- Certain Corrosion-Resistant Steel Products From the Socialist Republic of Vietnam: On April 10, 2025, Commerce issued its Preliminary Affirmative <u>Determination</u> of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures.
- Certain Corrosion-Resistant Steel Products From the United Arab Emirates: On April 10, 2025, Commerce issued its Preliminary Affirmative <u>Determination</u> of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures.
- Hard Empty Capsules From India: On April 11, 2025, Commerce issued its Preliminary Affirmative Countervailing Duty <u>Determination</u> and Alignment of Final Determination With Final Antidumping Duty Determination; Withdrawal.
- Overhead Door Counterbalance Torsion Springs From India: On April 11, 2025, Commerce issued its Preliminary Affirmative Countervailing Duty <u>Determination</u> and Alignment of Final

- Determination With Final Antidumping Duty Determination; Correction.
- Polypropylene Corrugated Boxes From the People's Republic of China: On April 14, 2025, Commerce issued its <u>Initiation</u> of Countervailing Duty Investigation.
- Polypropylene Corrugated Boxes From the People's Republic of China and the Socialist Republic of Vietnam: On April 14, 2025, Commerce issued its <u>Initiation</u> of Less-Than-Fair-Value Investigations.
- Fiberglass Door Panels From the People's Republic of China: On April 15, 2025, Commerce issued its <u>Initiation</u> of Countervailing Duty Investigation.
- Fiberglass Door Panels From the People's Republic of China: On April 15, 2025, Commerce issued its <u>Initiation</u> of Less-Than-Fair-Value Investigation.
- Ceramic Tile From India: On April 23, 2025, Commerce issued its Final Affirmative Countervailing Duty <u>Determination</u> and Final Affirmative Critical Circumstances Determination, in Part.
- Certain Monomers and Oligomers From Taiwan: On April 23, 2025, Commerce issued its <u>Initiation</u> of Countervailing Duty Investigation.
- Ceramic Tile From India: On April 23, 2025, Commerce issued its Final Negative <u>Determination</u> of Sales at Less Than Fair Value and Final Negative Determination of Critical Circumstances.
- Certain Monomers and Oligomers From the Republic of Korea and Taiwan: On April 23, 2025, Commerce issued its <u>Initiation</u> of Less-Than-Fair- Value Investigations.
- Certain Alkyl Phosphate Esters From the People's Republic of China: On April 25, 2025, Commerce issued its Final Affirmative Countervailing Duty <u>Determination</u>.
- Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules From Cambodia: On April 25, 2025, Commerce issued its Final Affirmative Countervailing Duty <u>Determination</u>.
- Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, From Malaysia: On April 25, 2025, Commerce issued its Final Affirmative Countervailing Duty Determination.
- Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, From Thailand: On April 25, 2025, Commerce issued its Final Affirmative Countervailing Duty <u>Determination</u> and Final Affirmative Determination of Critical Circumstances.
- Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, From the Socialist Republic of Vietnam: ON April 25, 2025, Commerce issued its Final Affirmative Countervailing Duty <u>Determination</u> and Final Affirmative Critical Circumstances Determination, in Part.
- Certain Alkyl Phosphate Esters From the People's Republic of China: On April 25, 2025, Commerce issued its Final Affirmative <u>Determination</u> of Sales at Less Than Fair Value.
- Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, From Cambodia: On April 25, 2025, Commerce issued its Final Affirmative <u>Determination</u> of Sales at Less Than Fair Value.
- Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, From Malaysia: On April 25, 2025, Commerce issued its Final Affirmative <u>Determination</u> of Sales at Less Than Fair Value.
- Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, From Thailand: On April 25, 2025, Commerce issued its Final Affirmative <u>Determination</u> of Sales

- at Less-Than-Fair-Value and Final Affirmative Determination of Critical Circumstances.
- Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, From the Socialist Republic of Vietnam: On April 25, 2025, Commerce issued its Final Affirmative <u>Determination</u> of Sales at Less Than Fair Value and Final Affirmative Determination of Critical Circumstances, in Part.
- Certain High Chrome Cast Iron Grinding Media From India: On April 28, 2025, Commerce issued its Final Affirmative Countervailing Duty <u>Determination</u>.
- Certain High Chrome Cast Iron Grinding Media From India: Final Affirmative <u>Determination</u> of Sales at Less Than Fair Value.

