

Antidumping Duty Proceedings	Period to be Reviewed
C-580-835 Dai Yang Metal Co., Ltd.. Suspension Agreements. None..	1/1/06 - 12/31/06

¹If one of the above named companies does not qualify for a separate rate, all other exporters of frozen fish fillets from the Socialist Republic of Vietnam who have not qualified for a separate rate are deemed to be covered by this review as part of the single Vietnam entity of which the named exporters are a part.

²If one of the above named companies does not qualify for a separate rate, all other exporters of floor-standing metal-top ironing tables from the People's Republic of China who have not qualified for a separate rate are deemed to be covered by this review as part of the single PRC entity of which the named exporters are a part.

³If one of the above named companies does not qualify for a separate rate, all other exporters of polyethylene retail carrier bags from the People's Republic of China who have not qualified for a separate rate are deemed to be covered by this review as part of the single PRC entity of which the named exporters are a part.

During any administrative review covering all or part of a period falling between the first and second or third and fourth anniversary of the publication of an antidumping duty order under section 351.211 or a determination under section 351.218(f)(4) to continue an order or suspended investigation (after sunset review), the Secretary, if requested by a domestic interested party within 30 days of the date of publication of the notice of initiation of the review, will determine, consistent with *FAG Italia v.(roman) United States*, 291 F.3d 806 (Fed Cir. 2002), as appropriate, whether antidumping duties have been absorbed by an exporter or producer subject to the review if the subject merchandise is sold in the United States through an importer that is affiliated with such exporter or producer. The request must include the name(s) of the exporter or producer for which the inquiry is requested.

Interested parties must submit applications for disclosure under administrative protective orders in accordance with 19 CFR 351.305.

These initiations and this notice are in accordance with section 751(a) of the Tariff Act of 1930, as amended (19 USC 1675(a)) and 19 CFR 351.221(c)(1)(i).

Dated: September 19, 2007.

Stephen J. Claeys,

Deputy Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-846]

Brake Rotors From the People's Republic of China: Preliminary Results of the 2006 Semiannual New Shipper Review

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

SUMMARY: The U.S. Department of Commerce ("the Department") is conducting a semiannual new shipper review of the antidumping duty order on brake rotors from the People's Republic of China ("PRC") in response to a request from Longkou Qizheng Auto Parts Co., Ltd. ("Qizheng"). The period of review ("POR") is April 1 through October 31, 2006. We have preliminarily determined that Qizheng's sale is a *bona fide* transaction. In addition, we have preliminarily determined that Qizheng made its sale during the POR above normal value. If these preliminary results are adopted in our final results of this review, we will instruct U.S. Customs and Border Protection ("CBP") to assess antidumping duties on the appropriate entry of subject merchandise during the POR if the assessment rate is above *de minimis*. Interested parties are invited to comment on these preliminary results.

EFFECTIVE DATE: September 25, 2007.

FOR FURTHER INFORMATION CONTACT:

Jennifer Moats or Blanche Ziv, AD/CVD Operations, Office 8, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-5047 or (202) 482-4207, respectively.

SUPPLEMENTARY INFORMATION:

Background

The Department published in the **Federal Register** the antidumping duty order on brake rotors from the PRC on

April 17, 1997. *See Notice of Antidumping Duty Order: Brake Rotors from the People's Republic of China*, 62 FR 18740 (April 17, 1997) ("Order"). On October 31, 2006, the Department received a timely request from Qizheng, in accordance with 19 CFR 351.214(c), to conduct a semiannual new shipper review of the antidumping duty order on brake rotors from the PRC. This request was rejected by the Department on November 6, 2006. Qizheng resubmitted its request for review on November 6, 2006. On November 30, 2006, the Department found that the request for review with respect to Qizheng met all of the regulatory requirements set forth in 19 CFR 351.214(b) and initiated a semiannual new shipper review of the antidumping duty order on brake rotors from the PRC for the April 1 through September 30, 2006, period. *See Brake Rotors from the People's Republic of China: Initiation of New Shipper Review*, 71 FR 69203 (November 30, 2006). On November 30, 2006, the Department issued the initial questionnaire to Qizheng. On December 1, 2006, the Department issued a memorandum identifying five countries as being at a level of economic development comparable to that of the PRC for the specified period of review: India, Sri Lanka, Egypt, Indonesia, and the Philippines. *See Attachment I of the Memorandum from Ron Lorentzen, Director, Office of Policy, to Wendy Frankel, Director, China/NME Group, Office 8, regarding, "2006 Semi-Annual Antidumping Duty New Shipper Review of Brake Rotors from the People's Republic of China: Request for a List of Surrogate Countries," ("Surrogate Country Memo")*. On December 8, 2006, we invited interested parties to provide information on surrogate values for the factors of production used in the production of brake rotors. On January 19, 2007, the petitioner submitted publicly available

