



U.S. Customs and  
Border Protection

## **PUBLIC VERSION**

July 13, 2020

Blue Star Casting Inc. / Blue Star Global, Inc.  
1200 South Brand Boulevard, Suite 193  
Glendale, CA 91204

Lino International, Inc.  
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Great Neck, NY 11021

Nicholas J. Birch  
On behalf of the Cast Iron Soil Pipe Institute  
Schagrin Associates  
900 Seventh Street, NW, Suite 500  
Washington, DC 20001  
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Re: Notice of Initiation of Investigation and Interim Measures - EAPA Cons. Case 7454

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To Mr. Birch and the Representatives of Lino International, Inc. and Blue Star Casting Inc:

This letter is to inform you that U.S. Customs and Border Protection (CBP) has commenced a formal investigation under Title IV, Section 421 of the Trade Facilitation and Trade Enforcement Act of 2015, commonly referred to as the Enforce and Protect Act (EAPA), against Lino International Inc. (Lino) and Blue Star Casting Inc., also known as Blue Star Global, Inc. (Blue Star). CBP is investigating whether Lino and Blue Star evaded antidumping (AD) and countervailing duty (CVD) orders A-570-079 and C-570-080 on cast iron soil pipe (pipe) from the People's Republic of China (China) when importing pipe into the United States.<sup>1</sup> CBP has imposed interim measures because evidence supports a reasonable suspicion that Lino and Blue Star entered merchandise covered by the AD/CVD orders into the customs territory of the United States through evasion.<sup>2</sup>

### Period of Investigation

Pursuant to 19 CFR 165.2, entries covered by an EAPA investigation are those "entries of

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<sup>1</sup> See *Cast Iron Soil Pipe from the People's Republic of China: Antidumping Duty Order*, 84 FR 19035 (May 3, 2019); see also *Cast Iron Soil Pipe from the People's Republic of China: Countervailing Duty Order*, 84 FR 19039 (May 3, 2019) (collectively referred to as the "AD/CVD orders").

<sup>2</sup> See 19 USC 1517(e); see also 19 CFR 165.24.

allegedly covered merchandise made within one year before the receipt of an allegation....” Entry is defined as an “entry, or withdrawal from warehouse for consumption, of merchandise in the customs territory of the United States.”<sup>3</sup> CBP acknowledged receipt of the properly filed allegations against Lino and Blue Star on March 17, 2020.<sup>4</sup> Thus, the entries covered by this investigation are those entered for consumption, or withdrawn from warehouse for consumption, from March 17, 2019, through the pendency of this investigation.<sup>5</sup>

### Initiation

On April 7, 2020, the Trade Remedy Law Enforcement Directorate (TRLED), within CBP’s Office of Trade, initiated an investigation under EAPA as a result of allegations submitted by the Cast Iron Soil Pipe Institute (the *allegor*)<sup>6</sup> on evasion of AD/CVD duties by Lino and Blue Star.<sup>7</sup> In its allegations, the *allegor* asserts that Lino and Blue Star evaded the AD/CVD orders on pipe from China through transshipment of Chinese-origin pipe through Cambodia.<sup>8</sup> The basis for these allegations follows.

The *allegor* claims that Lino is an importer of pipe covered by the AD/CVD orders. The scope of the AD/CVD orders covers hub pipe, hubless pipe, pipe meeting Cast Iron Soil Pipe Institute (CISPI) specification 301, and/or pipe meeting American Society for Testing and Materials (ASTM) specification A888, regardless of the size.<sup>9</sup> To demonstrate that Lino imports pipe meeting these criteria, the *allegor* provided screenshots from Lino’s website stating:

We have a full line of cast iron pipes consisting of No Hub, Single Hub, and Double Hub ranging in sizes from: 1½” to 15” ASTM A888: Standard specification for hubless cast iron soil pipe ... CISPI Standard 301: Standard Specification for hubless cast iron soil pipe ... For nearly 20 years, Lino International, Inc. has remained a trusted manufacturer of cast iron pipe, fittings, couplings, tubing, tapes, and safety equipment, with headquarters in New York and three plants in China ... All Pipe & Fittings are UPC & ASTM A888 certified – IAPMO file # 9769 • All Pipe & Fittings are manufactured to exceed UPC, IPC & CISPE 301-2012 requirements{.}<sup>10</sup>

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<sup>3</sup> See 19 USC 1517(a)(4); see also 19 CFR 165.1.

