

entries containing subject merchandise exported by the PRC-wide entity at the PRC-wide rate in the final results of this review. The Department intends to issue appropriate assessment instructions directly to CBP 15 days after publication of the final results of this review.

Cash Deposit Requirements

The following cash deposit requirements will be effective for shipments of subject merchandise from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of the review, as provided by sections 751(a)(1) and (a)(2)(C) of the Act: (1) for all respondents receiving a separate rate, the cash deposit rate will be that established in the final results of the review; (2) for previously investigated or reviewed PRC and non-PRC exporters not listed above that have separate rates, the cash deposit rate will continue to be the exporter-specific rate published for the most recent period; (3) for all PRC exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be the PRC-wide rate of 139.49 percent; and (4) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporters that supplied that non-PRC exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

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

The Department is issuing and publishing these preliminary results of administrative review in accordance with section 777(i)(1) of the Act, and 19 CFR 351.221(b)(4).

Dated: July 7, 2010.

Ronald K. Lorentzen,

Deputy Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-601]

Tapered Roller Bearings and Parts Thereof, Finished or Unfinished, From the People's Republic of China: Preliminary Results of the 2008-2009 Administrative Review of the Antidumping Duty Order

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

SUMMARY: In response to requests from interested parties, the Department of Commerce ("Department") is currently conducting the 2008-2009 administrative review of the antidumping duty order on tapered roller bearings and parts thereof, finished or unfinished ("TRBs"), from the People's Republic of China ("PRC"), covering the period June 1, 2008, through May 31, 2009. We have preliminarily determined that sales have been made below normal value ("NV") by certain companies subject to this review. 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 entries of subject merchandise during the period of review ("POR") for which the importer-specific assessment rates are above *de minimis*.

Interested parties are invited to comment on these preliminary results. We will issue final results no later than 120 days from the date of publication of this notice.

DATES: *Effective Date:* July 15, 2010.

FOR FURTHER INFORMATION CONTACT: Brendan Quinn or Trisha Tran, 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) 482-5848 or (202) 482-4852, respectively.

Background

On June 15, 1987, the Department published in the **Federal Register** the antidumping duty order on TRBs from the PRC.¹ On June 1, 2009, the Department published a notice of opportunity to request an administrative review of the antidumping duty order on TRBs from the PRC.² On June 30,

2009, the sole respondent in the prior review, the majority Spungen family-owned joint-venture Peer Bearing Company Ltd.—Changshan ("PBCD/CPZ") and its wholly Spungen-family-owned U.S. sales affiliate, Peer Bearing Company ("PBCD/Peer") (collectively "PBCD"), requested that the Department conduct an administrative review of its sales of subject merchandise prior to the acquisition of both companies by AB SKF during the POR. On June 30, 2009, the wholly AB SKF-owned Changshan Peer Bearing Company, Ltd. ("SKF/CPZ") and its wholly AB SKF-owned U.S. sales affiliate, Peer Bearing Company ("SKF/Peer") (collectively "SKF"), requested that the Department conduct an administrative review of its sales of subject merchandise subsequent to the acquisition of the PBCD companies during the POR.³ On June 30, 2009, the Timken Company, of Canton, Ohio ("Petitioner") requested that the Department conduct an administrative review of all entries of subject merchandise produced and/or exported by CPZ, regardless of its ownership during the POR.

On June 30, 2009, Hubei New Torch Science & Technology Company Co., Ltd. ("New Torch"), a producer and exporter of subject merchandise, also requested that the Department conduct an administrative review of its sales of subject merchandise. On July 29, 2009, the Department initiated the administrative review of the antidumping duty order on TRBs from the PRC for the period June 1, 2008, through May 31, 2009.⁴

On August 26, 2009, the Department issued its antidumping duty questionnaire to PBCD, SKF, and New Torch. Between October 14, 2009, and June 18, 2010, PBCD, SKF, and New Torch responded to the Department's original and supplemental questionnaires. On October 1, 2009, we invited all interested parties to submit publicly available information to value factors of production ("FOPs") for consideration in the Department's preliminary results of review. On December 7, 2009, SKF submitted publicly available information to value FOPs for the preliminary results. On December 17, 2009, and June 16, 2010, PBCD submitted surrogate value

To Request Administrative Review, 74 FR 26202 (June 1, 2009).

