A-570-967 C-570-968

Scope Ruling: KF16 Hose Adapter

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AD/CVD Operations, OVI: TRW

October 14, 2015

MEMORANDUM TO:

Christian Marsh

Deputy Assistant Secretary

for Antidumping and Countervailing Duty Operations

THROUGH:

Scot Fullerton

Director

AD/CVD Operations, Office VI

FROM:

Tyler Weinhold

International Trade Compliance Analyst

Antidumping and Countervailing Duty Operations, Office VI

SUBJECT:

Antidumping and Countervailing Duty Orders on Aluminum

Extrusions from the People's Republic of China: Final Scope

Ruling on Agilent's KF16 Hose Adapter

SUMMARY

The Department of Commerce (the Department) received a request from Agilent Technologies, Inc. (Agilent) for a scope ruling to determine whether its KF16 hose adapter (hose adapter) is covered by the scope of the antidumping and countervailing duty Orders on Aluminum Extrusions from the People's Republic of China (PRC). The Department finds Agilent's hose adapter is covered by the scope of the *Orders*.

BACKGROUND

The Department published the antidumping and countervailing duty orders on aluminum extrusions from the PRC on May 26, 2011.² On November 20, 2014, the Department received a

¹ See Aluminum Extrusions from the People's Republic of China: Antidumping Duty Order, 76 FR 30650 (May 26, 2011) (Antidumping Duty Order); Aluminum Extrusions from the People's Republic of China Countervailing Duty Order, 76 FR 30653 (May 26, 2011) (Countervailing Duty Order) (collectively, the Orders).

² Id.

letter from Agilent requesting a scope ruling on its hose adapter.³ The Department extended the deadline for this scope ruling between February 2015 and July 2015. Most recently, on September 11, 2015, the Department extended the deadline for a ruling by an additional 45 days, until October 26, 2015.⁴ On February 9, 2015, the Department issued a supplemental questionnaire to Agilent.⁵ Agilent responded to our supplemental questionnaire on April 28, 2015.⁶ No other party submitted comments regarding Agilent's scope ruling request. Petitioner is the Aluminum Extrusions Fair Trade Committee (Petitioner).

SCOPE OF THE ORDERS

The merchandise covered by the order{s} is aluminum extrusions which are shapes and forms, produced by an extrusion process, made from aluminum alloys having metallic elements corresponding to the alloy series designations published by The Aluminum Association commencing with the numbers 1, 3, and 6 (or proprietary equivalents or other certifying body equivalents). Specifically, the subject merchandise made from aluminum alloy with an Aluminum Association series designation commencing with the number 1 contains not less than 99 percent aluminum by weight. The subject merchandise made from aluminum alloy with an Aluminum Association series designation commencing with the number 3 contains manganese as the major alloving element, with manganese accounting for not more than 3.0 percent of total materials by weight. The subject merchandise is made from an aluminum alloy with an Aluminum Association series designation commencing with the number 6 contains magnesium and silicon as the major alloying elements, with magnesium accounting for at least 0.1 percent but not more than 2.0 percent of total materials by weight, and silicon accounting for at least 0.1 percent but not more than 3.0 percent of total materials by weight. The subject aluminum extrusions are properly identified by a four-digit alloy series without either a decimal point or leading letter. Illustrative examples from among the approximately 160 registered alloys that may characterize the subject merchandise are as follows: 1350, 3003, and 6060.

Aluminum extrusions are produced and imported in a wide variety of shapes and forms, including, but not limited to, hollow profiles, other solid profiles, pipes, tubes, bars, and rods. Aluminum extrusions that are drawn subsequent to extrusion (drawn aluminum) are also included in the scope.

Aluminum extrusions are produced and imported with a variety of finishes (both coatings and surface treatments), and types of fabrication. The types of coatings and treatments applied to subject aluminum extrusions include, but are not limited to, extrusions that are mill finished (*i.e.*, without any coating or further finishing), brushed, buffed, polished, anodized (including

³ See Letter from Agilent to the Department, regarding "Scope Request on Certain Finished Aluminum Components Imported from the People's Republic of China (Case Nos. A-570-967 and C-570-968): KF16 Hose Adapter," dated November 20, 2014, (Agilent's Scope Ruling Request) at 3.

⁴ See Letter from the Department to all interested parties, regarding "Aluminum Extrusions from the People's Republic of China: Extension of Time for Scope Ruling," dated September 11, 2015.

⁵ See Letter from the Department to Agilent, regarding "Aluminum Extrusions from the People's Republic of China (PRC): Scope Inquiry (KH16 Hose Adapter)," dated February 9, 2015.

⁶ See Letter from Agilent to the Department, regarding "Agilent Technologies: Scope Request on Foreline Hose Adapter: Response to Questionnaire," dated April 28, 2015, (Agilent's Supplemental Response).

brightdip anodized), liquid painted, or powder coated. Aluminum extrusions may also be fabricated, *i.e.*, prepared for assembly. Such operations would include, but are not limited to, extrusions that are cut-to-length, machined, drilled, punched, notched, bent, stretched, knurled, swedged, mitered, chamfered, threaded, and spun. The subject merchandise includes aluminum extrusions that are finished (coated, painted, *etc.*), fabricated, or any combination thereof.

Subject aluminum extrusions may be described at the time of importation as parts for final finished products that are assembled after importation, including, but not limited to, window frames, door frames, solar panels, curtain walls, or furniture. Such parts that otherwise meet the definition of aluminum extrusions are included in the scope. The scope includes the aluminum extrusion components that are attached (e.g., by welding or fasteners) to form subassemblies, i.e., partially assembled merchandise unless imported as part of the finished goods 'kit' defined further below. The scope does not include the non-aluminum extrusion components of subassemblies or subject kits.

Subject extrusions may be identified with reference to their end use, such as fence posts, electrical conduits, door thresholds, carpet trim, or heat sinks (that do not meet the finished heat sink exclusionary language below). Such goods are subject merchandise if they otherwise meet the scope definition, regardless of whether they are ready for use at the time of importation. The following aluminum extrusion products are excluded: aluminum extrusions made from aluminum alloy with an Aluminum Association series designations commencing with the number 2 and containing in excess of 1.5 percent copper by weight; aluminum extrusions made from aluminum alloy with an Aluminum Association series designation commencing with the number 5 and containing in excess of 1.0 percent magnesium by weight; and aluminum extrusions made from aluminum alloy with an Aluminum Association series designation commencing with the number 7 and containing in excess of 2.0 percent zinc by weight.