<sup>4</sup> See March 17, 2020, email entitled “EAPA 7454: Receipt of EAPA Allegation Pertaining to Alleged Transshipment of Pipe from China” (Lino Official Receipt); see also March 17, 2020, email entitled “EAPA 7456: Receipt of EAPA Allegation Pertaining to Alleged Transshipment of Pipe from China” (Blue Star Official Receipt).

<sup>5</sup> See 19 CFR 165.2.

<sup>6</sup> See Letter from the *Allegor*, “Cast Iron Soil Pipe: Request for an Investigation under the Enforce and Protect Act,” dated March 9, 2020 (Lino Allegation); see also Letter from the *Allegor*, “Cast Iron Soil Pipe: Request for an Investigation under the Enforce and Protect Act,” dated March 9, 2020 (Blue Star Allegation). The *allegor*’s individual members are AB&I Foundry, Charlotte Pipe & Foundry, and Tyler Pipe. Page 4 and Exhibit 10 of the Lino allegation indicate that each of the *allegor*’s members are U.S. producers of cast iron soil pipe, and thus, meet the definition of an interested party that is permitted to submit an EAPA allegation pursuant to 19 USC 1517(a)(6)(A)(iv), 19 CFR 165.1(4), and 19 CFR 165.11(a). See also Blue Star Allegation at 3 and Exhibit 11.

<sup>7</sup> See CBP Memorandum, “Initiation of Investigation for EAPA Consolidated Case Number 7454 – Lino International Inc. and Blue Star Casting Inc.,” dated April 7, 2020 (Initiation).

<sup>8</sup> See Lino Allegation at 1-2, 6-9; see also Blue Star Allegation at 1-2, 6-9.

<sup>9</sup> See Lino Allegation at 2-3 and Exhibit 9.

<sup>10</sup> *Id.* at Exhibit 2.

The allegor claims that Blue Star also imports pipes that meets the description of pipes covered by the AD/CVD orders. On its website, Blue Star states that it “offers 15 years of experience with No Hub Pipe and Fittings” and lists no hub pipe as a product it offers in its product section.<sup>11</sup> The website also states that Blue Star’s no hub pipe are “Certified to conform to ASTM A-888 - Standard Specification for No Hub Cast Iron Soil Pipe and Fittings.”<sup>12</sup> The allegor points out that pipe conforming to ASTM A888 is generally covered under the scope of the AD/CVD orders.<sup>13</sup> In addition, the allegor notes that while Lino and Blue Star are not known to be related through ownership, there appears to be an existing business relationship between Lino and Blue Star. On its website, Blue Star posted certification letters issued to Lino that pertain to “Cast Iron Soil Pipe and Fittings,” which the allegor contends is an indication that Blue Star sells Lino’s pipe.<sup>14</sup>

Further, the allegor provided [ ] indicating that Lino and Blue Star source covered merchandise from a Cambodian company named Hicreek Plumbing Co., Ltd, also known as Hicreek Plumbing Inc., Ltd. (Hicreek).<sup>15</sup> Specifically, the [ ] indicates that Lino imported 62 metric tons of “cast iron soil pipe” and “no hub pipe” from Hicreek on December 14, 2019, and February 1, 2020, and that Blue Star imported 119 metric tons of “no hub pipe” from Hicreek between January 2, 2020, and January 18, 2020.<sup>16</sup> The allegor states that these shipments were reported to originate in Cambodia. The address associated with Hicreek, however, is a medical clinic in Cambodia, instead of a warehouse or a factory.<sup>17</sup> The allegor contends that this address and Hicreek’s potential lack of production facilities indicates that the pipe originated from another source. The allegor also notes that the [ ] that the port of lading for all the shipments was in Vietnam, not Cambodia, which they contend suggests that the origin of the merchandise was not Cambodia.<sup>18</sup>