³ Without consideration of ownership, the Changshan-based TRB production facility is referred to as "CPZ" and the Illinois-based U.S. sales affiliate is referred to as "Peer."

⁴ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews and Deferral of Administrative Review*, 74 FR 37690 (July 29, 2009).

¹ See *Notice of Antidumping Duty Order: Tapered Roller Bearings and Parts Thereof, Finished or Unfinished, From the People's Republic of China*, 52 FR 22667 (June 15, 1987).

² See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity*

information for the Department's consideration. From December 17, 2009, through June 18, 2010, Petitioner submitted comments and publicly available information to value FOPs for the preliminary results. On May 5, 2010, in its supplemental response to the Department's questionnaire, New Torch submitted publicly available information regarding the valuation of certain inputs.⁵

On March 2, 2010, the Department published a notice in the **Federal Register** extending the time limit for the preliminary results of review by the full 120 days allowed under section 751(a)(3)(A) of the Tariff Act of 1930, as amended ("the Act"), to July 7, 2010.⁶

Period of Review

The POR is June 1, 2008, through May 31, 2009.

Scope of the Order

Imports covered by this order are shipments of tapered roller bearings and parts thereof, finished and unfinished, from the PRC; flange, take up cartridge, and hanger units incorporating tapered roller bearings; and tapered roller housings (except pillow blocks) incorporating tapered rollers, with or without spindles, whether or not for automotive use. These products are currently classifiable under Harmonized Tariff Schedule of the United States ("HTSUS") item numbers 8482.20.00, 8482.91.00.50, 8482.99.15, 8482.99.45, 8483.20.40, 8483.20.80, 8483.30.80, 8483.90.20, 8483.90.30, 8483.90.80,

8708.99.80.15⁷ and 8708.99.80.80.⁸ Although the HTSUS item numbers are provided for convenience and customs purposes, the written description of the scope of the order is dispositive.

Initiation of Scope Determination of New Torch's Wheel Hub Assemblies

From October 30, 2009, through May 5, 2010, in various supplemental questionnaires, New Torch stated that it produced and sold wheel hub assemblies to the United States during the POR, which it asserted were not subject to the scope of the order on TRBs. On June 15, 2010, the Department initiated two scope inquiries on wheel hub assemblies produced by PRC producers that are unrelated to the respondents in the instant administrative review. Subsequently, on June 17, 2010, New Torch requested that the Department accept a revised U.S. sales and FOP database, which would include sales and FOP information regarding New Torch's wheel hub assemblies sold to the United States during the POR. On July 6, 2010, the Department requested revised FOP and U.S. sales databases containing information with respect to New Torch's wheel hub assemblies sold to the United States during the POR.

For the purposes of these preliminary results, because the Department has not yet determined whether wheel hub assemblies are covered by the scope of the order on TRBs, the Department will continue to base its antidumping margin calculation on New Torch's original U.S. sales database, which does not include wheel hub assemblies. However, the Department will determine whether New Torch's wheel hub assemblies are covered by the scope of the order on TRBs for the final results. In addition, pursuant to the outcome of the Department's determination of whether New Torch's wheel hub assemblies are within the scope of the order on TRBs, the Department intends to use the appropriate databases to determine New Torch's antidumping margin calculation for the final results.

Non-Market Economy Country Status

Pursuant to section 771(18)(C)(i) of the Act, any determination that a foreign country is an NME country shall remain in effect until revoked by the administering authority. In every case conducted by the Department involving the PRC, the PRC has been treated as a NME country.⁹ None of the parties to this review has contested such treatment. Accordingly, we calculated normal value in accordance with section 773(c) of the Act, which applies to NME countries.