#### **Administrative Reviews**

- Certain Hot-Rolled Steel Flat Products From the Republic of Korea: On April 2, 2025, Commerce issued its Final <u>Results</u> of Antidumping Duty Administrative Review; 2022–2023.
- Certain Steel Nails From Malaysia: On April 7, 2025, Commerce issued its Final <u>Results</u> of Antidumping Duty Administrative Review and Final Rescission of Review; 2022–2023.
- Large Power Transformers From the Republic of Korea: On April 8, 2025, Commerce issued its Final Results of Antidumping Duty Administrative Review; 2022–2023.
- Certain Cold-Drawn Mechanical Tubing of Carbon and Alloy Steel From India: On April 14, 2025, Commerce issued its Final Results of Antidumping Duty Administrative Review; 2022– 2023.
- Prestressed Concrete Steel Wire Strand From Spain: On April 14, 2025, Commerce issued its Final <u>Results</u> of Antidumping Duty Administrative Review; 2022–2023.
- Raw Honey From Argentina: On April 14, 2025, Commerce issued its Final <u>Results</u> of Antidumping Duty Administrative Review; 2021–2023.
- Raw Honey From Brazil: On April 14, 2025, Commerce issued its Final <u>Results</u> of Antidumping Duty Administrative Review, 2021–2023.
- Raw Honey From the Socialist Republic of Vietnam: On April 14, 2025, Commerce issued its Final <u>Results</u> of Antidumping Duty Administrative Review; 2021–2023.
- Glycine From India: On April 15, 2025, Commerce issued its Final <u>Results</u> of Antidumping Duty Administrative Review; 2022–2023.
- Certain Metal Lockers and Parts Thereof From the People's Republic of China: On April 16, 2025, Commerce issued its Final <u>Results</u> of Antidumping Duty Administrative Review and Final Determination of No Shipments; 2022–2023.
- Stainless Steel Sheet and Strip in Coils From the Republic of Korea: On April 16, 2025, Commerce issued its Final <u>Results</u> and Partial Rescission of Countervailing Duty Administrative Review; 2022.
- Raw Honey From India: On April 22, 2025, Commerce issued its Final <u>Results</u> and Partial Rescission of Antidumping Duty Administrative Review; 2021–2023.

#### **Changed Circumstances Reviews**

None.

#### Sunset Reviews

- Polyester Textured Yarn From India and the People's Republic of China: On April 2, 2025, Commerce issued its Final <u>Results</u> of the Expedited First Sunset Reviews of the Antidumping Duty Orders.
- Polyester Textured Yarn From the People's Republic of China and India: On April 7, 2025, Commerce issued its Final Results of the Expedited First Sunset Reviews of the Countervailing Duty Orders.
- Carbon and Alloy Steel Threaded Rod From India and the People's Republic of China: On April 24, 2025, Commerce issued its Final <u>Results</u> of the Expedited First Sunset Review of the Countervailing Duty Orders; Correction.

### **Scope Ruling**

None.

#### Circumvention

None.

#### **International Trade Commission**

#### **Investigations**

- Uncovered Innerspring Units From China, South Africa, and Vietnam (Third Review); On April 3, 2025, the ITC issued its determination to continue the antidumping duty order as revocation would lead to the recurrence or continuation of material injury within a reasonably foreseeable time.
- Methylene Diphenyl Diisocyanate (MDI Products) From China (Preliminary); On April 4, 2025, the ITC issued its affirmative determination of less-than-fair-value investigations.
- Strontium Chromate From Austria and France; On April 10, 2025, the ITC issued its <u>determination</u> to continue the antidumping duty order as revocation would lead to the recurrence or continuation of material injury within a reasonably foreseeable time.
- Chassis and Subassemblies From Mexico, Thailand, and Vietnam; On April 18, 2025, the ITC issued its affirmative determination of less-than-fair-value investigations.
- Melamine From India; On April 21, 2025, the ITC issued its affirmative determination of less-than-fair-value investigations.
- Steel Nails From China (Third Review); On April 24, 2025, the ITC issued its <u>determination</u> to continue the antidumping duty order as revocation would lead to the recurrence or continuation of material injury within a reasonably foreseeable time.

#### U.S. CUSTOMS AND BORDER PROTECTION

#### **Enforce and Protect Act**

### EAPA Case No. 8132: Wholesale Equipment Co.

On April 17, 2025, CBP issued the notice of investigation and interim measures as to evasion for EAPA case 8132 based on an allegation filed by List Industries, Inc. against U.S. importer Wholesale Equipment Co., doing business as WEC Manufacturing (WEC) for evasion of antidumping order A-570-133 and countervailing order C-570-134 on certain metal lockers and parts thereof (metal lockers) from China. Specifically, record evidence shows that WEC entered Chinese-origin metal lockers into the United States. CBP has determined there is reasonable suspicion of evasion of antidumping and countervailing duties by WEC and, therefore, CBP issued a formal notice of investigation as to evasion and has taken enforcement actions.