The scope also excludes finished merchandise containing aluminum extrusions as parts that are fully and permanently assembled and completed at the time of entry, such as finished windows with glass, doors with glass or vinyl, picture frames with glass pane and backing material, and solar panels. The scope also excludes finished goods containing aluminum extrusions that are entered unassembled in a "finished goods kit." A finished goods kit is understood to mean a packaged combination of parts that contains, at the time of importation, all of the necessary parts to fully assemble a final finished good and requires no further finishing or fabrication, such as cutting or punching, and is assembled "as is" into a finished product. An imported product will not be considered a "finished goods kit" and therefore excluded from the scope of the investigation merely by including fasteners such as screws, bolts, etc. in the packaging with an aluminum extrusion product.

The scope also excludes aluminum alloy sheet or plates produced by other than the extrusion process, such as aluminum products produced by a method of casting. Cast aluminum products are properly identified by four digits with a decimal point between the third and fourth digit. A letter may also precede the four digits. The following Aluminum Association designations are representative of aluminum alloys for casting: 208.0, 295.0, 308.0, 355.0, C355.0, 356.0, A356.0, A357.0, 360.0, 366.0, 380.0, A380.0, 413.0, 443.0, 514.0, 518.1, and 712.0. The scope also excludes pure, unwrought aluminum in any form.

The scope also excludes collapsible tubular containers composed of metallic elements corresponding to alloy code 1080A as designated by the Aluminum Association where the tubular container (excluding the nozzle) meets each of the following dimensional characteristics: (1) length of 37 millimeters ("mm") or 62 mm, (2) outer diameter of 11.0 mm or 12.7 mm, and (3) wall thickness not exceeding 0.13 mm.

Also excluded from the scope of these orders are finished heat sinks. Finished heat sinks are fabricated heat sinks made from aluminum extrusions the design and production of which are organized around meeting certain specified thermal performance requirements and which have been fully, albeit not necessarily individually, tested to comply with such requirements.

Imports of the subject merchandise are provided for under the following categories of the Harmonized Tariff Schedule of the United States (HTSUS): 7610.10.00, 7610.90.00, 7615.10.30, 7615.10.71, 7615.10.91, 7615.19.10, 7615.19.30, 7615.19.50, 7615.19.70, 7615.19.90, 7615.20.00, 7616.99.10, 7616.99.50, 8479.89.98, 8479.90.94, 8513.90.20, 9403.10.00, 9403.20.00, 7604.21.00.00, 7604.29.10.00, 7604.29.30.10, 7604.29.30.50, 7604.29.50.30, 7604.29.50.60, 7608.20.00.30, 7608.20.00.90, 8302.10.30.00, 8302.10.60.30, 8302.10.60.60, 8302.10.60.90, 8302.20.00.00, 8302.30.30.10, 8302.30.30.60, 8302.41.30.00, 8302.41.60.15, 8302.41.60.45, 8302.41.60.50, 8302.41.60.80, 8302.42.30.1 0, 8302.42.30.15, 8302.42.30.65, 8302.49.60.35, 8302.49.60.45, 8302.49.60.55, 8302.49.60.85, 8302.50.00.00, 8302.60.90.00, 8305.10.00.50, 8306.30.00.00, 8414.59.60.90, 8415.90.80.45, 8418.99.80.05, 8418.99.80.50, 8418.99.80.60, 8419.90.10.00, 8422.90.06.40, 8473.30.20.00, 8473.30.51.00, 8479.90.85.00, 8486.90.00.00, 8487.90.00.80, 8503.00.95.20, 8508.70.00.00, 8515.90.20.00, 8516.90.50.00, 8516.90.80.50, 8517.70.00.00, 8529.90.73.00, 8529.90.97.60, 8536.90.80.85, 8538.10.00.00, 8543.90.88.80, 8708.29.50.60, 8708.80.65.90, 8803.30.00.60, 9013.90.50.00, 9013.90.90.00, 9401.90.50.81, 9403.90.10.40, 9403.90.10.50, 9403.90.10.85, 9403.90.25.40, 9403.90.25.80, 9403.90.40.05, 9403.90.40.10, 9403.90.40.60, 9403.90.50.05, 9403.90.50.10, 9403.90.50.80, 9403.90.60.05, 9403.90.60.10, 9403.90.60.80, 9403.90.70.05, 9403.90.70.10, 9403.90.70.80, 9403.90.80.10, 9403.90.80.15, 9403.90.80.20, 9403.90.80.41, 9403.90.80.51, 9403.90.80.61, 9506.11.40.80, 9506.51.40.00, 9506.51.60.00, 9506.59.40.40, 9506.70.20.90, 9506.91.00.10, 9506.91.00.20, 9506.91.00.30, 9506.99.05.10, 9506.99.05.20, 9506.99.05.30, 9506.99.15.00, 9506.99.20.00, 9506.99.25.80, 9506.99.28.00, 9506.99.55.00, 9506.99.60.80, 9507.30.20.00, 9507.30.40.00, 9507.30.60.00, 9507.90.60.00, and 9603.90.80.50

The subject merchandise entered as parts of other aluminum products may be classifiable under the following additional Chapter 76 subheadings: 7610.10, 7610.90, 7615.19, 7615.20, and 7616.99 as well as under other HTSUS chapters. In addition, fin evaporator coils may be classifiable under HTSUS numbers: 8418.99.80.50 and 8418.99.80.60. While HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of these *Orders* is dispositive.⁷

⁷ See the Orders.

LEGAL FRAMEWORK

When a request for a scope ruling is filed, the Department examines the scope language of the order{s} at issue and the description of the product contained in the scope-ruling request. Pursuant to the Department's regulations, the Department may also examine other information, including the description of the merchandise contained in the petition, the records from the investigations, and prior scope determinations made for the same product. If the Department determines that these sources are sufficient to decide the matter, it will issue a final scope ruling as to whether the merchandise is covered by an order.