Surrogate Country

Section 773(c)(1) of the Act directs the Department to base NV on the NME producer's FOPs, valued in a surrogate market-economy ("ME") country or countries considered to be appropriate by the Department. In accordance with section 773(c)(4) of the Act, in valuing the FOPs, the Department shall use, to the extent possible, the prices or costs of the FOPs in one or more market economy countries that are: (1) At a level of economic development comparable to that of the NME country; and (2) significant producers of comparable merchandise. The sources of the surrogate factor values are discussed under the "Factor Valuations" section below.¹⁰

The Department's practice with respect to determining economic comparability is explained in *Policy Bulletin 04.1*,¹¹ which states that "OP {Office of Policy} determines per capita economic comparability on the basis of per capita gross national income, as reported in the most current annual issue of the *World Development Report* (The World Bank)."

On September 23, 2009, the Department identified six countries as being at a level of economic development comparable to the PRC for the specified POR: India, the

⁵ On June 22, 2010, Petitioner submitted comments regarding PBCD and SKF for the upcoming preliminary results. SKF submitted rebuttal comments on June 30, 2010. Petitioner then submitted further rebuttal comments on July 6, 2010; however, due to the proximity to the deadline, the Department was unable to consider these submissions for purposes of the preliminary results.

⁶ See *Tapered Roller Bearings and Parts Thereof, Finished or Unfinished, from the People's Republic of China: Extension of Time Limit for the Preliminary Results of the 2008–2009 Administrative Review of the Antidumping Duty Order*, 75 FR 9391 (March 2, 2010). See also Memorandum to the Record from Ronald Lorentzen, DAS for Import Administration, regarding "Tolling of Administrative Deadlines As a Result of the Government Closure During the Recent Snowstorm," dated February 12, 2010, wherein all deadlines in this segment of the proceeding have been extended by seven days as a result of the closure of the Federal Government from February 5, 2010 through February 12, 2010.

⁷ Effective January 1, 2007, the HTSUS subheading 8708.99.8015 is renumbered as 8708.99.8115. See United States International Trade Commission ("USITC") publication entitled, "Modifications to the Harmonized Tariff Schedule of the United States Under Section 1206 of the Omnibus Trade and Competitiveness Act of 1988," USITC Publication 3898 (December 2006) found at <http://www.usitc.gov>.

⁸ Effective January 1, 2007, the USHTS subheading 8708.99.8080 is renumbered as 8708.99.8180; see *Id.*

⁹ See, e.g., *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From the People's Republic of China: Preliminary Results of 2001–2002 Administrative Review and Partial Rescission of Review*, 68 FR 7500 (February 14, 2003), unchanged in *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China: Final Results of 2001–2002 Administrative Review and Partial Rescission of Review*, 68 FR 70488 (December 18, 2003).

¹⁰ See also the Department's memorandum entitled, "Preliminary Results of the 2008–2009 Administrative Review of the Antidumping Duty Order on Tapered Roller Bearings and Parts Thereof, Finished or Unfinished, from the People's Republic of China: Surrogate Value Memorandum," dated concurrently with this notice ("Surrogate Value Memorandum").

¹¹ See the Department's Policy Bulletin No. 04.1, regarding, "Non-Market Economy Surrogate Country Selection Process," (March 1, 2004) ("*Policy Bulletin 04.1*"), available on the Department's Web site at <http://ia.ita.doc.gov/policy/bull04-1.html>.

Philippines, Indonesia, Colombia, Thailand, and Peru.^{12 13}

On October 1, 2009, the Department invited all interested parties to submit comments on the surrogate country selection.¹⁴ On November 23, 2009, Petitioner, SKF, and PBCD submitted comments regarding the Department's selection of a surrogate country for the preliminary results. Petitioner submitted rebuttal surrogate country comments on December 3, 2009. In their comments, both Petitioner and SKF requested that India be selected as the primary surrogate country, whereas PBCD requested the Department also consider Indonesia and Thailand as potential surrogates. New Torch did not submit comments regarding surrogate country selection.