The allegor provided Hicreek’s business registration, which indicates that Hicreek was incorporated in Cambodia on March 19, 2018.<sup>19</sup> The allegor notes that this incorporation date occurred only one month after the Department of Commerce (Commerce) issued its preliminary AD determination on cast iron soil pipe fittings (pipe fittings) and three months after Commerce issued its preliminary CVD determination on pipe.<sup>20</sup> In these preliminary determinations,

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<sup>11</sup> See Blue Star Allegation at Exhibit 3.

<sup>12</sup> *Id.* at 4 and Exhibit 3.

<sup>13</sup> *Id.* at 2 and Exhibit 10.

<sup>14</sup> See Lino Allegation at 5; see also Blue Star Allegation at 5 and Exhibit 4.

<sup>15</sup> See Lino Allegation at 1, 4-9, and Exhibit 1; see also Blue Star Allegation at 1, 4-9, and Exhibit 1. To further demonstrate the business relationship between Lino and Blue Star, the allegor points out that [

] from [ ] of each allegation shows that Lino and Blue Star each received a shipment from Hicreek on January 18, 2020. They further point out that each shipment was “shipped from Vung Tau, Vietnam on the same carrier, Orient Star Transport Intl Ltd., with sequential bills of lading (OSTILGB01212 for Lino and OSTILGB01213 for Blue Star), both noting the notify party as Tanera Transport of City of Industry, California.”

<sup>16</sup> See Lino Allegation at 6; see also Blue Star Allegation at 6 and Exhibit 1.

<sup>17</sup> See Lino Allegation at 6-7 and Exhibits 1 and 4; see also Blue Star Allegation at 7 and Exhibits 1 and 5.

<sup>18</sup> See Lino Allegation at 7; see also Blue Star Allegation at 7.

<sup>19</sup> See Lino Allegation at Exhibit 5; see also Blue Star Allegation at Exhibit 6.

<sup>20</sup> See *Cast Iron Soil Pipe Fittings from the People’s Republic of China: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Preliminary Affirmative Determination of Critical Circumstances, in Part, Postponement of Final Determination and Extension of Provisional Measures*, 83 FR 7145 (February 20, 2018) (Pipe Fittings AD Preliminary Determination); see also *Cast Iron Soil Pipe Fittings from the People’s Republic of China: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination With*

Commerce issued an AD cash deposit rate of 109.86 percent and a CVD all-others rate of 10.37 percent.<sup>21</sup>

Hicreek's business registration lists its director as Zhang Qian with an email address of ellenzhangqd@gmail.com.<sup>22</sup> The allegor provided the internet record of a trading website listing ellenzhangqd@gmail.com as the contact email address of the sales manager of a Chinese company named Qingdao H.R. International Trading Co., Ltd. (Qingdao H.R.).<sup>23</sup> The allegor notes that Qingdao H.R.'s website states that it is an export arm for Qingdao Shengwei Metals Co., Ltd. (Qingdao Shengwei), which is a Chinese manufacturer of pipe.<sup>24</sup> Qingdao H.R.'s website also lists Zhang Qian as its general manager with an email address of ellen@klcmetals.com.<sup>25</sup> Qingdao H.R.'s website states that it is a "professional manufacturer of plumbing product {sic} & other hardware ... We invested in four factories separately manufacturing Malleable Iron Fittings, Steel Nipples, Forged Steel Fittings, No-Hub Couplings, Cast Iron Pipes, Fittings & Flanges."<sup>26</sup> Their website also lists "no-hub soil pipe and fittings ASTM A888 CISPI301" under an "Our Products" section and displays various certifications for "Cast Iron Soil Pipe and Fittings."<sup>27</sup>

