January 19, 2015

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

THROUGH: Scot Fullerton  
Director  
Antidumping and Countervailing Duty Operations, Office VI

FROM: Scott Hoefke  
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 Ventana’s Window Wall Kits

SUMMARY

Based on a scope ruling request from Ventana Design-Build Systems Inc. (Ventana)¹ to determine whether its Window Wall Kits are subject to the antidumping duty (AD) and countervailing duty (CVD) orders on aluminum extrusions from the People’s Republic of China (PRC),² the Department of Commerce (Department) determines that the Ventana Window Wall Kits are excluded from the scope of the Orders as finished goods kits.

¹ See Letter from Ventana to the Secretary of Commerce, “Aluminum Extrusions from China: Request of Ventana-Design Build Systems Inc. for a Scope Ruling Confirming the Exclusion of Window Walls from the AD and CVD Orders,” dated June 5, 2015 (Scope Ruling Request).

BACKGROUND

On June 5, 2015, Ventana requested that the Department determine whether its Window Wall Kits are outside the scope of the Orders. No other party submitted comments regarding Ventana’s scope ruling request. On June 10, 2015, the Department extended the deadline 45 days from July 20, 2015 to September 3, 2015. On July 1, 2015, the Department requested additional information from Ventana concerning its request. On July 15, 2015, Ventana submitted the additional information requested by the Department. On July 30, 2015, the Department extended the deadline for initiating a formal scope ruling or issuing a final determination to October 18, 2015. On October 1, 2015, the Department extended the deadline to December 2, 2015. On November 12 the Department extended the deadline again to January 19, 2016.

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 alloying 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

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bright dip 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 this order 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): 9031.90.90.95, 7616.10.90.90, 7609.00.00, 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, 8302.42.30.10, 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, 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, 9403.90.50.10, 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.
LEGAL FRAMEWORK

When a request for a scope ruling is filed, the Department examines the scope language of the order at issue and the description of the product contained in the scope-ruling request.\(^4\) 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.\(^5\) 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.\(^6\)

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

Ventana describes Window Walls as follows:

> The finished window wall is a structure made from extruded aluminum framing, sheet aluminum, fasteners, gaskets, glazing sealants, glass, insulation, steel reinforcing (if/when needed), and plastic components. The extruded aluminum framing is a relatively minor component of the finished window wall. It is used by the commercial contractor as a fully assembled window in large commercial structures such as hotels, offices, condominiums, apartment buildings, etc. Each segment of the window wall is a component of a finished window wall, but at the same time each segment cannot exist or be used independent of the other sections of the window wall. It does not require any further processing, addition of supplementary materials, or incorporation into other structures or with other components for use. It is fully complete and finished as imported, after assembly by the consumer at the job site, using only the materials included in the imported cartons. The imported components are engineered to a specific size and configuration and to specific building specifications. The designed product cannot be modified, expanded, combined, or altered in any way after importation. In addition, the imported window wall cannot be used by any other customer or consumer on any other building or project as the window walls are customized to design and material specifications prior to importation. As a result, the window wall (after importation) is not “customizable” in any manner. The window wall is imported as a

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\(^4\) See Walgreen Co. v. United States, 620 F.3d 1350, 1357 (Fed. Cir. 2010).
\(^5\) See 19 CFR 351.225(k)(1).
\(^6\) See 19 CFR 351.225(d).
finished kit which contains the components for a specific project or design and is suitable only for assembly and installation as part of the specific project in a particular section. 7

RELEVANT SCOPE RULINGS TO THIS PROCEEDING 8

A. Preliminary Scope Memorandum 9

In the original AD and CVD investigations, Nexxt Show, an importer of exhibition kits from the PRC, argued that the components of the kits it imported are made of series 6000 aluminum alloy, but the components are packaged as complete unassembled pavilion kits and exhibition frames. Nexxt Show argued that its exhibition frames and unassembled pavilion kits consisted of all the components to assemble a finished goods kit and so should be excluded from the Orders. 10 In the Preliminary Scope Memorandum the Department found that it was unable to determine whether Nexxt Show’s kits included all the necessary materials to assemble a finished product. In so doing, however, the Department stated that “if at the time of importation…the kits do contain all the necessary parts to fully assemble a final finished good then they would be excluded from the scope of these proceedings.” 11

B. Geodesic Domes Kits Scope Ruling 12

J.A. Hancock Co., Inc. (J.A. Hancock), an importer of geodesic structure kits (a set of aluminum poles and assembly hardware that can be assembled into landscaping structures or climbing structures for children), argued that its kits contained all parts necessary to fully assemble a final geodesic structure. J.A. Hancock further noted that the components in its kits required no further fabrication or additional parts. The Department determined that the geodesic structure kits met the initial requirements for exclusion as a “finished goods kit,” as they are a packaged combination of parts containing all necessary components to fully assemble a final finished good. 13 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 such as screws, bolts, etc. in the packaging with an aluminum extrusions product.” 14 As J.A. Hancock’s kits only consisted of extruded aluminum poles and fasteners, the Department found that the exception to the “finished goods kit” exclusion applies. Therefore, the Department determined J.A. Hancock’s kits were not excluded finished goods kits, and hence were covered by the scope of the Orders.