Conversely, where the descriptions of the merchandise in the sources described in 19 CFR 351.225(k)(1) are not dispositive, the Department will consider the five additional factors set forth at 19 CFR 351.225(k)(2). These factors are: (i) the physical characteristics of the merchandise; (ii) the expectations of the ultimate purchasers; (iii) the ultimate use of the product; (iv) the channels of trade in which the product is sold; and (v) the manner in which the product is advertised and displayed. The determination as to which analytical framework is most appropriate in any given scope proceeding is made on a case-by-case basis after consideration of all evidence before the Department.

DESCRIPTION OF MERCHANDISE SUBJECT TO THIS SCOPE REQUEST

Agilent explained in its request that it designs and manufactures electronic and bio-analytical measurement instruments and equipment, some of which incorporate imported finished aluminum components that are manufactured from extruded aluminum materials imported from the PRC, including the KF16 Hose adapter.¹¹

Agilent describes the KF 16 Hose Adapter product as follows:

The KF 16 Hose Adapter is a finished aluminum component. It is manufactured from Al6061-T6 extruded aluminum bar stock (<I>32mmx2500mm). It is specifically designed and fabricated for use with Agilent instruments and equipment. After fabrication, the KF 16 Hose Adapter (PIN 01099-20531) has no other use or application other than with Agilent's instruments and equipment.

The purpose of the KF16 Hose Adapter is to secure the Foreline Hose Assembly to a roughing pump, which pulls a vacuum on Agilent's Gas Chromatography Mass Spectrometer (5977A GCMS). A rough vacuum in the Mass Spectrometer is required in order for the high vacuum turbo pump to operate. The KF16 Hose Adapter is uniquely designed and built to Agilent specifications

⁸ See Walgreen Co. v. United States, 620 F.3d 1350, 1357 (Fed. Cir. 2010).

⁹ See 19 CFR 351.225(k)(1).

¹⁰ See 19 CFR 351.225(d).

¹¹ See Agilent's Scope Ruling Request at 2.

and cannot be used for any other purpose. {}

The component manufacturer starts with Al6061-T6, <1>32mmx2500mm extruded aluminum bar stock. The bar stock is cut to length and secured in a Computer Numerical Control (CNC) machine to mill the bar stock to the specific tolerances as defined by Agilent in its design and dimensional drawings. Percentages by weight of metallic elements contained in the KF16 Hose Adapter are: AI 95.8%-98.6%, Mg 0.8%-1.2%, and Si 0.4%-0.8%. ¹²

Agilent also indicated that the KF16 Hose Adaptor is classified under subheading 7609.00.00 of the Harmonized Tariff Schedule of the United States (HTSUS).¹³

According to the description and photographs of the product in Agilent's Scope Ruling Request and Agilent's Supplemental Response, Agilent's product is a solid cohesive aluminum extrusion product consisting entirely of aluminum and manufactured entirely from aluminum bar stock. Agilent further confirms that the hose adapter does not contain and is not assembled from multiple parts or pieces, but is rather a "single item."

RELEVANT SCOPE DETERMINATIONS¹⁶

Geodesic Domes Kits Scope Ruling¹⁷

At issue in the Geodesic Domes Kits Scope Ruling were certain geodesic dome frame kits consisting solely of extruded aluminum parts along with nuts, bolts, and washers. The requestor argued that the products at issue constituted finished goods kits because the kits contained all the components necessary to assemble a final finished geodesic dome playground set. It further argued that the products at issue required no further fabrication and are assembled "as is" from the components provided in the kits. In the scope ruling, the Department explained that the product at issue met the "initial requirements for inclusion into the finished goods kit exclusion." However, the Department noted that the scope of the *Orders* states that an "imported product will not be considered a 'finished goods kit' … merely by including fasteners

¹⁴ See Agilent's Scope Ruling Request at 2 to 3 and Attachment A and Agilent's Supplemental Response at 2 - 3 ("It is milled and finished from a single block of extruded aluminum").

¹² See Agilent's Scope Ruling Request at 2 and Attachment A.

¹³ Id at 3

¹⁵ See Agilent's Supplemental Response at 2.

¹⁶ See Memorandum from Tyler Weinhold, international trade compliance analyst, to the file, regarding: "Antidumping and Countervailing Duty Orders on Aluminum Extrusions from the People's Republic of China: ITC Report, Petition Scope Section, and Relevant Scope Rulings," dated concurrently with this memorandum (ITC Report, Petition Scope Section, and Relevant Scope Rulings Memorandum).

¹⁷ See Memorandum from Brooke Kennedy, to Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, regarding: "Final Scope Ruling on J.A. Hancock's Geodesic Structures," dated July 7, 2012 (Geodesic Domes Kits Scope Ruling).

¹⁸ See Geodesic Domes Kits Scope Ruling at 7.

such as screws, bolts, *etc.* in the packaging with an aluminum extrusion product." The Department found that since the products at issue consisted solely of extruded aluminum and fasteners, the exception to the exclusion provision applied. Accordingly, the Department found that the products at issue did not meet the exclusion criteria for a finished goods kit.²⁰

Cutting and Marking Edges Scope Ruling²¹

In the Cutting and Marking Edges Scope Ruling, the products at issue were finished cutting and marking straight edges suitable for immediate use in drafting and cutting applications without further manufacturing, assembly, mounting, or combination with any other component, apparatus, or fixture. Because the products at issue consisted of a single hollow extrusion made of aluminum alloy, the Department found that the merchandise was covered by the inclusive language of the scope, was not covered by the exclusion for "finished merchandise," nor any other exclusion, and was therefore covered. ²³

Delphi Core Heater Tubes Scope Ruling²⁴

In the Delphi Core Heater Tubes Scope Ruling, the products at issue were "core tubes" for automotive heating and cooling (HVAC) systems, comprised of extruded hollow, tubular parts fabricated from aluminum extrusions that are bent and end-formed based on customer designs. In other words, the products in question were comprised entirely of extruded aluminum. The Department determined that a product cannot meet the requirements of the exclusions for "finished merchandise" or "finished goods kits" when such merchandise is comprised solely of extruded aluminum parts and fasteners. The Department thus found that the products at issue did not meet the Department's first test for determining whether a good constitutes a finished good or finished good kit, *i.e.*, whether the product contains parts other than aluminum extrusions and mere fasteners. ²⁶

¹⁹ Id.

²⁰ Id.