### Cargo Systems Messaging Service

- On May 1, 2025, the nominee to lead CBP, former Border Patrol Chief Rodney Scott, told the Senate Finance Committee that he will focus on trade enforcement as much as border protection.
- One April 30, 2025 CBP <u>clarified</u> that exemptions from reciprocal tariffs for goods that were in transit on April 5 or 9 only apply to ocean vessels.
- On April; 30, 2025 CBP via a <u>bulletin</u> announced that it will hold its 2025 Trade and Cargo Security conference in in New Orleans, LA, on May 6–8, 2025.
- On April 25, 2025, CBP issued CSMS #6486116 providing detailed instruction regarding the implementation of President Trump's April 2, 2025 Executive Order that eliminated of Section 321 de minimis exemption for goods from China and Hong Kong starting May 2, 2025, which had previously permitted shipments valued at under \$800 to be entered into the U.S. informally and duty-free. The CSMS also indicated that the \$250 limit on informal entries for goods in Chapter 99 (an exception to the normal \$2,500 informal entry limit) will be eliminated because it would impede CBP's ability to effectuate the end of de minimis eligibility for Chinese goods.
- On April 11, 2025, CBP issued CSMS # 64724565 providing guidance on President Trump's April 12, 2025, Executive Order regarding the applicability of new HTSUS codes for the import of smart phone, computers, chips and electronic, which are now exempt from reciprocal tariffs. Products on the reciprocal tariff exemption list are required to apply for the exemption under heading 9903.01.32. Any corrections to previously imported entries should be made as soon as possible, but no later than 10 days after the cargo is released from CBP custody. Finally, importers may request a refund by filing a post summary correction for unliquidated entries, or by filing a protest for entries that have liquidated.
- On April 9, 2025, CBP issued CSMS #64701128, confirming the increase in reciprocal tariff rates for China to 125%, and a pause in reciprocal tariffs for all other countries at 10%. CSMS Message #64701128 updates CSMS Message #64687696 dated April 8, 2025, which increased the reciprocal tariff rate for China from 34% to 84%. CSMS Message #64701128 confirms that exemptions outlined in CSMS Message #6480374 have not been modified. This means that specific exemptions from reciprocal tariffs for goods including those qualifying for preference under the US-Mexico-Canada Free Trade Agreement ("USMCA"), goods in transit, steel and aluminum articles and derivatives thereof as well as for passenger vehicles, light trucks and parts thereof remain unchanged.
- On April 24, 2025, the trade press reported that George Bogden, the executive director of CBP's Office of Trade Relations, is no longer employed at the agency over ties to 'Anonymous' author of

a 2018 opinion piece critical of President Donald Trump.

 On April 24, 2025, the trade press <u>reported</u> that Rodney Scott, the administration's selection to be CBP commissioner, will have a Senate confirmation hearing on April 30.

### **Customs Bulletin Weekly**

- CBP modified a ruling letter concerning tariff classification of frozen baked goods. It is now CBP's position that frozen baked goods are properly classified under HTSUS subheading 1905.90.90.
- CBP modified a ruling letter concerning tariff classification of CubCadet Utility Vehicles. It is now CBP's position that CubCadet Utility Vehicles are properly classified under HTSUS subheading 8703.21.01.

#### **COURT OF INTERNATIONAL TRADE**

Summary of Decisions

### Slip Op. 25-34: Mosaic Co. v. United States

The Court remanded in part and sustained in part Commerce's final results of administrative review of the countervailing duty order on phosphate fertilizers from Morocco. The key issues in the case concerned various elements of the cost of production as reported by the respondents in the underlying administrative review.

The Court concluded that Commerce acted reasonably in including OCP's "Headquarters/Support Costs and Debt Costs" when calculating the cost buildup for beneficiated phosphate rock. According to the Court, Commerce adequately explained its methodology, stating that its allocation method was designed to capture both the direct and indirect costs of producing phosphate rock as record evidence established that both are significant. Mosaic then argued that Commerce erred in including phosphate rock prices from China, Syria, and Egypt. Commerce explained that it used "bone phosphate of lime" (BPL) content to determine the world market price for phosphate rock and that the products from each country fell within the accepted range. The Court found that Mosaic failed to show that record evidence compelled Commerce to exclude prices from those three countries, even though the Syrian and Chinese markets may be affected by global trade policies. Mosaic then argued for the inclusion of prices of phosphate rock mined in Togo and Jordan, stating that its BPL levels are more comparable to that produced by OCP. The Court concluded that Commerce's decision to rely on the reported and verified review data rather than the information Mosaic presented was reasonable and supported by substantial evidence.

OCP also argued that Commerce erred in resorting to adverse facts available for OCP's failure to report a payroll tax received from the Moroccan government. The issue in the underlying administrative review was that OCP reported this subsidy over a year after the required deadline and Commerce considered this delay to have "significantly impeded" the proceeding and to resort to the use of a rate for a similar/comparable program in the same proceeding as the adverse inference rate. The Court affirmed Commerce's determination as in accordance with law. Finally, the Court disagreed with Commerce with respect to its methodology in distinguishing between subsidies that provide a benefit to the entire economy versus those that are provided to discrete segments. The Court found that Commerce had disregarded and dismissed evidence presented by OCP on the use of a program and remanded the issue for reconsideration and further explanation.