surrogate value information.¹ On March 8, 2007, the Department expanded the POR for this semiannual new shipper review through October 31, 2006, to capture the entry corresponding to Qizheng's sale to the United States. See Memorandum to Wendy J. Frankel, Office Director, through Blanche Ziv, Program Manager, from Jennifer Moats, Analyst, regarding, "Expansion of the Period of Review," dated March 8, 2007. Therefore, the POR for the semiannual new shipper review of Qizheng is April 1 through October 31, 2006. On March 13, 2007, the Department selected India as the most appropriate surrogate country for the purposes of this review. See Memorandum to the file through Wendy J. Frankel, Office Director, and Blanche Ziv, Program Manager, from Jennifer Moats, Analyst, regarding, "Surrogate Country Selection," dated March 13, 2007 ("Surrogate Country Selection Memo"). On March 21 and April 26, 2007, the Department issued supplemental questionnaires to Qizheng. On May 11, 2007, the Department published a notice extending the deadline for the preliminary results to September 18, 2007. See *Brake Rotors from the People's Republic of China: Notice of Extension of the Preliminary Results of Antidumping Duty New Shipper Review*, 72 FR 26781 (May 11, 2007).

Scope of the Order

The products covered by this order are brake rotors made of gray cast iron, whether finished, semifinished, or unfinished, ranging in diameter from 8 to 16 inches (20.32 to 40.64 centimeters) and in weight from 8 to 45 pounds (3.63 to 20.41 kilograms). The size parameters (weight and dimension) of the brake rotors limit their use to the following types of motor vehicles: automobiles, all-terrain vehicles, vans and recreational vehicles under "one ton and a half," and light trucks designated as "one ton and a half."

Finished brake rotors are those that are ready for sale and installation without any further operations. Semi-finished rotors are those on which the surface is not entirely smooth, and have undergone some drilling. Unfinished rotors are those which have undergone some grinding or turning.

These brake rotors are for motor vehicles, and do not contain in the casting a logo of an original equipment manufacturer ("OEM") which produces vehicles sold in the United States. (e.g., General Motors, Ford, Chrysler, Honda,

Toyota, Volvo). Brake rotors covered in this order are not certified by OEM producers of vehicles sold in the United States. The scope also includes composite brake rotors that are made of gray cast iron, which contain a steel plate, but otherwise meet the above criteria. Excluded from the scope of this order are brake rotors made of gray cast iron, whether finished, semifinished, or unfinished, with a diameter less than 8 inches or greater than 16 inches (less than 20.32 centimeters or greater than 40.64 centimeters) and a weight less than 8 pounds or greater than 45 pounds (less than 3.63 kilograms or greater than 20.41 kilograms).²

Brake rotors are currently classifiable under subheading 8708.39.50.30 of the *Harmonized Tariff Schedule of the United States* ("HTSUS").³ Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the scope of this order is dispositive.

Verification

As provided in section 782(i)(3) of the Tariff Act of 1930, as amended (the "Act"), and 19 CFR 351.307(b)(iv), the Department conducted verification of Qizheng's questionnaire responses at the company's facilities in Longkou, Shandong, PRC, from June 6 through 8, 2007. We used standard verification procedures, including on-site inspection of the production facility and examination of the relevant sale and financial records. Our verification results are outlined in the verification report, the public version of which is on file in the Central Records Unit ("CRU") located in room B-099 of the Main Commerce Building. See Memorandum to the File through Wendy Frankel, Office Director and Blanche Ziv, Program Manager from Jennifer Moats, Senior International Trade Analyst, regarding, "Verification of the Sales and Factors Response of Longkou Qizheng Auto Part Co., Ltd. in the 2006 Semiannual Antidumping Duty New

Shipper Review on Brake Rotors from the People's Republic of China," dated August 22, 2007 ("Qizheng Verification Report").

Bona Fide Sale Analysis

For the reasons stated below, we preliminarily find that Qizheng's reported U.S. sale during the POR appears to be *bona fide* based on the totality of the facts on the record. In evaluating whether or not a single sale in a new shipper review is commercially reasonable, and therefore *bona fide*, the Department considers, inter alia, such factors as: (1) The timing of the sale; (2) the price and quantity; (3) the expenses arising from the transaction; (4) whether the goods were resold at a profit; and (5) whether the transaction was made on an arm's-length basis. See *Tianjin Tiancheng Pharmaceutical Co., Ltd. v. United States*, 366 F. Supp. 2d 1246, 1250 (CIT 2005), citing *Am. Silicon Techs. v. United States*, 110 F. Supp. 2d 992, 995 (CIT 2000). Accordingly, the Department considers a number of factors in its *bona fides* analysis, "all of which may speak to the commercial realities surrounding an alleged sale of subject merchandise." See *Hebei New Donghua Amino Acid Co., Ltd. v. United States*, 374 F. Supp. 2d 1333, 1342 (CIT 2005), citing *Fresh Garlic from the PRC: Final Results of Administrative Review and Rescission of New Shipper Review*, 67 FR 11283 (March 13, 2002), and accompanying Issues and Decision Memorandum: New Shipper Review of Clipper Manufacturing Ltd.