²¹ See Memorandum from John Conniff, International Trade Analyst, through Eric B. Greynolds, Program Manager, Office III, and Melissa G. Skinner, Director, Office III, to Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, Regarding: "Aluminum Extrusions from the People's Republic of China: Final Scope Ruling on Cutting and Marking Edges," dated November 13, 2012 (Cutting and Marking Edges Scope Ruling).

²² See Cutting and Marking Edges Scope Ruling at 2.

²³ *Id.* at 10 - 11. The scope ruling was later appealed to the Court of International Trade (CIT) and subsequently dismissed. *See* Order of Dismissal in *Plasticoid Manufacturing Inc. v. United States*, Ct. No. 12-00407 (CIT March 25, 2015).

²⁴ See Memorandum from Eric B. Greynolds, International Trade Analyst, Office III, Melissa G. Skinner, Director, Office III, to Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, Regarding: "Final Scope Ruling on Delphi Core Heater Tubes," October 14, 2014 (Delphi Core Heater Tubes Scope Ruling).

²⁵ See Delphi Core Heater Tubes Scope Ruling at 4 - 5.

 $^{^{26}}$ Id. at 10 - 11.

All Points Cleats Scope Ruling27

In the All Points Cleats Scope Ruling, the products at issue were Cleats, which are mounting devices used to mount items such as pictures and mirrors to a wall, and consist of a single piece of extruded aluminum cut to various lengths with holes drilled every two inches along the product's length. The Department found that the cleats were not excluded by the finished merchandise exclusion, in part, because they did not contain parts other than aluminum extrusions. The Department noted that the "finished goods" exclusion specifies that excluded merchandise contain aluminum extrusions "as parts." Thus, to give effect to this "as parts" language, the Department found that to qualify for the finished merchandise exclusion the product must contain both aluminum extrusions and some non-extruded aluminum component. ²⁹

Unger Pole Handles Scope Ruling³⁰

In the Unger Pole Handles Scope Ruling, the products at issue were several pole handles designed to work with a variety of cleaning/tool heads that are attached to the poles. In addition to aluminum tubes of various lengths and diameters, each pole handle incorporates a polypropylene hand grip, a polypropylene tool and one of several accessory attachment heads that accept a variety of tools and attachments.³¹ The Department found that the products at issue met the exclusion criteria for "finished goods." As with the All Points Cleats Scope Ruling, the Department noted that the "finished merchandise" exclusion specifies that excluded merchandise contain aluminum extrusions "as parts." Thus, to give effect to this "as parts" language, the Department found that to qualify for the finished merchandise exclusion the product must contain both aluminum extrusions and some non-extruded aluminum component. Accordingly, noting that the products at issue contained non-extruded aluminum parts (which are more than mere fasteners), in addition to extruded aluminum components, the Department found that Unger's pole handles were merchandise containing aluminum extrusions as parts that are fully and permanently assembled and completed at the time of entry, and thus, excluded by the "finished merchandise exclusion."³²

²⁷ See Memorandum from Paul Stolz, Senior International Trade Analyst, through Erin Begnal Program Manager, Office III, and Melissa G. Skinner, Director, Office III, to Gary Taverman, Associate Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, Re: "Final Scope Ruling on All Points Industries Inc.'s Cleats," April 2, 2015 (All Points Cleats Scope Ruling).
²⁸ Sea All Beints Cleats Scope Ruling).

²⁸ See All Points Cleats Scope Ruling at 5.

²⁹ See All Points Cleats Scope Ruling at 12.

³⁰ See Memorandum from James Terpstra, Senior International Trade Analyst, through Erin Begnal Program Manager, Office III, and Melissa G. Skinner, Director, Office III, to Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, Re: "Final Scope Ruling on Unger Enterprises Inc.'s Pole Handles," April 22, 2015 (Unger Pole Handles Scope Ruling).

³¹ See Unger Pole Handles Scope Ruling at 5 - 6.

³² Id. at 12 - 13.

In the TSS Wind Sign Frames Scope Ruling, the products at issue were "wind sign" frames which contained extruded aluminum frames, plastic parts, and steel springs, which are designed to display "customizable materials or work (retail advertisements)," which open and shut to allow removal and replacement of display signs, and which are designed to withstand wind. The Department found that products met the exclusion criteria for "finished merchandise." As with the All Points Cleats Scope Ruling, as well as the Unger Pole Handles Scope Ruling, the Department noted that the finished merchandise exclusion specifies that excluded merchandise contain aluminum extrusions "as parts." Thus, to give effect to this "as parts" language, the Department found that to qualify for the finished merchandise exclusion the product must contain both aluminum extrusions and some non-extruded aluminum component. Accordingly, because the products at issue contained non-extruded aluminum parts (which are more than mere fasteners), in addition to extruded aluminum components, the Department found that TSS's wind signs were merchandise containing aluminum extrusions as parts that are fully and permanently assembled and completed at the time of entry, and thus, excluded by the finished merchandise exclusion.

ARGUMENTS FROM INTERESTED PARTIES

Agilent's Comments

Noting that the scope of the Orders expressly excludes "finished goods:"36

The scope also excludes finished merchandise containing aluminum extrusions as parts that are fully and permanently assembled and completed at the time of entry, such as finished windows with glass, doors with glass or vinyl, picture frames with glass pane and backing material, and solar panels.

Agilent argues that the KF16 Hose Adaptor is a "finished good" that meets this requirement. 37

Although finished merchandise "containing aluminum extrusions as parts" is described within this exclusion, Agilent argues that there is no requirement within this language that "finished merchandise" must contain non-aluminum extrusion parts. Agilent further notes that the language "finished windows with glass, doors with glass or vinyl, picture frames with glass pane and backing material, and solar panels" is preceded by the term "such as" and argues that this language was intended merely to provide examples of "finished merchandise" generally, rather

37 Id.

9

³³ See Memorandum from Mark Flessner, Analyst, through Melissa G. Skinner, Director, Office III, to Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, Regarding: "Antidumping and Countervailing Duty Orders on Aluminum Extrusions from the People's Republic of China: Final Scope Ruling on TSS, Inc.'s Wind Sign Frames," October 14, 2014 (TSS Wind Sign Frames Scope Ruling).

³⁴ See TSS Wind Sign Frames Scope Ruling at 5 - 7.