# Slip Op. 25-35/ Slip Op. 25-36: Baroque Timber Indus. (Zhongshan) Co v. United States

The Court sustained in part and remanded in part Commerce's final results in the ninth administrative review of the countervailing duty order covering multilayered wood flooring from China. Plaintiffs Baroque

Timber Industries (Zhongshan) Co., Ltd., and Riverside Plywood Corporation (collectively, "Plaintiffs"), mandatory respondents in the underlying investigation, argued that Commerce's final results were unsupported by substantial evidence and not in accordance with law. Specifically, Plaintiffs challenged Commerce's: (1) plywood benchmark price; (2) veneer benchmark price; (3) inland freight benchmark; (4) use of adverse facts available ("AFA") to classify certain input suppliers as government authorities; and (5) application of AFA regarding the Export Buyer's Credit Program ("EBCP").

The Court remanded both the plywood benchmark and veneer benchmark prices for lack of explanation as to the specificity of UN Comtrade data. The Court, however, upheld Commerce's inland freight benchmark as not distortive since it was based on the World Bank's 2020 Doing Business in China report The Court then rejected Commerce's application of AFA to classify certain input suppliers as government authorities, finding that Plaintiffs were not provided with adequate notice or a meaningful opportunity to remedy alleged deficiencies in record c caused by the Chinese government's refusal to provide requested information. Finally, the Court sustained Commerce's use of AFA in connection with the EBCP, holding that Commerce had reasonably identified a gap in the record caused by the Chinese government's refusal to provide requested information, and properly concluded that this gap could not be filled by alternative documentation or partial non-use certifications submitted by Plaintiffs.

In a related action, Slip Op. 25-36, concerning the tenth administrative review of the same countervailing duty order, the Court similarly remanded Commerce's final results, finding them unsupported by substantial evidence and not in accordance with law with respect to the plywood benchmark and Commerce's use of AFA to classify certain input suppliers as government authorities.

# Slip Op. 25-38: Deer Park Glycine, LLC v. United States

The Court remanded Commerce's final scope ruling regarding glycine from China, India, Japan, and Thailand because Commerce's analysis was unreasonable and inadequately supported by evidence on the record. The Court focused on Commerce's interpretation of whether calcium glycinate is a form of crude or technical glycine or a precursor of dried crystalline glycine. The Court noted that Commerce failed to consider whether calcium glycinate could be classified under the broad category of "all forms of crude or technical glycine", which includes sodium glycinate and glycine slurry, very similar substances to calcium glycinate.

The Court stated that Commerce had not adequately analyzed the relationship between calcium glycinate and other substances like sodium glycinate and glycine slurry, which are expressly included in the Orders. Commerce impermissibly relied on Deer Park's characterization of calcium glycinate as a "precursor of glycine" and did not do any independent analysis. Commerce also relied on a footnote from the International Trade Commission's report from an investigation of glycine from China, India, and Japan while disregarding the report's explanation of the relationship between calcium glycinate, sodium glycinate, glycine slurry, and dried crystalline glycine. The Court held that this reliance was an inadequate substitute for a thorough interpretive analysis and ordered Commerce on remand to reconcile the tension between the materials it relied upon and the broader scope language of the Orders.

## Slip Op. 25-39: Bio-Lab, Inc. v. United States

The Court sustained in part and remanded in part Commerce's final results in the administrative review on chlorinated isocyanurates from China. The Court upheld Commerce's selection of Romania as the primary surrogate country, finding that Commerce's consideration of Romania was not arbitrary nor capricious as it was at a comparable level of economic development to China. The Court, however, remanded the case for further explanation and/or reconsideration on several issues, including the comparability of merchandise and the selection of Romanian labor data. The Court remanded for further explanation whether cyanuric acid is a major input in chlorinated isocyanurates, whether calcium hypochlorite shares similar physical characteristics with the subject merchandise, and whether the "more detailed information" submitted by the petitioners with respect to physical characteristics is inadequate.

Furthermore, the Court noted that Commerce's decision to use Romanian labor data over Malaysian data was not adequately explained. Commerce rejected Malaysian labor data due to concerns about forced labor, but the Court found that Commerce did not sufficiently address the concerns raised about the Romanian labor rate. The Court ordered Commerce to reconsider its selection of labor data and provide a more detailed explanation.