Policy Bulletin 04.1 provides some guidance on identifying comparable merchandise and selecting a producer of comparable merchandise. Based on an analysis of export data obtained from Global Trade Atlas, published by Global Trade Information Services, Inc. ("GTA") for harmonized tariff schedule ("HTS") subheadings 8482.20, 8482.20.00, 8482.91, 8482.91.00, 8482.99, 8482.99.00, 8483.20, 8483.20.00, 8483.30, 8483.30.90, 8708.99,¹⁵ the Department finds that India, the Philippines, Indonesia, Colombia, Thailand, and Peru are all producers of comparable merchandise. Finally, we have reliable data from India on the record that we can use to value

the FOPs. While PBCD and SKF submitted Indonesian and Thai data on the record to value limited FOP inputs, Petitioner, SKF and New Torch each submitted surrogate values for the majority of the inputs using Indian sources, suggesting greater availability of appropriate surrogate value data in India. Additionally, Petitioner and SKF placed the financial statements of various Indian producers on the record, further demonstrating the greater availability of appropriate surrogate value data in India.

Therefore, the Department is preliminarily selecting India as the surrogate country on the basis that: (1) It is at a similar level of economic development to the PRC, pursuant to 773(c)(4) of the Act; (2) it is a significant producer of comparable merchandise; and (3) we have reliable data from India that we can use to value the FOPs. Accordingly, we have calculated NV using Indian prices when available and appropriate to value each respondent's FOPs.¹⁶ In accordance with 19 CFR 351.301(c)(3)(ii), for the final results of an administrative review, interested parties may submit publicly available information to value the FOPs within 20 days after the date of publication of these preliminary results.¹⁷

Separate Rates

In proceedings involving NME countries, the Department has a rebuttable presumption that all companies within the country are subject to government control and thus should be assigned a single antidumping duty rate. It is the Department's policy to assign all exporters of merchandise subject to review in an NME country this single rate unless an exporter can demonstrate that it is sufficiently independent so as to be entitled to a separate rate. Exporters can demonstrate this independence through the absence of both *de jure* and *de facto* government

control over export activities. The Department analyzes each entity exporting the subject merchandise under a test arising from the *Final Determination of Sales at Less Than Fair Value: Sparklers from the People's Republic of China*, 56 FR 20588 (May 6, 1991) ("*Sparklers*"), as further developed in the *Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the People's Republic of China*, 59 FR 22585 (May 2, 1994) ("*Silicon Carbide*"). However, if the Department determines that a company is wholly foreign-owned or located in a market economy, then a separate-rate analysis is not necessary to determine whether it is independent from government control.

PBCD has demonstrated that the pre-acquisition CPZ was a China-Foreign joint venture, owned by two shareholders, a PRC based company and a U.S. company wholly-owned by the Spungen family. New Torch has stated that it is a joint stock limited, partially foreign invested enterprise. Therefore, the Department must analyze whether PBCD/CPZ and New Torch have demonstrated the absence of both *de jure* and *de facto* government control over export activities, and are therefore entitled to a separate rate. SKF submitted information indicating that SKF/CPZ is a wholly foreign-owned limited liability company. Therefore, for the purposes of these preliminary results, the Department finds that it is not necessary to perform a separate-rate analysis for SKF/CPZ.

a. 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.¹⁸

The evidence provided by PBCD and New Torch supports a preliminary finding of *de jure* absence of government control based on the following: (1) An absence of restrictive stipulations associated with the individual exporter's business and export licenses; (2) there are applicable legislative enactments decentralizing control of the companies; and (3) there are formal measures by the government

¹² See the Department's Memorandum from Kelly Parkhill, Acting Director, Office of Policy, to Wendy Frankel, Office Director, AD/CVD Operations, Office 8, regarding, "Request for a List of Surrogate Countries for an Administrative Review of the Antidumping Duty Order on Tapered Roller Bearings ("TRB") from the People's Republic of China ("PRC")," dated September 23, 2009 ("Surrogate Countries Memorandum").

¹³ See *Policy Bulletin 04.1* at 2.

¹⁴ See the Department's letter regarding, "2008–2009 Administrative Review of the Antidumping Duty Order on Tapered Roller Bearings from the People's Republic of China" requesting all interested parties to provide comments on surrogate-country selection and provide surrogate FOP values from the potential surrogate countries (i.e., India, Indonesia, the Philippines, Thailand, Colombia, and Peru), dated October 1, 2009.