We preliminarily find that Qizheng's reported U.S. sale during the POR appears to be *bona fide* based on the totality of the circumstances on the record. Specifically, we find that: (1) The price of Qizheng's sale was within the range of the prices of other entries of subject merchandise from the PRC into the United States during the POR; (2) the quantity of Qizheng's sale was within the range of quantities of other entries of subject merchandise from the PRC into the United States during the POR; (3) the expenses arising from the transaction were not unusual; and (4) Qizheng's sale was made between unaffiliated parties at arm's length. See Memorandum to Wendy Frankel, Office Director, through Blanche Ziv, Program Manager, from Jennifer Moats, Senior International Trade Analyst, regarding, "Semiannual Antidumping Duty New Shipper Review of the Antidumping Duty Order on Brake Rotors from the People's Republic of China: *Bona Fide* Analysis of Longkou Qizheng Auto Parts Co., Ltd.," dated September 10, 2007 ("Bona Fides Memo").

² On January 17, 2007, the Department determined the brake rotors produced by Federal-Mogul and certified by the Ford Motor Company to be excluded from the scope of the order. \ Memorandum from Blanche Ziv, Program Manager, AD/CVD Operations, Office 8, through Wendy J. Frankel, Office Director, AD/CVD Operations, Office 8, to Stephen J. Claeys, Deputy Assistant Secretary for Import Administration, entitled, "Scope Ruling of the Antidumping Duty Order on Brake Rotors from the People's Republic of China; Federal-Mogul Corporation," dated January 17, 2007.

³ As of January 1, 2005, the HTSUS classification for brake rotors (discs) changed from 8708.39.50.10 to 8708.39.50.30. As of January 1, 2007, the HTSUS classification for brake rotors (discs) changed from 8708.39.50.30 to 8708.30.50.30. See HTSUS (2005), available at <http://www.usitc.gov>.

¹ The petitioner in this proceeding is the Coalition for the Preservation of American Brake Drum and Rotor Aftermarket Manufacturers.

As discussed above, we found no evidence that the sale in question for Qizheng was not a *bona fide* sale. See *Bona Fides Memo*. Based on our examination into the *bona fide* nature of the sale, the questionnaire responses submitted by Qizheng, and our verification thereof, we preliminarily determine that Qizheng has met the requirements to qualify as a new shipper during the POR. We have determined that Qizheng made its first sale and shipment of subject merchandise to the United States during the POR, and that it was not affiliated with any exporter or producer that had previously shipped subject merchandise to the United States during the POR. Therefore, for purposes of these preliminary results of review, pursuant to 19 CFR 351.214(b)(2), we are treating Qizheng's sale of brake rotors to the United States as an appropriate transaction for a new shipper review.

Non-Market Economy Country

In every case conducted by the Department involving the PRC, the PRC has been treated as a non-market economy ("NME") country. Pursuant to section 771(18)(C)(i) of the Act, any determination that a foreign country is a NME country shall remain in effect until revoked by the administering authority. See, e.g., *Freshwater Crawfish Tail Meat from the People's Republic of China: Notice of Final Results of Antidumping Duty Administrative Review*, 71 FR 7013 (February 10, 2006). None of the parties in this review have contested such treatment. Accordingly, we calculated normal value ("NV") in accordance with section 773(c) of the Act, which applies to NME countries.

Surrogate Country

Section 773(c)(4) of the Act requires the Department to value an NME producer's factors of production ("FOP"), to the extent possible, in one or more market economy countries that: (1) Are at a level of economic development comparable to that of the NME country, and (2) are significant producers of comparable merchandise. The Department has determined that India, the Philippines, Indonesia, Egypt, and Sri Lanka are countries comparable to the PRC in terms of economic development. See *Surrogate Country Selection Memo*. Customarily, we select an appropriate surrogate country from the Surrogate Country Memo based on the availability and reliability of the data from countries that are significant producers of comparable merchandise. In this case, based on publicly available information placed on the record (e.g., world production data), we found that

India is a significant producer of brake rotors. See *Surrogate Country Selection Memo*. Accordingly, we selected India as the primary surrogate country for purposes of valuing the factors of production in the calculation of NV because it meets the Department's criteria for surrogate-country selection. See *Surrogate Country Selection Memo*. We relied on public information whenever possible.

In accordance with 19 CFR 351.301(c)(3)(ii), for the final results in a new shipper review, interested parties may submit publicly available information to value the FOP within 20 days after the date of publication of these preliminary results.

Separate Rate

In proceedings involving NME countries (see section 771(18) of the Act), the Department begins with a rebuttable presumption that all companies within the country are subject to government control and, thus, should be assigned a single antidumping duty rate unless an exporter can affirmatively demonstrate an absence of government control, both in law ("*de jure*") and in fact ("*de facto*"), with respect to its export activities. For this new shipper review, Qizheng submitted information in support of its claim for a company-specific rate. Moreover, we examined Qizheng's claims for a separate rate at verification.

Accordingly, we have considered whether Qizheng is independent from government control, and therefore eligible for a separate rate. To establish whether a firm is sufficiently independent from government control over its export activities to be entitled to a separate rate, the Department analyzes each entity exporting the subject merchandise under a test arising from the *Notice of Final Determination of Sales at Less Than Fair Value: Sparklers from the People's Republic of China*, 56 FR 20588, 20589 (Comment 1) (May 6, 1991) ("*Sparklers*"), as amplified by *Notice of Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the People's Republic of China*, 59 FR 22585, 22586-7 (May 2, 1994) ("*Silicon Carbide*"). In accordance with the separate-rate criteria, the Department assigns separate rates in NME cases only if the respondent can demonstrate the absence of both *de jure* and *de facto* government control over export activities. Qizheng provided complete separate-rate information in its responses to our original questionnaire, supplemental questionnaires, and as

examined at verification as discussed below.