7 See Scope Ruling Request at 3.
8 See the memorandum from Scott Hoefke to The File, “Antidumping and Countervailing Duty Orders on Aluminum Extrusions from the People’s Republic of China: Prior Scope Rulings Relevant to this Proceeding,” dated concurrently with this memorandum (Prior Scopes Memorandum).
9 See the memorandum to Ronald K. Lorentzen, “Preliminary Determinations: Comments on the Scope of the Investigations,” dated October 27, 2010 (Preliminary Scope Memorandum) at Comment 8; see also Prior Scopes Memorandum at Attachment 1.
10 Id.
11 Id.
12 See the memorandum from Brooke Kennedy to Christian Marsh, “Final Scope Ruling on J.A. Hancock, Inc.’s Geodesic Structures,” dated July 17, 2012 (Geodesic Domes Kits Scope Ruling); see also Prior Scopes Memorandum at Attachment 2.
13 See Geodesic Domes Kits Scope Ruling at 7.
14 Id.
C. Window Kits Scope Ruling

At issue in this ruling were two types of finished window kits: punched window kits and ribbon window kits. The ruling states that punched windows consist of a series of square or rectangular finished glass window panels, surrounded by window framing. The kits consisted of a variable number of finished glass window panels which are enclosed on all four sides within a structure of lengths of fabricated extruded aluminum channels called receptors. In the ruling, the Department explained that the scope of the Orders excludes finished merchandise containing aluminum extrusions, such as “finished windows with glass.” The Department further determined that the window kits were excluded from the Orders as finished goods kits provided that they contain at the time of importation all the parts, including the glass panels, necessary to assemble a finished window or windows. Therefore, even where the window kits parts at issue may have entered the United States in multiple shipping containers or cartons, so long as each such container necessary for the assembly of the finished window or windows is listed on a single CBP 7501 entry form, such window kits remain eligible for exclusion from the Orders.

D. Window Wall Kits Scope Ruling

N.R. Windows Inc. (NR Windows), an importer of window wall kits (non-weight bearing extruded aluminum window frames, sheet aluminum, fasteners, gaskets, glazing sealants, and glass panes), argued that its kits contained all parts necessary to fully assemble a final window wall, which are distinct from curtain walls that had been found inside the Orders. NR Windows further noted that the components in its kits required no further fabrication or additional supplementary material. The Department determined that the window walls met the initial requirements for exclusion as a “finished goods kit,” as they are a packaged combination of parts containing all necessary components to fully assemble a final finished good. The Department noted that window wall kits included more than mere fasteners by including glass panes. The Department found that the window wall kits at issue were different from curtain walls parts, which the Department found to be inside the scope of the Orders, in that unlike curtain walls, window walls do not envelope or enclose the entire façade of the side of a building. Therefore, the Department determined NR Windows’ window wall kits to be finished goods kits, and hence excluded from the scope of the Orders.

E. Curtain Wall Unit Scope Rulings

15 See memorandum from Eric B. Greynolds to Christian Marsh, “Final Scope Ruling on Window Kits,” dated December 6, 2011 (Window Wall Kits Scope Ruling); see also Prior Scopes Memorandum at Attachment 3.
16 Id., at 4.
17 Id., at 5.
18 Id., at 11.
19 See memorandum from Eric B. Greynolds to Christian Marsh, “Final Scope Ruling on Finished Window Kits,” dated June 19, 2014 (Window Wall Kits Scope Ruling); see also Prior Scopes Memorandum at Attachment 5.
20 See Window Wall Kits Scope Ruling at 8-9.
21 Id.
22 Id.
23 See memorandum to Christian Marsh, “Final Scope Ruling on Curtain Wall Units and Other Parts of a Curtain Wall System,” dated November 30, 2012 (First Curtain Wall Unit Scope Ruling) and memorandum to Christian Marsh, “Final Scope Ruling on Curtain Wall Units that are Produced and Imported Pursuant to a Contract to Supply
Commerce has conducted two different scope proceedings covering curtain wall units which are relevant for purposes of our analysis in this case. In the first scope ruling, the Department found that because both the scope of the Orders and the description of the merchandise in the underlying investigation explicitly state that parts of curtain walls are included within the scope of the Orders, the products at issue were covered by the scope of the Orders.24 This ruling was affirmed by both the Court of International Trade (CIT) and the Court of Appeals for the Federal Circuit (CAFC).25