#### Slip Op. 25-40: Trina Solar Co. v. United States

The Court sustained Commerce's Final Results of Redetermination Pursuant to Court Remand in the 2021-2022 administrative review of the antidumping duty order on certain crystalline silicon photovoltaic products from China. In the Final Results, Commerce adjusted the Plaintiff's cash deposit rate from 10.50% to 9.09% based on three of six subsidy programs that it reviewed. Commerce concluded three of the subsidy programs were specific under the statute because they were contingent upon export activities. For two of the remaining programs, the Court found that the countervailing duty Initiation Checklist indicated that Commerce received multiple specificity allegations and based its decision to investigate these programs on the allegations. For the final program, Commerce consulted the AR 2017 countervailing duty Preliminary Results and found that the final program was not an export subsidy, and no new evidence suggested that Commerce revisit that determination, Commerce found no basis to adjust Plaintiff's sales of subject merchandise. Plaintiff did not oppose Commerce's Final Remand Results.

# Slip Op. 25-42: Hoshine Silicon (Jia Xing) Indus. Co. v. United States

The Court partially granted and partially denied the Defendants' motion to dismiss for lack of jurisdiction and failure to state a claim upon which relief can be granted. The Court found that Hoshine Silicon had both constitutional and statutory standing to bring its claims under Counts I and II but dismissed Count I as untimely. The Court held that Hoshine Silicon's challenge to the withhold release order ("WRO") issued by Customs was barred by the statute of limitations, as the cause of action accrued when the WRO was issued, not when the modification petition was denied.

The Court concluded that while Hoshine Silicon had standing to challenge the WRO, its actual challenge to the WRO itself was untimely. The Defendants were ordered to file an answer to the amended complaint within 21 days and directed the parties to meet and confer and file a joint proposed scheduling order.

# Slip Op. 25-43: Bioparques de Occidente, S.A. de C.V. v. United States

The Court sustained Commerce's Remand Redetermination, calculating weighted-average antidumping margins based on data from the original investigation period of fresh tomatoes from Mexico. Commerce initiated the original investigation in 1996 then entered into suspension agreements with Mexican tomato suppliers until the domestic tomato industry requested that the investigation be resumed in 2019. Commerce evaluated the 1995–1996 data and calculated dumping margins for the original respondents and relied on adverse facts available for original respondents whose information could not be ascertained. Commerce conducted a differential pricing analysis to determine the appropriate comparison method. The Court concluded that Commerce's methodology and calculations were consistent with the Court's order and supported by substantial evidence.

The Court then addressed claims brought by the Plaintiff-Intervenors, dismissing them on lack of jurisdiction and standing. The Plaintiff-Intervenors claimed they were entitled to a new shipper or changed circumstances review because they did not exist at the time of the initial investigation and market conditions had changed. In response, Commerce argued that such reviews were not warranted as no antidumping duty order existed and the Court's remand was limited to the scope of the Final Determination. The Court dismissed the claims for lack of standing because the Plaintiff-Intervenors were not precluded from seeking their desired relief when an antidumping order has been issued, and the Court

held that the Plaintiff-Intervenors failed to show a cognizable injury that was likely to be redressed by a favorable decision of the Court.

# Slip Op. 25-44: U.S. Aluminum Extruders Coal. v. United States

The Court denied Plaintiffs'—a coalition of U.S. manufacturers—motion for judgment on the agency record challenging the International Trade Commission's ("ITC") negative preliminary determination in its antidumping duty injury investigation of aluminum extrusions from the Dominican Republic. Specifically, the Plaintiffs contested the ITC's (1) finding that imports from the Dominican Republic were negligible; (2) conclusion that no significant contrary evidence would arise during the final phase that would alter the negligibility determination; and (3) determination that imports from the Dominican Republic would not exceed the negligibility threshold in the near future.

Plaintiffs argued that the ITC's determination was unlawful because it relied on extensive adjustments to reach a conclusion of negligibility. However, the Court held that the ITC adequately explained its decision to make any adjustments, and that Plaintiff's argument are akin to asking the Court to weigh the evidence itself, which would be improper. Next, the Court upheld the ITC's determination that there was no likelihood of contrary evidence arising in the final phase. The Court found that potential future data, which might alter the ITC's negligibility conclusion, was insufficient to justify continuing the investigation. Finally, the Court affirmed the ITC's finding that imports from the Dominican Republic would not likely exceed the negligibility threshold in the near future. Despite the Plaintiffs' argument that imports from the Dominican Republic were likely to become nonnegligible soon after the preliminary determination, the Court concluded that the ITC had made a rational connection between the evidence before it and its preliminary decision. Accordingly, the Court denied Plaintiff's motion.

# Slip Op. 25-45: Export Packers Co. Ltd. v. United States

The Court remanded Commerce's final scope ruling on whether Export Packers Company Limited's individually quick frozen ("IQF") garlic cloves—boiled for 90 seconds—fall within the scope of the antidumping duty order on fresh garlic from China. Commerce had concluded the garlic was not "prepared" by "heat processing" and thus remained subject to the order. The Court disagreed, finding that Commerce unreasonably relied on prior rulings involving roasted or blanched garlic without citing any evidence limiting the meaning of "heat processing" to those methods. It further held that Commerce should not have resorted to a (k)(2) analysis—or even a (k)(1) analysis—because the garlic was clearly heat-processed and physically transformed. As a result, the Court found Commerce's determination unsupported by substantial evidence and remanded the matter for reconsideration consistent with the opinion.