The allegor contends that consideration of this evidence reasonably suggests that the Chinese company Qingdao H.R./Qingdao Shengwei set up Hicreek in Cambodia to avoid the payment of AD/CVD cash deposit rates resulting from Commerce's pipe and pipe fittings investigations.<sup>28</sup> The allegor further contends that Hicreek facilitated transshipment of Chinese-origin pipe through Cambodia to evade the AD/CVD orders. The allegor avers that evidence indicates that Hicreek does not appear to have production facilities in Cambodia and is owned by Qingdao H.R./Qingdao Shengwei. The allegor further avers that the use of the same email as Qingdao H.R.'s sales manager reasonably suggests that Qingdao H.R./Qingdao Shengwei set up Hicreek to transship pipe that was in fact produced in China.

### *Initiation Assessment*

TRLED will initiate an investigation if it determines that "{t}he information provided in the allegation ... reasonably suggests that the covered merchandise has been entered for consumption into the customs territory of the United States through evasion."<sup>29</sup> Evasion is defined as "the entry of covered merchandise into the customs territory of the United States for consumption by

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*Final Antidumping Duty Determination*, 82 FR 60178 (December 19, 2017) (Pipe Fittings CVD Preliminary Determination); *see also* Lino Allegation at 4 in which the allegor states that Hicreek ships pipe fittings in addition to pipe as products of Cambodia.

<sup>21</sup> *See* Lino Allegation at 7; *see also* Blue Star Allegation at 7; *see also* Pipe Fittings AD Preliminary Determination; *see also* Pipe Fittings CVD Preliminary Determination.

<sup>22</sup> *See* Lino Allegation at 7 and Exhibit 5; *see also* Blue Star Allegation at 8 and Exhibit 6.

<sup>23</sup> *See* Lino Allegation at 7-8 and Exhibit 6; *see also* Blue Star Allegation at 8 and Exhibit 7.

<sup>24</sup> *See* Lino Allegation at 8 and Exhibit 7; *see also* Blue Star Allegation at 8 and Exhibit 8.

<sup>25</sup> *See* Lino Allegation at 8 and Exhibits 7 and 8; *see also* Blue Star Allegation at 8 and Exhibit 9. The allegor states that KLC Metals or KLC Hardware appears to be a "doing-business name for Qingdao H.R./Qingdao Shengwei." The allegor also notes that the www.klcmetals.com website appears to mirror the www.shengweimetals.com website.

<sup>26</sup> *See* Lino Allegation at Exhibit 7; *see also* Blue Star Allegation at Exhibit 8.

<sup>27</sup> *Id.*

<sup>28</sup> *See* Lino Allegation at 8-9; *see also* Blue Star Allegation at 8-9.

<sup>29</sup> *See* 19 CFR 165.15(b); *see also* 19 USC 1517(b)(1).

means of any document or electronically transmitted data or information, written or oral statement, or act that is material and false, or any omission that is material, and that results in any cash deposit or other security or any amount of applicable antidumping or countervailing duties being reduced or not being applied with respect to the covered merchandise.”<sup>30</sup> Thus, the allegation must reasonably suggest not only that the importer alleged to be evading entered merchandise subject to an AD and/or CVD order into the United States, but that such entry was made by a material false statement or act, or material omission, that resulted in the reduction or avoidance of applicable AD and/or CVD cash deposits or other security.

In assessing the alleged’s claims and evidence provided in its allegations, TRLED found that the allegations reasonably suggested that Lino and Blue Star entered covered merchandise into the customs territory of the United States and may have evaded AD/CVD orders A-570-079 and C-570-080 through transshipment. Specifically, the alleged established that Lino and Blue Star both imported subject merchandise from Hicreek.<sup>31</sup> However, Hicreek listed a medical clinic as its address.<sup>32</sup> The fact that this address was neither a production facility nor an office building created uncertainty regarding the veracity of the address and the origin of the pipe. In addition, the timing of Hicreek’s registration in Cambodia closely followed Commerce’s issuance of preliminary AD/CVD duties on imports of Chinese-origin pipe. Further, the alleged established that a Chinese producer of subject merchandise registered Hicreek as a business in Cambodia. Collectively, the circumstances surrounding Hicreek’s address, its establishment by a Chinese producer of pipe, and the timing of its establishment reasonably suggested evasion.