³⁵ See TSS Wind Sign Frames Scope Ruling at 11 - 12.

³⁶ See Agilent's Scope Ruling Request at 3.

than to create a specific requirement under which "finished merchandise" is excluded from the Orders.³⁸

In support of its arguments, Agilent points to the Petition, subsequently altered in the *Orders*, which stated: "... parts of products that are assembled or otherwise further processed after importation..." The final version of the text in the scope of the *Orders* reads: "...parts that are fully and permanently assembled and completed at the time of entry..." According to Agilent, this earlier language indicates that Petitioner "envisioned that the aluminum extrusions within the scope would be otherwise further processed after importation."

Agilent also argues that the examples of excluded merchandise given in the language of the scope of the petition (*i.e.*, "window frames, door frames, picture frames, and solar panels")⁴² are all comprised exclusively of aluminum extrusions. Accordingly, Agilent argues that finished merchandise containing aluminum extrusions are excluded from the scope of the *Orders*, even if such products are comprised exclusively of aluminum extrusions.⁴³

In support of this position, Agilent further points to the ITC Report in the underlying investigation of aluminum extrusions from the PRC.⁴⁴ There, the ITC explained: "Aluminum extrusions are used as inputs into the manufacture and construction of a wide variety of other products within the following broad downstream industries: building and construction; automotive and transportation; engineering products; and electric and alternative energy." The ITC also explained: "... all subject extrusions share general physical characteristics and tolerances along a continuum and are all used as inputs (*i.e.*, an intermediate product) in the production of downstream products." Agilent argues, therefore, that "{c}learly, the ITC did not exclude products comprised entirely of aluminum extrusions from its definition of finished goods. Instead, it focused on aluminum extrusions used as an input into other products."

³⁸ Id

³⁹ See Petition for the Imposition of Antidumping and Countervailing Duties: Aluminum Extrusions from the People's Republic of China, (March 31, 2010) (Petition) at 4 (attached to ITC Report, Petition Scope Section, and Relevant Scope Rulings Memorandum).

⁴⁰ See the Orders.

⁴¹ See Agilent's Scope Ruling Request at 3.

⁴² See Petition at 4.

⁴³ See the Orders and "Scope of the Orders" section, above.

⁴⁴ ITC Final Report on Certain Aluminum Extrusions from China, Inv. Nos. 701-TA-475 & 731-TA-1177, USITC Pub. 4229 (May 2011)) (ITC Report) (attached to ITC Report, Petition Scope Section, and Relevant Scope Rulings Memorandum).

⁴⁵ See ITC Report at 1-3.

⁴⁶ Id. at I-10.

⁴⁷ See Agilent's Scope Ruling Request at 3.

Agilent also cites to the Valeo Final Remand Redetermination, ⁴⁸ in which it claims "the Department relied on its definition of 'finished merchandise' from its Preliminary Scope Ruling in Side Mount Valve Controls (SMVC) to conclude that both the T-series parts and M-series parts were excluded from the scope under the 'finished merchandise' exception despite the fact that at least one of the parts consisted entirely of aluminum extrusions." ⁴⁹ In the Valeo Final Remand Redetermination, the Department explained, referring to the SMVC Scope Ruling: ⁵⁰

...aluminum extrusion subassemblies may be excluded from the scope of the Orders as "finished goods" or "finished goods kits" provided that they require no further "finishing" or "fabrication" prior to assembly, contain all the necessary hardware and components for assembly, and are ready for installation at the time of entry. ⁵¹

Agilent states that "{t}he Department concluded that the Valeo subassemblies entered the United States as finished goods that were later integrated into a larger structure or system." On this basis Agilent argues that its hose adapter "falls squarely within the ambit of the finished merchandise exception. It is finished at the time of importation, undergoes no post-importation fabrication or processing, and is ready for installation at the time of entry." Thus, Agilent argues, its hose adapter is "excluded from the scope of the Orders as 'finished merchandise." Further, Agilent reiterates that "{n}either SMVC nor Valeo require the 'finished merchandise' exclusion to include parts in addition to the further fabricated extruded aluminum." However, Agilent notes the Department's decision in the Kitchen Appliance Door Handles Scope Ruling, were the Department ruled:

⁴⁸ See Final Results of Redetermination Pursuant to Court Remand Aluminum Extrusions from the People's Republic of China, Valeo Inc., Valeo Engine Cooling Inc., and Valeo Climate Control Corp. v. United States, No. 12-00381, (May 14, 2013) (Valeo Final Remand Redetermination), addressing the Department's findings in the Memorandum Re: Antidumping and Countervailing Duty Orders on Aluminum Extrusions from the People's Republic of China- Final Scope Ruling on Valeo's Automotive Heating and Cooling Systems, dated October 31, 2012 ("Auto Heating/Cooling Systems Scope Ruling"). The Valeo Final Remand Redetermination was affirmed by the Court of International Trade. See Valeo, Inc. et al. v. United States, CIT No. 12-00381.

⁴⁹ See Agilent's Scope Ruling Request at 3

⁵⁰ See the Department's memorandum regarding: Antidumping Duty (AD) and Countervailing Duty (CVD) Orders: Aluminum Extrusions from the People's Republic of China (PRC), Initiation and Preliminary Scope Ruling on Side Mount Valve Controls, dated September 24,2012, affirmed in the Department's memorandum regarding: Final Scope Ruling on Side Mount Valve Controls, dated October 26, 2012 (SMVC Scope Ruling).

⁵¹ See Valeo Final Remand Redetermination.

⁵² See Agilent's Scope Ruling Request at 3.

⁵³ Id.

⁵⁴ Id.

The handles at issue consist entirely of extruded aluminum described by their end use, and meet the description of subject merchandise. As in our ruling regarding Cutting & Marking Edges, products identified by their end use do not meet the exclusion for finished merchandise where such products consist entirely of aluminum extrusions. Accordingly, we find that the handles at issue do not meet the exclusion criteria for finished merchandise and, as a result, fall inside the scope of *the Orders*. 55

Agilent notes, however, that the decision has been appealed to the CIT.56

Agilent also cites *Rubbermaid Commercial Products v. United States*, where the court remanded a scope ruling to the Department, ordering the Department to provide a "clear and cogent definition" of the term "finished merchandise" contained in the scope of the *Orders* on aluminum extrusions from China.⁵⁷ Agilent argues that the Court held that the Department has not as of yet "affirmatively defined" the term "finished merchandise."⁵⁸

Further, in response to our request that Agilent identify the passages of the scope language under which the KF16 Hose Adapter is specifically excluded, Agilent responded that its hose adapter meets the requirements of the exclusion for "finished merchandise" because it is finished and requires no further fabrication. Agilent argues that at the time of entry, the KF16 is a complete and fully finished product, and ready for use.