Absence of De Jure Control

The Department considers the following *de jure* criteria in determining whether an individual company may be granted a separate rate: (1) An absence of restrictive stipulations associated with an individual exporter's business and export licenses; (2) any legislative enactments decentralizing control of companies; and (3) other formal measures by the government decentralizing control of companies. See *Sparklers*, 56 FR at 20589 (Comment 1).

Qizheng placed a number of documents on the record to demonstrate absence of *de jure* control, including the "Company Law of the People's Republic of China" (October 27, 2005), the "Foreign Trade Law of the People's Republic of China" (May 12, 1994), and "Administrative Regulations of the People's Republic of China Governing the Registration of Legal Corporations" (July 1991). See Exhibits A-4, A-5, and A-6 of Qizheng's, Section A submission, dated January 16, 2007, ("*Section A response*"). Qizheng also submitted a copy of its business license in Exhibit A-7 of its *Section A response* that was issued by the local office of the State Administration of Industry and Commerce ("SAIC") in Longkou City, Shandong Province, China. Qizheng stated that its business license is to authorize the enterprise identified on the license to engage in the activities listed on the license. The enterprise is identified on the license by the enumeration of: (1) Its legal name; (2) its legal address; (3) the name of its legal representative; (4) its registered capital; (5) the nature of the enterprise; and (6) the scope of the enterprise's business. Qizheng also stated that its business license allows an enterprise to enter into contracts and conduct business activities in accordance with its terms and no other company can use the business license that it uses. According to Qizheng, there are no other limitations or entitlements posed by the business license. We examined these statements and found no discrepancies at verification. See *Qizheng Verification Report* at pages 5 - 9.

We have reviewed Article 11 of Chapter II of the *Foreign Trade Law*, which states, "foreign trade dealers shall enjoy full autonomy in their business operation and be responsible for their own profits and losses in accordance with the law." As in prior cases, we have analyzed such PRC laws and found that they establish an absence of *de jure* control. See, e.g., *Pure Magnesium from the People's Republic*

of China: *Final Results of Antidumping Duty New Shipper Review*, 63 FR 3085, 3086 (January 21, 1998), and *Preliminary Results of Antidumping Duty New Shipper Review: Certain Preserved Mushrooms From the People's Republic of China*, 66 FR 30695, 30696 (June 7, 2001), unchanged in *Final Results of New Shipper Review: Certain Preserved Mushrooms From the People's Republic of China*, 66 FR 45006 (August 27, 2001). Therefore, we preliminarily determine that there is an absence of *de jure* control over the export activities of Qizheng.

Absence of De Facto Control

Typically, the Department considers four factors in evaluating whether a respondent is subject to *de facto* government control of its export functions: (1) Whether the export prices are set by, or subject to, the approval of a government authority; (2) whether the respondent has authority to negotiate and sign contracts, and other agreements; (3) whether the respondent has autonomy from the government in making decisions regarding the selection of its management; and (4) whether the respondent retains the proceeds of its export sales and makes independent decisions regarding disposition of profits or financing of losses. *See Silicon Carbide*, 59 FR at 22586–87. Therefore, the Department has determined that an analysis of *de facto* control is critical in determining whether a respondent is, in fact, subject to a degree of government control that would preclude the Department from assigning it a separate rate.

The respondent has asserted the following: (1) It is a privately owned sino-foreign joint venture company; (2) there is no government participation in its setting of export prices; (3) its general manager has the authority to sign export contracts; (4) the board of directors appointed the general manager, who selected the other managers, and Qizheng informs SAIC of the changes to update its business license; (5) there are no restrictions on the use of its export revenue; and (6) the shareholders decide how profits will be used. *See Section A response* at pages A–2 through A–9; *see also Qizheng Verification Report* at pages 5–9. We have examined the documentation provided and find that it demonstrates that Qizheng's pricing is not subject to *de facto* control. Therefore, we preliminarily determine that there is an absence of *de facto* control over the export activities of Qizheng.

Consequently, because evidence on the record indicates an absence of government control, both in law and in

fact, over Qizheng's export activities, we preliminarily determine that Qizheng has met the criteria for the application of a separate rate.

Fair Value Comparisons

To determine whether Qizheng's sale of brake rotors to the United States was made at a price below NV, we compared its U.S. price to NV, as described in the "Export Price" and "Normal Value" sections of this notice, pursuant to section 773 of the Act.

Export Price

For Qizheng, we based U.S. price on export price ("EP") in accordance with section 772(a) of the Act, because the first sale to an unaffiliated purchaser was made prior to importation, and constructed export price ("CEP") was not otherwise warranted by the facts on the record. We calculated EP based on the packed price from Qizheng to the first unaffiliated customer in the United States. We deducted foreign inland freight, foreign brokerage and handling expenses, international freight, and marine insurance from the starting price ("gross unit price"), in accordance with section 772(c) of the Act.