For the reasons previously set forth, TRLED initiated an investigation under the authority of 19 USC 1517(b)(1) on imports of pipe that are alleged to be entered through evasion.<sup>33</sup> Therefore, TRLED is investigating the extent to which Lino and Blue Star engaged in evasion. While TRLED must reach a determination as to whether merchandise entered the customs territory of the United States through evasion, the statute does not limit this determination to only the type of evasion for which the investigation was initiated.<sup>34</sup>

### Interim Measures

Not later than 90 calendar days after initiating an investigation under EAPA, TRLED will decide based on the record of the investigation if there is reasonable suspicion that merchandise covered by the AD/CVD orders was entered into the United States through evasion. CBP need only have sufficient evidence to support a reasonable suspicion that the importer alleged to be evading entered merchandise covered by an AD or CVD order into the United States by a material false statement or act, or material omission, that resulted in the reduction or avoidance of applicable AD or CVD cash deposits or other security. If reasonable suspicion exists, CBP will impose interim measures pursuant to 19 USC 1517(e) and 19 CFR 165.24. As explained below, CBP is imposing interim measures because there is a reasonable suspicion that Lino and Blue Star

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<sup>30</sup> See 19 CFR 165.1; *see also* 19 USC 1517(a)(5)(A).

<sup>31</sup> See Lino Allegation at Exhibits 1-3; *see also* Blue Star Allegation at Exhibits 1-4.

<sup>32</sup> See Lino Allegation at 6-7 and Exhibits 1 and 4; *see also* Blue Star Allegation at 7 and Exhibits 1 and 5.

<sup>33</sup> See *also* 19 CFR 165.15.

<sup>34</sup> See 19 USC 1517(c)(1)(A).

entered covered merchandise into the United States through evasion by means of transshipment.<sup>35</sup>

### *CF-28 Responses*

On May 4, 2020, CBP issued a CF-28 request for information to Blue Star on four entries from 2020.<sup>36</sup> CBP requested manufacturer information, production documentation, purchase orders, commercial invoices, bills of lading, transportation documents, and proof of payment for each entry. CBP received Blue Star's response to the CF-28 on May 29, 2020.<sup>37</sup> In its response, Blue Star stated that "we are not related to {the} seller" or "to the factory."<sup>38</sup>

Blue Star provided several documents from Hicreek including a document from Cambodia's General Department of Taxation dated March 2019. It lists Hicreek as a "Steel pipe and plastic plumbing factory" and the owner as Zhang Qian and her nationality as Chinese. Her name matches the name of Hicreek's director in the allegation.<sup>39</sup> The Hicreek company profile shows that Hicreek was established in 2018, which also matches the allegation. The documentation also indicates that Hicreek's facility is located in [ ], in [ ], covers [ ] square meters, and employs [ ] workers. Blue Star provided a Hicreek labor attendance sheet for December 2019 that indicated Hicreek had [ ] employees. However, neither Blue Star nor Hicreek accounted for the [ ] additional employees not listed on the attendance sheet. Additionally, the documents did not mention the medical clinic address discussed in the allegation.

Blue Star's documentation states that Hicreek manufactures and exports plumbing accessories from Cambodia. The documentation states that the raw materials for the entries "was purchased from local supplier {sic} in Cambodia."<sup>40</sup> Specifically, Blue Star provided a sales contract, dated August 20, 2019, for [ ] kg of pig iron between Hicreek and a Cambodian supplier named [ ]. Blue Star also provided a Hicreek mill test certificate for the [ ] kg of pig iron, dated September 20, 2019. The documents claim that Hicreek performs iron casting out of pig iron in its factory and produces cast iron no-hub pipes, pipe fittings, and other castings.