Finally, Agilent states that it agrees with the plaintiffs in *Plasticoid Manufacturing Inc. v. United States*, Ct. No. 12-00407, who argued that the reference to "parts" in the "finished merchandise exclusion" does not mandate that excluded merchandise must be comprised of more than one part:⁶⁰

Commerce's contrary construction violates a {sic.} elementary rule of construction that the singular includes the plural, and visaversa, absent context that would suggest another meaning. To this

12

See Memorandum from Eric B. Greynolds, Program Manager, Office III, and Melissa G. Skinner, Director, Office III, to Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, Regarding: "Antidumping and Countervailing Duty Orders on Aluminum Extrusions from the People's Republic of China (PRC); Final Scope Ruling on Kitchen Appliance Door Handles with and without Plastic End Caps," dated August 4, 2014 (Kitchen Appliance Door Handles Scope Ruling), currently on appeal in Meridian Products LLC and Whirlpool Corp. v. United States, Court No. 13-00246.

 ⁵⁶ See Agilent's Scope Ruling Request at 6.
 ⁵⁷ See Kitchen Appliance Door Handles Scope Ruling, referencing Rubbermaid Commercial Products v. United States, Court No. 11-00463, 2014 Ct. Intl. Trade, Slip Op. 14-113 (September 23, 2014) (Rubbermaid Commercial Products v. United States). See also Antidumping (AD) and Countervailing Duty (CVD) Orders on Aluminum Extrusions from the People's Republic of China (PRC); Final Scope Ruling on Certain Cleaning System Components, dated October 25, 2011 (Rubbermaid Cleaning Products Scope Ruling).
 ⁵⁸ See Agilent's Scope Ruling Request at 6.

⁵⁹ The scope of *the Orders* excludes "finished merchandise containing aluminum extrusions as parts that are fully and permanently assembled and completed at the time of entry, such as finished windows with glass, doors with glass or vinyl, picture frames with glass pane and backing material, and solar panels." *See* the *Orders*.

⁶⁰ *See* Agilent's Supplemental Response at 2.

end, a proper reading of context from the scope language and Commerce's scope determinations refutes Commerce's proposition that the reference to 'parts' reflects a mandatory multiple parts condition under the exclusion.61

Petitioner's Comments

Petitioner did not comment.

DEPARTMENT'S POSITION

The Department examined the language of the *Orders* and the description of the product contained in Agilent's Scope Ruling Request, as well as previous rulings made by the Department. We find that the description of the product, the scope language, the Petition, and prior rulings are, together, dispositive as to whether the product at issue is subject merchandise, in accordance with 19 CFR 351.225(k)(1). Accordingly, for this determination, the Department finds it unnecessary to consider the additional factors specified in 19 CFR 351.225(k)(2). For the reasons set forth below, we find that the KF15 Hose Adapter is covered by the scope of the Orders.

Agilent's product is a solid cohesive aluminum extrusion product consisting entirely of aluminum and fabricated entirely from extruded aluminum bar stock.⁶² Agilent further confirms that the KF16 Hose Adapter does not contain and is not assembled from multiple parts of pieces, but is rather a "single item." Accordingly, absent being covered by an express exclusion in the scope of the Orders, Agilent's KF15 Hose Adaptor is subject merchandise because it is composed entirely of aluminum extrusions.

Agilent argues that its hose adapter is covered by the so-called "finished merchandise" exclusion:

The scope also excludes finished merchandise containing aluminum extrusions as parts that are fully and permanently assembled and completed at the time of entry, such as finished windows with glass, doors with glass or vinyl, picture frames with glass pane and backing material, and solar panels.⁶⁴

Upon the Department's inquiry, Agilent indicated that this provision is the sole basis for its scope request.65 Accordingly, for purposes of this scope ruling, the Department has focused its analysis solely on this exclusion to the scope of the Orders.

⁶¹ See Plaintiff's Reply to Defendant's Opposition to Plaintiff's Motion for Summary Judgement on the Agency Record (filed in Plasticoid Manufacturing Inc. v. United States, Ct. No. 12-00407) at 2. See also Plasticoid Manufacturing Inc. v. United States, 2014 Ct. Intl. Trade, Slip Op. 2014-136 (dismissed with prejudice: Ct. Intl. Trade, Slip Op. 2015-30 (April 3, 2015).

⁶² See Agilent's Scope Ruling Request at 2 to 3 and Attachment A and Agilent's Supplemental Response at 2 - 3. 63 See Supplemental Response at 2 - 3.

⁶⁴ See the Orders.

⁶⁵ See Supplemental Response at 2.

As noted, the scope of the *Orders* excludes "finished merchandise containing aluminum extrusions *as parts* that are fully and permanently assembled and completed at the time of entry..." (emphasis added). Thus, the scope language describes excluded finished merchandise as "containing aluminum extrusions *as parts...*" As previously explained in the All Points Cleats Scope Ruling, the Unger Pole Handles Scope Ruling, and the TSS Wind Sign Frames Scope Ruling, we take this language to mean that the excluded "finished merchandise" must contain both aluminum extrusions "as parts" as well as an additional non-extruded aluminum component. Otherwise, this specific language (*i.e.*, "as parts") would be read out of the scope, resulting in the different condition "containing aluminum extrusions that are fully and permanently assembled and completed at the time of entry. Thus, to give effect to this "as parts" language, we find that to qualify for the finished merchandise exclusion the product must contain both aluminum extrusions as parts, as well as some component besides aluminum extrusions. Of the extrusions of the scope of the finished merchandise exclusion the product must contain both aluminum extrusions as parts, as well as some component besides aluminum extrusions.

This interpretation is further supported by the terms that follow in the scope exclusion – the requirement that the parts be "fully and completely assembled and completed at the time of entry." The KF16 Hose Adapter is milled from bar stock and not assembled. 68 It therefore has never been composed of "parts" which could be "assembled or completed at the time of entry."