Because foreign inland freight and foreign brokerage and handling expenses were provided by PRC service providers or paid for in renminbi, we valued these services using Indian surrogate values (*see* "Factor Valuations" section below for further discussion). For expenses provided by a market economy provider and paid for in market economy currency (*i.e.*, international freight and marine insurance), we used the actual price paid for the input, pursuant to 19 CFR 351.408(c)(1). *See also Lasko Metal Products v. (roman) United States*, 43 F3d 1442, 1445–46 (Fed. Cir. 1994).

Normal Value

Section 773(c)(1) of the Act provides that the Department shall determine NV using an FOP methodology if the merchandise is exported from an NME country and the information does not permit the calculation of NV using home-market prices, third-country prices, or constructed value under section 773(a) of the Act. The Department will base NV on the FOPs because the presence of government controls on various aspects of these economies renders price comparisons and the calculation of production costs invalid under its normal methodologies.

Factor Valuations

In accordance with section 773(c)(1) of the Act, we calculated NV based on the FOPs reported by Qizheng. FOPs

include, but are not limited to: (1) Hours of labor required; (2) quantities of raw materials employed; (3) amounts of energy and other utilities consumed; and (4) representative capital costs, including depreciation. *See* section 773(c)(3) of the Act. We used FOPs reported by Qizheng for materials, energy, labor, and packing. To calculate NV, we multiplied the reported unit factor quantities by publicly available Indian values.

In selecting the surrogate values, we considered the quality, specificity, and contemporaneity of the data, in accordance with our standard practice. *See, e.g., Fresh Garlic from the People's Republic of China: Final Results of Antidumping Duty New Shipper Review*, 67 FR 72139 (December 4, 2002), and accompanying Issues and Decision Memorandum at Comment 6; and *Certain Preserved Mushrooms from China Final Results of First New Shipper Review and First Antidumping Duty Administrative Review: Certain Preserved Mushrooms From the People's Republic of China*, 66 FR 31204 (June 11, 2001), and accompanying Issues and Decision Memorandum at Comment 5.

When we used publicly available import data from the Ministry of Commerce of India ("Indian Import Statistics") for April through October 2006 to value inputs sourced domestically by PRC suppliers, we added to the Indian surrogate values a surrogate freight cost calculated using the shorter of the reported distance from the domestic supplier to the factory or the distance from the nearest port of export to the factory. *See Sigma Corp. v. United States*, 117 F. 3d 1401, 1408 (Fed. Cir. 1997) ("*Sigma*"). In instances where we relied on Indian import data to value inputs, in accordance with the Department's practice, we excluded imports from NME countries and countries that we have reason to believe or suspect may be subsidized (*i.e.*, Indonesia, South Korea, and Thailand). We have found in other proceedings that these countries maintain broadly available, non-industry-specific subsidies and therefore, there is reason to believe or suspect all exports to all export markets from these countries may be subsidized. *See e.g., Certain Helical Spring Lock Washers From The People's Republic of China; Final Results of Antidumping Administrative Review*, 61 FR 66255, 66256 (Comment 1) (December 17, 1996). Finally, we excluded imports that were labeled as originating from an "unspecified" country from the average value, because we could not be certain that they were not from either an NME or a country with general export subsidies.

For a complete discussion of the import data that we excluded from our calculation of surrogate values, see “Memorandum to the File: 2006 Semiannual New Shipper Review of Brake Rotors from the PRC: Factor Valuation for the Preliminary Results,” dated concurrently with this notice (“*Factor Valuation Memo*”). This memorandum is on file in the CRU.

Where we could not obtain publicly available information contemporaneous with the POR to value FOPs, we adjusted the surrogate values using the Indian Wholesale Price Index (“WPI”) as published in the *International Financial Statistics* of the International Monetary Fund available at <http://ifs.apdi.net/imf>, for those surrogate values in Indian rupees. See *Factor Valuation Memo* at Exhibit 2. We made currency conversions, where necessary, pursuant to 19 CFR 351.415, to U.S. dollars using the daily exchange rate corresponding to the reported date of the sale. We relied on the daily exchanges rates posted on the Import Administration Web site (<http://ia.ita.doc.gov>). See *Factor Valuation Memo*.

We valued pig iron, steel scrap, ferrosilicon, ferromanganese, limestone, lubricating oil, coke, and firewood with the weighted average of the import volume and value from the Indian Import Statistics. See *id.* at Attachment 3.

We valued electricity using the 2000 electricity price in India reported by the International Energy Agency statistics for *Energy Prices & Taxes*, Third Quarter 2003. We inflated the value for electricity using the POR average WPI for India. See *id.* at Attachment 5.

We valued packing materials including plastic bags, plastic wrap, cartons, tape, plywood, nails, steel strap, and buckles with the weighted average of the import volume and value from the Indian Import Statistics. See *id.* at Attachment 4. In addition, with respect to plastic wrap, we valued this input using “partial facts available.” For further information on the valuation of plastic wrap, see the “Facts Available” section of this notice.