After reviewing the documents, CBP noted a discrepancy with payment information for entry [ ]2736. The payment information totaled \$[ ], which was \$[ ] more than the declared value on the CBP entry documents and the amount on the commercial invoice. The [ ] for this entry listed Sibon International Limited (Sibon), which is a Hong Kong-based exporter of cast iron pipe that Commerce investigated in the AD investigation on

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<sup>35</sup> See 19 CFR 165.24(a).

<sup>36</sup> See CBP Form 28 (CF-28) sent to Blue Star, dated May 4, 2020. These four entries are [ ]2430, [ ]3826, [ ]0920, and [ ]2736.

<sup>37</sup> See Blue Star's Response to the CF-28, dated May 29, 2020 (Blue Star CF-28 Response).

<sup>38</sup> *Id.* at 1 and 5.

<sup>39</sup> See Blue Star Allegation at 8 and Exhibits 6-8; see also Lino Allegation 7-8 and Exhibits 5-7.

<sup>40</sup> See Blue Star CF-28 Response at 7.

pipe from China, as the party that Blue Star [ ] for the merchandise.<sup>41</sup> This aligns with Blue Star’s statement that they “[ ] from 3<sup>rd</sup> party companies which [ ] direct from the factory and [ ].”<sup>42</sup>

Additionally, CBP noted that entry [ ]0920 may have been entered using an incorrect HTSUS number, [ ]. The invoice and packing list associated with this entry stated that the product sold was [ ], which is usually categorized under the [ ]. Overall, [ ] for the entries were made to either Lino Metal Corp or to Sibco. Also, Blue Star provided an email in which a Lino Metal Corp email address was cc’d, indicating that Blue Star and Lino have some form of relationship.

On April 22, 2020, CBP issued a CF-28 request for information to Lino on eight entries from 2019-2020.<sup>43</sup> CBP requested production documentation, purchase orders, commercial invoices, bills of lading, transportation documents, and proof of payment for each entry. CBP received Lino’s response to the CF-28 on May 20, 2020.<sup>44</sup> In its response, Lino provided many of the same documents related to Hicreek that Blue Star provided, such as Hicreek’s company brief, the document from Cambodia’s General Department of Taxation, the sales contract with [ ], the mill test certificates, and the same outline of Hicreek’s production process and machinery. Other than these items, Lino did not provide the following requested items by the established deadline or explain its failure to do so:

1. Purchase orders, commercial invoices, proof of payment for all raw materials used to produce the merchandise
2. Dated transportation documents, container load plans from the manufacturer of the raw materials
3. Foreign customs documentation (if imported) for all raw materials
4. Complete factory production records, including stamped time cards and work orders
5. Bills of lading, including master and through bills of lading
6. Whether Lino was related to the seller of the merchandise
7. The names of their corporate officers
8. The names of all forwarding agents, subcontractors, and intermediaries involved and their contact information

### *Other Record Evidence*

After its original allegation, the allegor submitted additional information to the case record.<sup>45</sup> This information included [ ] “Sibco International Limited” [ ] and had an [ ]

<sup>41</sup> See Letter from the Allegor, “EAPA Investigation 7456, Cast Iron Soil Pipe: Additional Information Submission,” dated June 9, 2020 (Allegor’s Submission of Additional Information) at Exhibit 2, pages 21, 24 and 36-37. These figures cover the period of investigation.

<sup>42</sup> *Id.* at 5.

<sup>43</sup> See CBP Form 28 (CF-28) sent to Lino, dated April 22, 2020. These eight entries are [ ]8746, [ ]5627, [ ]6716, [ ]6724, [ ]8134, [ ]0130, [ ]1278, and [ ]1286.

<sup>44</sup> See Blue Star’s Response to the CF-28, dated May 29, 2020 (Blue Star CF-28 Response).

<sup>45</sup> See Allegor’s Submission of Additional Information.