# Slip Op. 25-46: Keystone Auto. Operations, Inc. v. United States

The Court denied in part and granted in part Plaintiff's motion for reconsideration or, in the alternative, to amend and certify order for interlocutory appeal and for stay of proceedings pending appeal regarding the proper review of a Section 301 tariff exclusion provision.

Plaintiff argued that the Court had misunderstood the central issue in its original argument, contending that the Court improperly relied on the standard tariff classification analysis of *eo nomine* versus principal use provisions. According to Plaintiff, the appropriate standard for determining the applicability of the exclusion is set forth in the Federal Register notice by the USTR implementing the relevant Section 301 tariff exclusion.

Because the Court had not previously addressed Plaintiff's novel legal theory, it partially granted Plaintiff's motion for reconsideration to address the correct standard of review and to consider Keystone's interpretative argument. Nevertheless, the Court again denied the cross-motions for summary judgment and ordered that the case proceed to a bench trial as the record lacked sufficient evidence to determine whether the subject merchandise was commercially fungible with the side protective

attachments described in the exclusion. Finally, the Court denied Plaintiff's request to certify the order for interlocutory appeal and for a stay, finding that Keystone had failed to satisfy both prongs required for interlocutory appeal,

### Slip Op. 25-47: Comm. Overseeing Action for Lumber Int'l Trade Investigations v. United States

The Court denied a motion filed by certain Defendant-Intervenors ("Movants") seeking to correct what they argued was a clerical error or unintended omission in a prior court order (Slip Op. 23-163). The motion would have required CBP to issue pre-liquidation refunds of cash deposits paid by the Movants for importing certain softwood lumber products from Canada, which were subject to a countervailing duty order. This request followed Commerce's determination that the Movants were excluded from the underlying countervailing duty order. The motion was filed under Rule 60(a), which permits the correction of clerical errors or omissions. However, the Court rejected the motion, finding that the Movants had not shown any clerical mistake or omission as required by Rule 60(a). Instead, the motion sought an affirmative injunction to compel CBP to issue preliquidation refunds, which is not the type of relief contemplated by Rule 60(a). With respect to the Movants' alternative argument, the Court declined to exercise its authority under Rule 60(b)(5) to order the refund of cash deposits. The Court pointed out that pre-liquidation refunds of antidumping and countervailing duty deposits are unusual and typically limited to situations involving a small number of entries. Additionally, the Court found that any harm caused by the CBP's retention of the cash deposits pending liquidation did not warrant the relief the Movants sought. However, the Court granted the Movants' motion for leave to file a reply and also granted their motion for leave to file a supplemental brief.

## Slip Op. 25-48: RH Peterson Co. v. United States

The Court affirmed in part and denied in part RH Peterson Co. ("RH Peterson") motion for summary judgment in a case involving antidumping duty and countervailing duty orders for drawn stainless steel sinks from the People's Republic of China ("AD/CVD Orders"). RH Peterson argued that CBP should not have included the value of sink components, work, and other costs incurred on the unfinished sinks in Taiwan in the sinks' value when assessing duties. These costs included finishing work, the addition of Taiwanese-produced brackets, and freight, while the parts included the value of the drainer, drainer pipe, instruction manual, and shipping carton. The Court agreed holding that the value of sink components and finishing work that (1) was not covered under the AD/CVD Orders, or (2) did not originate in China, should not have been included in the sinks' dutiable value because the AD/CVD Orders' language did not specifically include them.

# Slip Op. 25-49: Wagner Spray Tech Corp. v. United States

The Court remanded Commerce's final scope ruling that held that Wagner Spray Tech Corporation's ("Plaintiff") finished heat sink manifold/paint sprayer product was covered by the scope of the antidumping and countervailing duty orders on aluminum extrusions from China ("Orders") and not eligible for exclusions. The issue was whether Wagner's product met the criteria for the finished heat sink exclusion outlined in the Orders. The Orders permit exclusion of "fabricated heat sinks made from aluminum extrusions, designed and produced to meet specified thermal performance requirements, and fully tested to comply with those requirements." Wagner argued that its product qualifies as a finished heat sink and should be excluded from the Orders.

The parties agreed that the scope exclusion language was ambiguous, as it lacked specific criteria for a fabricated heat sink, did not define thermal performance requirements, and did not provide clear design, production, or testing guidelines. They also agreed that eligibility for the exclusion should be assessed using a five-factor test, based on Commerce's previous rulings. The Court concurred with the use of this five-factor test in principle. However, the Court found that Commerce's application of these factors was inconsistent with the language of the Orders. Specifically, Commerce improperly introduced a new requirement prohibiting a dual purpose for the product, a condition the Court found to be incompatible

with the scope of the Orders. The Court ruled that Commerce's analysis should have focused solely on whether Wagner's product met the exclusion criteria without adding new, unwarranted requirements. As a result, the Court remanded the final scope ruling for reconsideration.