Agilent challenges the Department's interpretation of the finished merchandise exclusion, citing the CIT's analysis in *Rubbermaid Commercial Products v. United States* and the plaintiffs' arguments in *Plasticoid Manufacturing Inc. v. United States*. However, in the *Rubbermaid Commercial Products* litigation, the CIT ultimately affirmed the Department's remand redetermination, which continued to apply the same interpretation of the finished merchandise exclusion, ⁶⁹ and the plaintiffs in the *Plasticoid* litigation voluntarily dismissed the case, with prejudice. ⁷⁰ Accordingly, the Department finds that neither of those sources undermine or otherwise call into question the reasonableness of the Department's interpretation and practice in this respect.

Agilent notes in its submissions that the scope as proposed in the Petition was changed in the scope of the *Orders*⁷¹ and claims that the previous language was proof that Petitioner intended for both products with and without non-extruded aluminum parts to be considered finished goods. Agilent says that the "examples provided in the petition (*e.g.*, door frames, window frames, picture frames) are products comprised exclusively of aluminum extrusions, but are considered excluded finished goods." We disagree.

⁶⁸ See Agilent's Scope Ruling Request at 2 and Agilent's Supplemental Response at 2 – 3.

⁶⁶ See All Points Cleats Scope Ruling at 12, Unger Pole Handles Scope Ruling at 12 - 13, and TSS Wind Sign Frames Scope Ruling at 11 - 12.

⁶⁷ See Pole Handles Scope Ruling at 12.

⁶⁹ See Rubbermaid Commercial Products v. United States, Slip Op. 215-79 (CIT July 22, 2015) at 14-15 ("there is no need to decide this question here. As Commerce acknowledges, each of the 13 Rubbermaid products at issue is made of both aluminum extrusions and other (non-extruded aluminum) materials. See Remand Results at 6").

⁷⁰ See Plasticoid Manufacturing Inc. v. United States, Slip. Op. 15-30 (CIT April 3, 2015).

⁷¹ Id. at 3 - 4.

⁷² Id. at 4.

First, we note that the scope of the *Orders* explicitly states that subject merchandise "includes aluminum extrusions that are finished (coated, painted, *etc.*), fabricated, or any combination thereof," and "parts for final finished products that are assembled after importation, including, but not limited to, window frames, door frames, solar panels, ..." Furthermore, "finished windows with glass, doors with glass or vinyl, picture frames with glass pane and backing material, and solar panels" are excluded. In other words, window frames without the glass, door frames without glass or vinyl, or picture frames without the glass pane and backing material are expressly included in the scope of the *Orders*, as are the aluminum extrusion parts of those products assembled after importation. Thus, despite Agilent's claims, none of these products are "considered excluded finished goods."

Second, the Petition itself does not support Agilent's contention. In Exhibit I-5 to the Petition, the Petitioner provided several "product examples" which it said were examples of subject merchandise, and provided three examples of products which would meet the exclusion for "fully assembled finished goods containing aluminum extrusions:" windows, doors and solar panels. All three of these "finished merchandise" examples have both non-aluminum extrusions and aluminum extrusion components. On the other hand, the examples of in-scope merchandise in the Petition clearly include products such as the KF16 Hose Adapter:

Subject Merchandise	
Product Type	Product Examples
Aluminum extrusions, not further fabricated	Mill finish, painted, powder coated, anodized, or otherwise coated aluminum extrusions
Aluminum extrusions with subsequent drawing	Drawn aluminum tubing
Aluminum extrusions with fabrication	Precision cut, machined, punched, drilled, bent, or otherwise fabricated aluminum extrusions
Aluminum extrusions that are parts intended for use in intermediate or finished	Aluminum extrusions designed for use in, e.g., a door, window, or solar panel
Aluminum extrusions partially assembled into intermediate goods	Two or more aluminum extrusions partially assembled (e.g., via welding, mechanical fasteners, or other attachment mechanism) into an intermediate good where the aluminum extrusions constitute the essential material component of the subassembly

⁷³ See ITC Report, Petition Scope Section, and Relevant Scope Rulings Memorandum at Attachment 2.

Aluminum extrusions that are also identified as other goods	Carpet, window, or door thresholds; fence posts; heat sinks
Non-Subject	et Merchandise
Product Type	Product Examples
Unassembled products containing aluminum extrusions, e.g., "kits" that at the time of importation comprise all necessary parts to assemble finished goods	Shower frame kits, window kits, unassembled unitized curtain walls
Fully assembled finished goods containing aluminum extrusions	Windows, doors, solar panels
any form; 2) aluminum extrusions falling with	following: 1) pure, unwrought aluminum in in the 2000, 5000, or 7000 series of The roducts produced by other than the extrusion

Agilent's merchandise is "aluminum extrusions, not further fabricated," and therefore would be considered subject merchandise under the examples provided in the Petition.

Regarding Agilent's argument that the obsolete scope from the Petition indicates that Petitioner intended that subject merchandise would be otherwise further processed after importation, we disagree. The obsolete scope from the Petition does not govern or supersede the scope of the *Orders* and the removal and replacement of original language in the final scope of the *Orders* is an indication that as a result of the investigation, the Department did not intend for that language to be applicable. Accordingly, we disagree that the Petition supports Agilent's argument that the KF16 Hose Adaptor should be excluded under the finished merchandise exclusion.

With respect to Agilent's argument regarding the ITC Report, we disagree that the ITC included products comprised entirely of aluminum extrusions in its definition of finished goods. First, the passages quoted by Agilent⁷⁴ do not speak directly to whether products comprised entirely of aluminum extrusions can be considered excluded "finished merchandise," and do not provide any additional detail as to what types of products are covered by the "finished merchandise" exclusion. Rather, these passages speak to the applications of subject aluminum extrusions, generally (as inputs into downstream products). Moreover, Agilent's argument is unusual in this context because Agilent's KF-16 product is in fact described in the supporting documentation as a part or component of a complete quadrupole mass spectrometer, which Agilent assembles and

subject extrusions share general physical characteristics and tolerances along a continuum and are all used as inputs (i.e., an intermediate product) in the production of downstream products." See also ITC Report at I-3 and I-10.