Petitioner submitted financial information for two Indian producers of identical and comparable merchandise: Bosch Chassis Systems India Ltd. (“Bosch”) and Rico Auto Industries Limited (“Rico”) for the year ending March 31, 2006. See Petitioner’s submission dated January 19, 2007. We preliminarily determine that both Bosch’s and Rico’s financial statements are the best available information with which to calculate financial ratios because they appear to be complete, are

publicly available, and are contemporaneous with the POR. See *Final Determination of Sales at Less Than Fair Value and Final Partial Affirmative Determination of Critical Circumstances: Diamond Sawblades and Parts Thereof from the People’s Republic of China*, 71 FR 29303 (May 22, 2006), and the accompanying Issues and Decision Memorandum at Comment 1 (where the Department stated that it is the Department’s policy to use data from market economy surrogate companies based on the “specificity, contemporaneity, and quality of the data.”) From these financial statements we were able to determine factory overhead as a percentage of the total raw materials, labor, and energy (“MLE”) costs; selling, general and administrative expenses (“SG&A”) as a percentage of MLE plus overhead (*i.e.*, cost of manufacture); and the profit rate as a percentage of the cost of manufacture plus SG&A. See *Factors Valuation Memo* for a full discussion of the calculation of these ratios. Where appropriate, we did not include in the surrogate overhead and SG&A calculations the excise duty amount listed in the financial reports.

The Department valued truck freight using Indian freight rates published by Indian Freight Exchange available at <http://www.infreight.com>. See *Factor Valuation Memo* at Exhibit 8. This source provided daily rates from six major points of origins to six destinations in India for the period April through October 2005. We averaged the monthly rates for each rate observation to obtain the surrogate value. Because these values were not contemporaneous with the POR of this new shipper review, we adjusted the surrogate value for inflation using the WPI for India.

In calculating the freight rate for truck shipments, we used the shorter of the reported distance from the domestic supplier to the factory or the distance from the nearest seaport to the factory, in accordance with the Court of Appeals for the Federal Circuit’s decision in *Sigma*, 117 F.3d at 1408. To derive the freight cost for each material input, the Department multiplied the surrogate freight value per kilogram by the Sigma freight. The Department added the freight expense to the cost of the material input to determine gross material costs. Where there were multiple suppliers of an input, we calculated a weighted-average distance. See *Id.* at 9.

The data we used for brokerage and handling expenses are not specific to the subject merchandise; however, there is no information on brokerage and

handling expenses specific to brake rotors on the record of this review. Therefore, the Department used two sources to calculate a surrogate value for domestic brokerage expenses: (1) Data from the January 9, 2006, Section C questionnaire response public version from Kejriwal Paper Ltd.⁴ (“Kejriwal”); and (2) data from Agro Dutch Industries Ltd. for the period of review February 1, 2004, through January 31, 2005 (see *Certain Preserved Mushrooms From India: Final Results of Antidumping Duty Administrative Review*, 70 FR 37757 (June 30, 2005) (unchanged from *Certain Preserved Mushrooms from India: Preliminary Results of Antidumping Duty Administrative Review*, 70 FR 10597 (March 4, 2005))). See *Factor Valuation Memo* at page 6 and Exhibit 7. Because these values were not contemporaneous with the POR of this new shipper review, we adjusted these rates for inflation using the WPI for India as published in the International Monetary Fund’s *International Financial Statistics*, and then calculated a simple average of the two companies’ brokerage expense data. See *id.* at page 6 and Exhibit 7.

Section 351.408(c)(3) of the Department’s regulations requires the use of a regression-based wage rate. Therefore, to value the labor input, the Department used the regression-based wage rate for the PRC published by Import Administration on our website. The source of the wage rate data is the *Yearbook of Labour Statistics 2004*, published by the International Labour Office (“ILO”) (Geneva: 2004), Chapter 5B: Wages in Manufacturing. See the Expected Wages of Selected NME Countries (revised January 2007) available at: <http://ia.ita.doc.gov/wages>. Because the regression-based wage rate does not separate the labor rates into different skill levels or types of labor, we applied the same wage rate to all skill levels and types of labor reported by each respondent.

Application of Facts Available

Section 776(a)(1) of the Act provides that if “necessary information is not available on the record,” the Department shall, subject to subsection

⁴ Kejriwal was a respondent in the certain lined paper products from India investigation for which the period of investigation was July 1, 2004, to June 30, 2005. See *Notice of Preliminary Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Affirmative Preliminary Determination of Critical Circumstances in Part: Certain Lined Paper Products From India*, 71 FR 19706 (April 17, 2006) (unchanged in *Notice of Final Determination of Sales at Less Than Fair Value, and Negative Determination of Critical Circumstances: Certain Lined Paper Products from India*, 71 FR 45012 (August 8, 2006)).

782(d) of the Act, “use the facts otherwise available” in reaching the applicable determination. Further, section 782(e) of the Act states that the Department shall not decline to consider information deemed “deficient” under section 782(d) if: (1) The information is submitted by the established deadline; (2) the information can be verified; (3) the information is not so incomplete that it cannot serve as a reliable basis for reaching the applicable determination; (4) the interested party has demonstrated that it acted to the best of its ability; and (5) the information can be used without undue difficulties. For these preliminary results, in accordance with sections 776(a)(1) and 782(e) of the Act, we have determined that the use of partial facts available is appropriate for applying a surrogate value to Qizheng’s reported plastic wrap usage for the reasons discussed below.