In the second ruling on curtain wall units, as amended by a voluntary remand, the Department concluded that curtain wall units exported pursuant to long term contracts could only be excluded under the “finished goods kit” exclusion if all the parts, including the curtain wall units which made up a complete curtain wall, were entered into the United States under a single 7501 Customs form.26 In the remand, we discussed the differences between window walls, which are akin to windows with glass, and to curtain wall units, which are parts of curtain walls.27 In support of its analysis, the Department relied on its analysis in the Window Wall Kits Scope Ruling.28

ARGUMENTS FROM INTERESTED PARTIES

Ventana’s Comments

Ventana contends that its Window Wall Kits are not within the scope of the Orders because, in addition to containing extruded aluminum components, they contain significant amounts of non-extruded aluminum and non-aluminum components that function as more than mere fasteners.29 Thus, Ventana argues that its Window Wall Kits fall squarely within the parameters of a “finished goods kit” as defined in the scope of the Orders.30

Furthermore, Ventana asserts, its Window Wall Kits are imported with all the parts necessary to fully assemble a final window wall in a prescribed sequence and they require no further finishing or fabrication.31 Therefore, Ventana argues, its Window Wall Kits should be excluded from the scope of the Orders under the finished goods kit exclusion.32 Ventana also argues that its

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24 See First Curtain Wall Scope Ruling.
26 See Second Curtain Wall Scope Ruling, as amended by the Final Results of Redetermination Pursuant to Court Remand, issued pursuant to Shenyang Yuanda Aluminum Idus. Eng’g Co. v. United States, Ct. Nos 14-00106, 14-00107, and 14-00105 (December 9, 2014) (Curtain Wall Units Remand). That CIT challenge remains currently in litigation.
27 See Curtain Wall Units Remand at 32-33.
28 Id.
29 See Scope Ruling Request at 6.
30 Id., at 7.
31 Id.
32 Id.
Window Wall Kits are excluded from the scope of the *Orders* by application of Department’s own scope rulings addressing the finished goods kits exclusion.\(^{33}\)

**Petitioner’s Comments**

Petitioner did not provide any comments.\(^{34}\)

**DEPARTMENT’S POSITION**

The Department examined the language of the *Orders* and the description of the product contained in Ventana’s Scope Ruling Request, as well as previous rulings made by the Department. We find that the description of the product, the scope language, 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 Ventana’s Window Wall Kits meet the exclusion criteria for “finished goods kits.”

As noted above, the scope of the *Orders* excludes “finished goods containing aluminum extrusions that are entered unassembled in a ‘finished goods kit.’”\(^{35}\) The Department frequently refers to this as the “finished goods kit” exclusion. The scope of the *Orders* also excludes finished merchandise containing aluminum extrusions, such as “finished windows with glass.”

The list of components in the Scope Ruling Request demonstrates that, in addition to extruded aluminum components and fasteners, Ventana’s Window Wall Kits include non-extruded aluminum, e.g., glass panes.\(^{36}\) Therefore, we find that Ventana’s Window Wall Kits meet our first test for determining whether a good constitutes a “finished goods kit,” as established in the Geodesic Domes Kits Scope Ruling.\(^{37}\)

In addition, similar to the products in the Window Wall Kits Scope Ruling, we find that Ventana’s Window Wall Kits contain at the time of importation, all of the parts required to assemble a finished window wall, including the glass pane.\(^{38}\) The scope of the *Orders* states that it “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...” Ventana’s Window Walls, once completed upon importation, contain aluminum...
extrusion parts and are similar to window frames with glass, as were the Window Walls at issue in the Window Wall Kits Scope Ruling.39

As Ventana addresses in its scope request, the Department has concluded in past determinations that window walls and curtain wall units share some physical characteristics, but window walls, once assembled, compose a finished product, while curtain wall units do not, but instead remain parts of curtain walls, which are expressly included in the scope of the Orders. Unlike curtain walls, which are composed of interlocking curtain wall unit parts, window walls do not envelop the side of the building, but instead each window wall is placed directly into the structure of the wall of the building – unattached to other window walls.40 As the Department explained in the Window Wall Kits Scope Ruling “when inserted into the opening of a building, window walls leave significant areas of the building façade uncovered.”41

Accordingly, we agree with Ventana that its Window Wall Kits meet the requirements of a “finished goods kit” and are excluded from 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 Ventana’s Window Wall Kits are finished goods kits which fall under the exclusion to the scope of the Orders for “finished goods containing aluminum extrusions that are entered unassembled in a “finished goods kit.””

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 directed by 19 CFR 351.225(d).

Agree _ __ Disagree

Christian Marsh
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations

Date

39 See Window Wall Kits Scope Ruling at 9.
40 See Curtain Wall Units Remand at 33.
41 See Window Wall Kit Scope Ruling at 10.