### Slip Op. 25-50: Pay Less Here, LLC v. United States

The Court ruled that simply filing out a single importer questionnaire response as part of the International Trade Commission's investigation does not sufficiently establish it as a party to the proceeding. As a result, the Court granted the United States' motion to dismiss brought by plaintiff to challenge the ITC's affirmative finding of critical circumstances in the investigation of imports of mattresses from Burma. The Court ruled that to be a party to a proceeding the entity must be meaningful and sufficient enough for the agency to put on notice as to the party's concerns and must further its interests at the administrative level. In this case, importer Pay Less had merely filed a questionnaire and did not file a notice of appearance and therefore had "failed even to clear the unquestioningly low bar of filing an entry of appearance in proceedings before the Commission."

#### Slip Op. 25-51: OCP S.A. v. United States

This Opinion is not publicly available. A summary will be posted as soon as the public version is released.

#### Slip Op. 25-52: Kumar Indus. v. United States

The court affirmed Commerce's adverse facts available finding in the administrative review of glycine from China, India, and Japan. In the underlying administrative review, Commerce relied on adverse facts available due to Kumar Industries' failure to respond to Commerce's questionnaire and demonstrate that it was not affiliated with two unnamed companies. The Court found in favor of the United States on the grounds that Commerce's inquiries with respect to the affiliations should not have come as a surprise emphasizing that it is the respondent's burden to sufficiently place information on the record. Commerce had information from a prior review that Kumar Industries was affiliated with these companies and when Kumar Industries did not reveal the information on the current record it issued two supplemental questionnaires after which Commerce concluded that it had withheld information given that there was no substantial documentary support for Kumar Industries' claims. Finally, the court also affirmed Commerce's deduction of antidumping and countervailing duties from U.S. price as these were included in the reported duties paid by Kumar in its sales database.

# Slip Op. 25-53: Mitsubishi Power Americas, Inc. v. United States

The Court denied both Mitsubishi Power Americas, Inc.'s ("Mitsubishi") motion for summary judgment and CBP's cross-motion for summary judgment, holding that Mitsubishi's selective catalytic reduction ("SCR") catalyst blocks are properly classified under subheading 8421.99.00. The dispute centered on whether the catalyst blocks—used in emissions control systems—should be classified under heading 8421 as parts of gas-purifying machinery, or under heading 3815 as catalytic preparations. Mitsubishi argued for classification under 3815.19.00, citing the chemical composition of the blocks, while CBP maintained they should be classified under 8421.39.80, as gas-purifying apparatus.

The Court held that the catalyst blocks are properly classified under 8421.99.00 because they function as parts of a larger SCR system, rather than as standalone apparatus. It rejected the CBP's argument that the blocks themselves constitute gas-purifying apparatus, clarifying that their role is integrally tied to the broader system.

Next the Court explained its rejection of classification under heading 3815 that Mitsubishi contended. It emphasized that under the General Rules of Interpretation ("GRIs"), classification must be resolved sequentially. Because heading 8421 clearly applies under GRI 1, the Court found there was no basis to proceed to GRI 3(b), as Mitsubishi proposed. Accordingly, the Court rejected the classifications advanced by both Mitsubishi and CBP and classified the product under8421.99.00.

#### COURT OF APPEALS FOR THE FEDERAL CIRCUIT

Summary of Decisions

# Appeal No. 23-1419: Dongkuk S&C Co., Ltd. v. United States

The Federal Circuit affirmed Commerce's decision to adjust Appellant Dongkuk's steel plate input costs based upon fluctuations in the raw material input costs over time which are unrelated to its physical characteristics. The court stated that Commerce is not limited in its ability to adjust costs only related to the physical characteristics used to define the CONNUM. The Court also found that the Court of International Trade has properly affirmed Commerce's remand redetermination as Commerce had supported its decision with underlying information on the record that demonstrated that Dongkuk "had reported different per-unit steel plate input costs for reported control numbers (CONNUMs) finished at different times because the price of steel had fluctuated during the period of investigation." Therefore, Commerce's decision to average the reported costs to avoid any distortion was in accordance with law. The Court also affirmed Commerce's selection of a surrogate for Dongkuk's third-country selling price.