Plastic Wrap

In its original Section D questionnaire response dated January 16, 2007 (“Section D response”), Qizheng reported the total volume of “plastic wrap” used by the company as one FOP. At verification, the Department found that Qizheng used two types of plastic wrap (*i.e.*, thin plastic wrap and thick plastic wrap) to pack the brake rotors that it shipped to the United States, and that both types of plastic wrap were included in the single variable reported by Qizheng. *See Qizheng Verification Report* at page 23. Company officials stated, and the Department verified, that both types of plastic wrap are accounted for in the one FOP that it reported. The Department normally would use a different surrogate value for thick plastic wrap versus thin plastic wrap. However, because both types of plastic wrap are combined in a single reported FOP, it is not possible at this point to determine the volume of thin versus thick plastic wrap used by the respondent. As a result, it will be necessary to use “facts available” in applying the surrogate value for plastic wrap.

We determine that non-adverse partial facts available should be applied in this case for the following reasons: the respondent reported the total volume of plastic wrap (thick and thin); there is no indication that the respondent misrepresented the type of wrap reported; rather, it simply reported its total use of “plastic wrap”; the Department is satisfied with the accuracy of Qizheng’s FOP data with respect to all other FOPs; the difference in the application of the surrogate value for thin plastic wrap versus thick plastic

wrap has an insignificant impact on the FOP calculations.

It is the Department’s practice to calculate the dumping margin based on the surrogate value that most accurately represents the materials used. *See* section 773(c)(2) of the Act. Thus, as partial facts available, the Department has calculated a simple average of the two available surrogate values from the Indian Import Statistics for thick and thin plastic wrap, and has applied the resulting average to Qizheng’s reported combined usage of thin and thick plastic wrap used to pack the subject merchandise sold to the United States during the POR. *See Factor Valuation Memo* at 4 and Exhibit 4.

Preliminary Results of Review

We preliminarily determine that the following antidumping duty margin exists:

Exporter	Margin
Longkou Qizheng Auto Parts Co., Ltd.	0.0%

For details on the calculation of the antidumping duty weighted-average margin for Qizheng, *see* Memorandum to The File through Blanche Ziv, Program Manager, from Jennifer Moats, Senior International Trade Analyst, regarding the “Analysis for the Preliminary Results of the 2006 Semiannual New Shipper Review of the Antidumping Duty Order on Brake Rotors from the People’s Republic of China: Longkou Qizheng Auto Parts Co., Ltd.,” dated concurrently with this notice. A public version of this memorandum is on file in the CRU.

Schedule for the Final Results of Review

Unless otherwise notified by the Department, interested parties may submit case briefs within 30 days of the date of publication of this notice in accordance with 19 CFR 351.309(c)(ii). As part of the case brief, parties are encouraged to provide a summary of the arguments not to exceed five pages and a table of statutes, regulations, and cases cited. Rebuttal briefs, which must be limited to issues raised in the case briefs, must be filed within five days after the case brief is filed. *See* 19 CFR 351.309(d).

Any interested party may request a hearing within 30 days of publication of this notice in accordance with 19 CFR 351.310(c). Any hearing would normally be held 37 days after the publication of this notice, or the first workday thereafter, at the U.S. Department of Commerce, 14th Street and Constitution

Avenue NW., Washington, DC 20230. Individuals who wish to request a hearing must submit a written request within 30 days of the publication of this notice in the **Federal Register** to the Assistant Secretary for Import Administration, U.S. Department of Commerce, Room 1870, 14th Street and Constitution Avenue, NW., Washington, DC 20230. Requests for a public hearing should contain: (1) The party’s name, address, and telephone number; (2) the number of participants; and (3) to the extent practicable, an identification of the arguments to be raised at the hearing. If a hearing is held, an interested party must limit its presentation only to arguments raised in its briefs. Parties should confirm by telephone the time, date, and place of the hearing 48 hours before the scheduled time.

The Department will issue the final results of this new shipper review, which will include the results of its analysis of issues raised in the briefs, within 90 days from the publication date of the preliminary results, unless the time limit is extended.

Assessment Rate

Pursuant to 19 CFR 351.212(b), the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries. The Department intends to issue assessment instructions directly to CBP 15 days after the date of publication of the final results of this new shipper review. For assessment purposes, we will calculate an importer-specific assessment rate for brake rotors from the PRC on a per-unit basis. Specifically, we will divide the total dumping margin (calculated as the difference between normal value and the export price) for the importer by the total quantity of subject merchandise sold to that importer during the POR to calculate a per-unit assessment amount. We will direct CBP to assess antidumping duties based on the resulting per-unit (*i.e.*, per-piece) rate by the weight in kilograms of the entry of the subject merchandise during the POR, if any importer-specific assessment rate calculated in the final results of review is above *de minimis*.