⁷⁴ See Agilent's Comments Section, above: "Aluminum extrusions are used as inputs into the manufacture and construction of a wide variety of other products within the following broad downstream industries: building and construction; automotive and transportation; engineering products; and electric and alternative energy," and "... all

produces from various parts, including the KF-16, and sells to customers. In fact, the ITC explained in its Report that subject aluminum extrusions are often finished and further processed, as Agilent's KF-16 is:

After the extrusion process, the aluminum extrusion can be sold as "mill finished," without any further surface treatment or it can be further fabricated, that is cut-to-length, machine drilled, punched, notched, bent, stretched, and assembled into a finished product by welding or fastening.⁷⁶

Furthermore, the ITC Report does not indicate that products which are composed entirely of aluminum extrusions, even aluminum extrusions which are fabricated in a manner described in the scope as indicative of subject merchandise, are excluded "finished merchandise" under the scope of the *Orders*. Accordingly, we do not agree with Agilent that the ITC Report supports its contention that the KF16 Hose Adaptor meets the requirement of "finished merchandise" and should be excluded from the scope of the *Orders*.

This interpretation is also consistent with our past scope rulings. In the Cutting and Marking Edges Scope Ruling, the Department found merchandise which consisted merely of a single hollow aluminum extrusion were not excluded under the "finished merchandise" exclusion and were covered by the scope. This is the Delphi Core Heater Tubes Scope Ruling, and the All Points Cleats Scope Ruling, the Department also found that products which consist only of aluminum extrusions are not finished merchandise under this scope language.

With respect to Agilent's arguments pertaining to the Valeo Final Remand Redetermination, as explained in Delphi Core Heater Tuber Scope Ruling, it is the Department's practice to apply the "subassembly finished goods test" to subassembly products (to determine whether merchandise is covered by the "finished merchandise" exclusion), only after it has first confirmed that the products at issue do not consist solely of extruded aluminum:

Concerning the Valeo Final Remand Redetermination, the Department issued the redetermination in May 2013, which was shortly after the October 2012 establishment of the "subassembly finished goods" test in the SMVC Kits Scope Ruling and the Department's determination that products that consist solely of extruded aluminum are subject merchandise in the November 2012 Cutting & Marking Edges Scope Ruling. In the Valeo Final Remand Redetermination, the Department examined two models of automotive heating and cooling components, a T -Series, which was comprised of a shaped and bent extruded aluminum tube that

⁷⁵ See Agilent's Scope Ruling Request at 2 and Agilent's Supplemental Response at 3.

⁷⁶ See ITC Report at I-3 and I-10 and, e.g., Agilent's Scope Ruling Request at 2 and Agilent's Supplemental Response at 2-3.

⁷⁷ See Cutting and Marking Straight Edge Scope Ruling at 10 - 11.

⁷⁸ See Delphi Core Heater Tubes Scope Ruling at 10 - 11 and All Points Cleats Scope Ruling at 12.

also contained foam material at one end and an M-Series model that was comprised of a shaped extruded aluminum tube. The Department applied the "subassembly finished goods" test to both products. Upon review of the Valeo Final Remand Redetermination, we conclude that the Department did not consider at the time it issued the remand redetermination that the M-Series model did not contain non-aluminum materials. In that regard, the Department's analysis in the Valeo Final Remand Redetermination is not consistent with the manner in which the Department previously or subsequently analyzed whether products meet the exclusion criteria for finished goods and finished goods kits.

Accordingly, the Department determines that its application of the "subassembly finished goods test" in the Valeo Final Remand Redetermination was consistent with its practice with respect to the T-Series model, but was inconsistent with its treatment of aluminum extruded products in other scope determinations with regard to the M-Series model. As explained above, it is the Department's practice to apply the "subassembly finished goods test" to subassembly products only after it has first confirmed that the products at issue do not consist solely of extruded aluminum.⁷⁹

Moreover, as Agilent alludes, this approach (to confirm that the products at issue do not consist solely of aluminum extrusions) is consistent with the approach taken in Kitchen Appliance Door Handles Scope Ruling, and other subsequent scope rulings, such as the Cutting and Marking Edges Scope Ruling, the Delphi Core Heater Tubes Scope ruling, and the All Points Cleats Scope Ruling.

As a final point, Agilent's interpretation of the scope of the *Orders* would allow the "finished merchandise" exception to swallow the rule embodied by the scope. If a single cohesive piece of extruded aluminum, or a collection or combination of such pieces which has been merely fabricated in the manner described in the scope of the orders tis "finished" in the sense that such fabrication has been completed, or in some more general sense, then every further fabricated aluminum extrusion article is also excluded. We therefore do not find that interpretation to be reasonable.

⁷⁹ See Delphi Core Heater Tubes Scope Ruling at 11 – 12 (citing as examples to "Cutting & Edging Scope Ruling at 9-10, which pre-dates the Valeo Final Remand Redetermination" and "Kitchen Appliance Door Handles Scope at 21, which post-dates the Valeo Final Remand Redetermination").

⁸⁰ See the Orders and the "Scope of the Orders" section, above: "Aluminum extrusions may also be fabricated, i.e., prepared for assembly. Such operations would include, but are not limited to, extrusions that are cut-to-length, machined, drilled, punched, notched, bent, stretched, knurled, swedged, mitered, chamfered, threaded, and spun. The subject merchandise includes aluminum extrusions that are finished (coated, painted, etc.), fabricated, or any combination thereof."

Accordingly, because the KF16 Hose Adaptor consists entirely of fabricated extruded aluminum, we have determined that it is not covered by the "finished merchandise" exclusion to the scope of the *Orders*.

RECOMMENDATION

For the reasons discussed above, and in accordance with 19 CFR 351.225(d) and 19 CFR 351.225(k)(1), we recommend finding that Agilent's KF16 Hose Adapter is not finished merchandise containing aluminum extrusions as parts that are fully and permanently assembled and completed at the time of entry and therefore does not meet the exclusion criteria for finished merchandise. It is therefore subject to the scope of the *Orders*. If the recommendation in this memorandum is accepted, we will serve a copy of this determination to all interested parties on the scope service list via first-class mail, as directed by 19 CFR 351.225(d).

Agree	Disagree
Christian Marsh	und_
Deputy Assistant	Secretary and Countervailing Duty Operations
/6/14/ Date	15