¹⁵ Export information could not be found for all HTS subheadings specified in the scope of the order. As such, the Department utilized GTA data for all available HTS categories. GTA export statistics for India, the Philippines, Indonesia, Colombia, Thailand, and Peru only offer a basket category for all categories other than 8482.20.00 "Tapered roller bearings, including cone and tapered roller assemblies." In the case of the categories beginning with the four digit 8482 and 8483 heading, similar "NESOI" or "Other" subheadings were used in the alternative, though typically not as specific as that of the HTSUS category. However, in the case of the categories beginning with the four digit 8708 heading, GTA export statistics for each of the potential surrogate country candidates could only be found to the broadly defined 8708.99 subheading.

¹⁶ See Surrogate Value Memorandum; see also "Factor Valuations" section, below.

¹⁷ In accordance with 19 CFR 351.301(c)(1), for the final results of this administrative review, interested parties may submit factual information to rebut, clarify, or correct factual information submitted by an interested party less than ten days before, on, or after, the applicable deadline for submission of such factual information. However, the Department notes that 19 CFR 351.301(c)(1) permits new information only insofar as it rebuts, clarifies, or corrects information recently placed on the record. The Department generally will not accept the submission of additional, previously absent-from-the-record alternative surrogate value information pursuant to 19 CFR 351.301(c)(1). See *Glycine from the People's Republic of China: Final Results of Antidumping Duty Administrative Review and Final Rescission, in Part*, 72 FR 58809 (October 17, 2007), and accompanying Issues and Decision Memorandum ("IDM") at Comment 2.

¹⁸ See *Sparklers*, 56 FR at 20589.

decentralizing control of the companies.¹⁹

b. Absence of De facto Control

Typically the Department considers four factors in evaluating whether each respondent is subject to *de facto* government control of its export functions: (1) Whether the export prices are set by or are subject to the approval of a government agency; (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 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.²⁰

The Department has determined that an analysis of *de facto* control is critical in determining whether respondents are, in fact, subject to a degree of government control over export activities which would preclude the Department from assigning separate rates. For PBCD and New Torch, we determine that the evidence on the record supports a preliminary finding of *de facto* absence of government control based on record statements and supporting documentation showing the following: (1) Each respondent sets its own export prices independent of the government and without the approval of a government authority; (2) each respondent retains the proceeds from its sales and makes independent decisions regarding disposition of profits or financing of losses; (3) each respondent has the authority to negotiate and sign contracts and other agreements; and (4) each respondent has autonomy from the government regarding the selection of management.²¹

The evidence placed on the record of this review by each respondent demonstrates an absence of *de jure* and *de facto* government control with respect to its exports of the merchandise under review, in accordance with the criteria identified in *Sparklers and Silicon Carbide*. Therefore, we are

preliminarily granting PBCD and New Torch a separate rate.

Affiliation—SKF/CPZ and Company A²²

In its questionnaire responses, SKF/CPZ indicated that it was affiliated with Company A. For purposes of the preliminary results, the Department has determined not to conduct a collapsing analysis with respect to SKF/CPZ and Company A due to insufficient information on the record. However, we intend to solicit additional information with respect to this issue, and will address it subsequent to the preliminary results.

Bona Fide Sale Analysis—New Torch

New Torch reported a single sale of subject merchandise to the United States during the POR.²³ In evaluating whether or not a sale subject to 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 arms-length basis.²⁴ The Department examines the *bona fide* nature of a sale on a case-by-case basis, and the analysis may vary with the facts surrounding each sale.²⁵ In *TTPC*, the court affirmed the Department's practice of considering that "any factor which indicates that the sale under consideration is not likely to be typical of those which the producer will make in the future is relevant,"²⁶ and that "the weight given to each factor investigated will depend on the circumstances surrounding the sale."²⁷ In *New Donghua*, the Court stated that the Department's practice makes clear

²² The identity of "Company A" is proprietary. See the Department's memorandum entitled, "2008–2009 Administrative Review of the Antidumping Duty Order on Tapered Roller Bearings and Parts Thereof, Finished or Unfinished, from the People's Republic of China: Analysis of the Preliminary Determination Margin Calculation for SKF-Owned Peer Bearing Company—Changshan," dated concurrently with this notice ("SKF Program Analysis Memorandum") for further discussion.