Cash Deposit

The following cash-deposit requirements will be effective upon publication of these final results for shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results, as provided by section 751(a)(2)(C) of the Act: (1) For subject merchandise produced and exported by Qizheng, the

cash deposit rate will be zero percent; (2) for subject merchandise exported by Qizheng but not produced by Qizheng, the cash deposit rate will be the PRC-wide rate; (3) the cash deposit rate for PRC exporters who received a separate rate in a prior segment of the proceeding will continue to be the rate assigned in that segment of the proceeding; (4) for all other PRC exporters of subject merchandise which have not been found to be entitled to a separate rate, the cash-deposit rate will be the PRC-wide rate of 43.32 percent; and (5) for all non-PRC exporters of subject merchandise, the cash-deposit rate will be the rate applicable to the PRC supplier of that exporter. These deposit requirements shall remain in effect until further notice.

Notification to Interested Parties

This notice also serves as a preliminary reminder to the importer of its responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entry during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of the antidumping duties occurred and the subsequent assessment of double antidumping duties.

This new shipper review and this notice are published in accordance with sections 751(a)(2)(B) and 777(i)(1) of the Act.

Dated: September 18, 2007.

David M. Spooner,

Assistant Secretary for Import Administration.

[FR Doc. E7-18842 Filed 9-24-07; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-863]

Notice of Extension of the Final Results of Antidumping Duty New Shipper Review: Honey From the People's Republic of China

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

EFFECTIVE DATE: September 25, 2007.

FOR FURTHER INFORMATION CONTACT: Erin C. Begnal or Michael Quigley; AD/CVD Operations, Office 9, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution

Avenue, NW., Washington, DC 20230; telephone: (202) 482-1442 and (202) 482-4047, respectively.

Background

On July 3, 2007, the Department of Commerce ("Department") published the preliminary results of the new shipper review of the antidumping duty order on honey from the People's Republic of China for the period December 1, 2005, through June 30, 2006. *See Honey from the People's Republic of China: Preliminary Results of Antidumping Duty New Shipper Review*, 72 FR 36422 (July 3, 2007) ("Preliminary Results"). The final results of this new shipper review are currently due by September 24, 2007.

Extension of Time Limits for Final Results

Section 751(a)(2)(B)(iv) of the Tariff Act of 1930, as amended ("the Act"), and 19 CFR 351.214(i)(1) require the Department to issue the preliminary results of a new shipper review within 180 days after the date on which the new shipper review was initiated and final results of a review within 90 days after the date on which the preliminary results were issued. The Department may, however, extend the deadline for completion of the final results of a new shipper review to 150 days if it determines that the case is extraordinarily complicated (19 CFR 351.214 (i)(2)).

The Department has determined that the review is extraordinarily complicated, as the Department must consider numerous arguments presented in the respondent's August 2, 2007, case brief and the petitioners' August 8, 2007, rebuttal brief, including issues related to factors of production, completeness, and the application of adverse facts available. Based on the timing of the case, the final results of this new shipper review cannot be completed within the statutory time limit of 90 days. Accordingly, the Department is extending the time limit for the completion of the final results by 30 days from the original September 24, 2007, deadline, to October 24, 2007, in accordance with section 751(a)(2)(B)(iv) of the Act and 19 CFR 351.214(i)(2). This notice is published pursuant to sections 751(a)(2)(B)(iv) and 777(i)(1) of the Act.

Dated: September 18, 2007.

Stephen J. Claeys,

Deputy Assistant Secretary for Import Administration.

[FR Doc. E7-18875 Filed 9-24-07; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

Environmental Technologies Trade Advisory Committee (ETTAC)

AGENCY: International Trade Administration, U.S. Department of Commerce.

ACTION: Notice of open meeting.

Dates: September 28, 2007.

Time: 9 a.m. to 3 p.m.

Place: Department of Commerce, 14th and Constitution, NW., Washington, DC 20230, Room 4830.

SUMMARY: The Environmental Technologies Trade Advisory Committee (ETTAC) will hold a plenary meeting on September 28, 2007, at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230, in Room 4830. The ETTAC will discuss updated negotiations in the World Trade Organization's environmental goods and services trade liberalization, among other administrative committee priority items. The meeting is open to the public and time will be permitted for public comment.

Written comments concerning ETTAC affairs are welcome anytime before or after the meeting. Minutes will be available within 30 days of this meeting.

The ETTAC is mandated by Public Law 103-392. It was created to advise the U.S. government on environmental trade policies and programs, and to help it to focus its resources on increasing the exports of the U.S. environmental industry. ETTAC operates as an advisory committee to the Secretary of Commerce and the Trade Promotion Coordinating Committee (TPCC). ETTAC was originally chartered in May of 1994. It was most recently rechartered until September 2008.

For further information phone Ellen Bohon, Office of Energy and Environmental Technologies Industries (OEETI), International Trade Administration, U.S. Department of Commerce at (202) 482-0359. This meeting is physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids should be directed to OEETI at (202) 482-5225.

Dated: September 18, 2007.

Jerome S. Morse,

Acting Director, Office of Energy and Environmental Industries.

[FR Doc. E7-18852 Filed 9-24-07; 8:45 am]

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