].<sup>46</sup> As previously noted, Sibco is a Hong Kong-based exporter of cast iron pipe that Commerce investigated in the AD investigation on pipe from China.<sup>47</sup> As part of that AD investigation, Sibco received a 235.93 percent AD rate as part of the China-wide entity.<sup>48</sup> Sibco [

].<sup>49</sup> The allegor asserts that the inclusion of Sibco [ ] possibly indicates that other Chinese exporters are using Hicreek to transship Chinese-origin pipe. Furthermore, another [ ] from Hicreek [

].<sup>50</sup> [

].<sup>51</sup> This also potentially indicates that Hicreek is shipping Chinese-origin pipe.

Additionally, CBP received information from the [ ] covering Hicreek’s imports into Cambodia during 2019-2020 and exports in 2019-2020.<sup>52</sup> The information indicates that Hicreek imported multiple raw materials from [ ] that were potentially used in the production of its products. The information also indicates that substantial quantities of its imports from [ ] were listed as “[ ]” under HS heading [ ], which indicates [ ].<sup>53</sup> The category could indicate that Hicreek imported partially or fully completed pipe from [ ], which it then co-mingled with Cambodian-origin pipe in its exports to the United States. In addition, the amount of “[ ]” that Hicreek imported from [ ] was similar to the amount of pipe that it exported.

<b>Product Description of Exports to U.S.</b>	<b>KG that Hicreek exported to U.S.<sup>54</sup></b>	<b>Product Descriptions of Imports from [ ]</b>	<b>HS Heading of Imports</b>	<b>KG that Hicreek Imported from [ ]<sup>55</sup></b>
Pipe	[ ]	[ ]	[ ]	[ ]

Furthermore, Hicreek imported many different types of machinery from [ ] in [ ], which occurred about the same time that it began exporting pipe to the United States in [ ].<sup>56</sup> This machinery also arrived well [ ] of the

<sup>46</sup> *Id.* at Exhibit 1.

<sup>47</sup> *Id.* at Exhibit 2, pages 21, 24 and 36-37.

<sup>48</sup> *Id.* at Exhibit 2, page 3.

<sup>49</sup> *Id.* at Exhibit 4.

<sup>50</sup> *Id.* at Exhibit 1. Specifically, please note the [ ] listed in the exhibit.

<sup>51</sup> *Id.*

<sup>52</sup> See June 29 Memorandum at Attachment 2.

<sup>53</sup> *Id.*

<sup>54</sup> *Id.* at Attachment 1. This column covers the period of investigation.

<sup>55</sup> *Id.* at Attachment 2. This column covers Hicreek’s imports from [ ] during the period of investigation. Hicreek also imported [ ] kg of [ ] from [ ] under HS [ ]. This is the [ ] six-digit HTSUS number that is used to import cast iron soil pipe.

<sup>56</sup> *Id.* at Attachment 2, page 6.

purchase [ ], according to the information that Blue Star provided in its CF-28 responses.<sup>57</sup>

Lino's CF-28 responses omitted multiple items that CBP requested. Nevertheless, CBP obtained several new items of record evidence from multiple other sources. This new record evidence includes additional information on [ ] "Sibo International Limited" [ ] and entry information from the [ ]. In light of this recent record evidence, reasonable suspicion exists that Hicreek is exporting co-mingled country-of-origin merchandise to the United States. The record lists two conflicting addresses for the location of Hicreek's facility, a medical clinic or in the [ ]. Hicreek's imports of [ ] from [ ] suggest potential co-mingling of Chinese-origin pipe, and the data shows that Hicreek imported much of its machinery when it already started exporting pipe to the United States. The CF-28 responses show that Hicreek was established in Cambodia shortly after Commerce's preliminary AD/CVD determination on Chinese-origin pipe, and was established by a Chinese producer of subject merchandise. Record evidence also shows that Sibo, a Hong Kong-based exporter of covered merchandise, may be heavily involved in Hicreek's exports to the United States. Finally, the [ ] contributes to a reasonable suspicion