### <u>Appeal No. 23-2274: Target Corporation v. United</u> States

The Federal Circuit ruled that that Court of International Trade cannot order the reliquidation of finally liquidated entries except where a protest or civil action has been filed, even where the liquidation is contrary to the Court's final judgment. Judges Taranto and Chen wrote the opinion for the majority and Judge Reyna dissented. The majority focused its decision on the statutory provisions governing the finality of liquidations. In the underlying proceeding, the CIT had ordered reliquidation of 224 entries that were incorrectly liquidated by Customs at a lower rate when it should have been assessed a higher antidumping margin. The Federal Circuit majority opinion stated that the CIT's decision to order reliquidation was erroneous because there was no protest or administrative challenge governing the entries in question. Judge Reyna dissented arguing that the majority misapprehends Customs' protest procedures and that the majority decision imposes limits on the 'CIT's authority to enforce its judgments to a level that is inferior to the full authority" of an Article III Court.

#### Appeal No. 23-1877: Marmen Inc. v. United States

The Federal Circuit stated that Commerce is not permitted to use the Cohen's d test to identify "masked" dumping when the "underlying data is not normally distributed, equally variable, and equally and sufficiently numerous" and remanded the case back to Commerce to support its findings based upon substantial evidence on the record. The appeal stems from the antidumping duty investigation on utility-scale wind towers from Canada. The Federal Circuit focused on the fact that Commerce uses the Cohen's D test as a first step to determine if a particular respondent's U.S. prices indicate a pattern of pricing behavior. If Commerce determines that a pattern exists then Commerce uses the test to then calculate the company's individual dumping margin on an average-to-transaction basis and if no pattern exists then Commerce calculates the dumping margin on an average-to-average basis. The Court indicated that Commerce on remand could re-do the differential pricing analysis but it could not rely on the Cohen's d test with data sets similar to the one on the record in this case. While the decision does not bar Commerce from relying on the test it calls into questions when a statistical analysis may be used. The Federal Circuit also remanded Commerce's rejection of appellants minor correction to its cost-reconciliation worksheet related to an change in an exchange rate. Finally, the Court sustained Commerce's underling decision to smooth Appellant's reported steel plate costs as they were not unsupported by substantial evidence on the record.

#### **IEEPA CHALLENGES**

- On April 5, 2025, the New Civil Liberties Alliance filed a <u>lawsuit</u> on behalf of paper importer Emily Ley Paper, doing business as Simplified, challenging President Trump's use of IEEPA to impose 20% tariffs on all goods from China.
- On April 14, 2025, the conservative Liberty Justice Center brought a <u>lawsuit</u> on behalf of five importers, challenging the constitutionality of the IEEPA as a source of tariff-setting authority.
- On April 10, 2025, two members of the Blackfeet Nation tribe filed a <u>lawsuit</u> in the U.S. District Court for the District of Montana, challenging the constitutionality of the IEEPA as a source of tariff-setting authority.
- On April 16, 2025, the state of California <u>filed</u> a lawsuit in the District Court for the Northern District of California challenging President Trump's ability to impose tariffs under IEEPA.
- On April 23, 2025, twelve U.S. states led by Oregon filed a <u>lawsuit</u> against all of President Donald Trump's tariffs imposed under IEEPA.
- On April 28, 2025, a group of 11 companies, most of which make tabletop games, led by clothing maker Princess Awesome LLC, filed a <u>lawsuit</u> challenging the constitutionality of IEEPA as a source of tariff-setting authority

#### **EXPORT CONTROLS AND SANCTIONS**

#### Export Restrictions Imposed on NVIDIA Corporation's H20 Integrated Circuits

To be completed. On April 15, 2025, NVIDIA Corporation ("NVIDIA") filed a Form 8-K current events report with the U.S. Securities Exchange Commission to make its shareholders aware of communications NVIDIA Corporation received from the U.S. government on April 9, 2025 stating that NVIDIA's H20 integrated circuits and "any other circuits achieving the H2O's memory bandwidth, interconnect bandwidth, or combination thereof" are prohibited for export to China (including Hong Kong and Macau) and other D:5 countries without licensing from the U.S. government. The Form 8-K also disclosed subsequent statements made by the U.S. government to NVIDIA on April 14, 2025 informing NVIDIA "that the license requirement will be in effect for the indefinite future". NVIDIA had designed the H20 in order to comply with existing export controls imposed under the U.S. Export Administration Regulations ("EAR"), but this action appears to be the result of the U.S. Commerce Department's Bureau of Industry and Security ("BIS") exercising its power under EAR § 744.23(b) and making a special determination that the H20 integrated circuits present an unacceptable risk of use in or diversion to prohibited end uses involving supercomputer development or production in China.

#### OFAC Issues Russia-Related General License

The Department of the Treasury's Office of Foreign Assets Control ("OFAC") issued Russia-related General License 13M, authorizing U.S. persons, or entities owned or controlled, directly or indirectly, by a U.S. person, to pay taxes, fees, or import duties, and purchase or receive permits, licenses, registrations, certifications, or tax refunds to the extent such transactions are prohibited "Directive 4 under Executive Order 14024."