#### *Enactment of Interim Measures*

Based on the record evidence described above, CBP determines that reasonable suspicion exists that Lino and Blue Star imported pipe into the United States from Cambodia that was, in fact, from China and should have been subject to AD/CVD orders A-570-079 and C-570-080. Therefore, CBP is imposing interim measures pursuant to this investigation.<sup>58</sup> Specifically, in accordance with 19 USC 1517(e)(1-3), CBP shall:

- (1) suspend the liquidation of each unliquidated entry of such covered merchandise that entered on or after April 7, 2020, the date of the initiation of the investigation;
- (2) pursuant to the Commissioner's authority under section 504(b), extend the period for liquidating each unliquidated entry of such covered merchandise that entered before the date of the initiation of the investigation April 7, 2020; and
- (3) pursuant to the Commissioner's authority under section 623, take such additional measures as the Commissioner determines necessary to protect the revenue of the United States, including requiring a single transaction bond or additional security or the posting of a cash deposit with respect to such covered merchandise.<sup>59</sup>

In addition, CBP will require live entry and reject any entry summaries that do not comply with live entry and require refile of entries that are within the entry summary rejection period. CBP will also evaluate Lino's and Blue Star's continuous bonds to determine their sufficiency. Finally, CBP may pursue additional enforcement actions, as provided by law, consistent with 19 USC 1517(h).

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<sup>57</sup> See Blue Star CF-28 Response.

<sup>58</sup> See 19 USC 1517(e); see also 19 CFR 165.24.

<sup>59</sup> See also 19 CFR 165.24(b)(1)(i-iii).

## Consolidation of the Investigations

CBP consolidated EAPA investigations 7454 and 7456 on Lino and Blue Star, respectively, into a single investigation.<sup>60</sup> The new consolidated case number is EAPA Consolidated Case 7454 and CBP is maintaining a single administrative record. At its discretion, CBP may consolidate multiple allegations against one or more importers into a single investigation, pursuant to 19 CFR 165.13(b). This regulation stipulates that the factors that CBP may consider in consolidating multiple allegations include, but are not limited to, whether the multiple allegations involve: 1) relationships between the importers; 2) similarity of covered merchandise; 3) similarity of AD/CVD orders; and 4) overlap in time periods of entries of covered merchandise.<sup>61</sup> In these investigations, the importers are alleged to have a business relationship with each other and to have entered Chinese-origin pipe from Cambodia that are covered by the same AD/CVD orders.<sup>62</sup> Both importers' entries also fall within a common period of investigation. Moreover, both importers have a common Cambodian supplier, Hicreek. Because factors warranting consolidation are present, CBP consolidated these investigations and is providing notice pursuant to 19 CFR 165.13(c). We note that the deadlines for the consolidated investigation have been set from the date of initiation for both of the allegations, which is April 7, 2020.<sup>63</sup>

For future submissions or factual information that you submit to CBP pursuant to this EAPA investigation, please provide a public version to CBP and to the parties identified at the top of this notice.<sup>64</sup> Should you have any questions regarding this investigation, you may contact us at [eapallegations@cbp.dhs.gov](mailto:eapallegations@cbp.dhs.gov) with "EAPA Cons. Case 7454" in the subject line of your email. Additional information on this investigation, including the applicable statute and regulations, may be found on CBP's website at: <https://www.cbp.gov/trade/tradeenforcement/tftea/enforce-and-protect-act-eapa>.

Sincerely,



Brian M. Hoxie  
Director, Enforcement Operations Division  
Trade Remedy Law Enforcement Directorate  
CBP Office of Trade

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<sup>60</sup> See Initiation at 5.

<sup>61</sup> See also 19 USC 1517(b)(5).

<sup>62</sup> See Lino Allegation at 4-9 and Exhibit 1; see also Blue Star Allegation at 4-9 and Exhibit 1.

<sup>63</sup> See 19 CFR 165.13(a); see also 19 USC 1517(b)(5)(B).

<sup>64</sup> See 19 CFR 165.4; see also 19 CFR 165.23(c); see also 19 CFR 165.26.