²³ See New Torch's November 12, 2009, Section C and D questionnaire response at C–8.

²⁴ See *Tianjin Tiancheng Pharmaceutical Co., Ltd. v. United States*, 366 F. Supp. 2d 1246, 1250 S. ("TTPC") (CIT 2005), citing *Am. Silicon Techs. v. United States*, F. Supp. 2d 992, 995 (CIT 2000).

²⁵ See *Hebei New Donghua Amino Acid Co., Ltd. v. United States*, 374 F. Supp. 2d 1333, 1338 (CIT 2005), ("*New Donghua*") quoting *Fresh Garlic from the PRC: Final Results of Administrative Review and Rescission of New Shipper Review*, 67 FR 11283 (March 13, 2002), and accompanying IDM.

²⁶ See *TTPC*, 366 F. Supp. 2d at 1250, citing *Windmill Int'l Pte., Ltd. v. United States*, F. Supp. 2d 1303, 1307 (CIT 2002).

²⁷ See *TTPC*, 366 F. Supp. 2d at 1263.

that the Department "is highly likely to examine objective, verifiable factors to ensure that a sale is not being made to circumvent an antidumping duty order."²⁸

For the reasons stated below, we preliminarily find New Torch's reported U.S. sales during the POR to be *bona fide* based on the facts on the record. First, the sales were made to an unaffiliated customer with the terms set by negotiation and payment received in a timely manner, indicating that the sales were made at arm's-length. Second, there does not seem to be anything unusual in the timing of New Torch's sales. Third, New Torch's sales prices and quantities are similar to the prices and quantities examined during the POR. Fourth, there were no unusual expenses arising from these sales. Fifth, there is no record evidence that the merchandise was not resold at a profit. Therefore, based on the totality of the circumstances, the Department preliminarily finds that New Torch's sales are *bona fide*.²⁹

Successor in Interest—SKF/CPZ

On September 11, 2008, approximately three and a half months into the POR, PBCD/CPZ and its Illinois-based U.S. sales affiliate, PBCD/Peer, were each acquired by AB SKF, a Swedish conglomerate, and henceforth known as SKF/CPZ and SKF/Peer. In addition, on August 28, 2009, SKF submitted a request for a changed circumstance review ("CCR") to determine that SKF/CPZ is not the successor-in-interest to PBCD/CPZ. On September 30, 2009, the Department informed parties that the information provided in SKF's August 28, 2009, submission was sufficient to warrant a successor-in-interest analysis regarding SKF's acquisition of CPZ, and that this determination would be performed within the context of the instant administrative review.

In determining whether one company is the successor to another for purposes of applying the antidumping duty law, the Department examines a number of factors including, but not limited to, changes in: (1) Management, (2)

²⁸ See *New Donghua*, 374 F. Supp. 2d at 1339.

²⁹ See Memorandum to Wendy Frankel, Director, AD/CVD Operations, Office 8, Import Administration, through Erin Begnal, Program Manager, AD/CVD Operations, Office 8, from Trisha Tran, International Trade Analyst, AD/CVD Operations, Office 8, regarding Administrative Review of the Antidumping Duty Order Covering Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From the People's Republic of China (6/1/2008–5/31/2009): *Bona Fide Nature of the Sales Under Review for Hubei New Torch Science & Technology Co., Ltd. ("New Torch")* (July 7, 2010).

¹⁹ See PBCD/SKF's Joint Section A Questionnaire Response, dated October 14, 2009, and New Torch's Section A Questionnaire Response, dated November 2, 2009.

²⁰ See *Silicon Carbide*, 59 FR at 22586–87; see also *Notice of Final Determination of Sales at Less Than Fair Value: Furfuryl Alcohol From the People's Republic of China*, 60 FR 22544, 22545 (May 8, 1995).

²¹ See PBCD/SKF's Joint Section A Questionnaire Response, dated October 14, 2009, and New Torch's Section A Questionnaire Response, dated November 2, 2009.

production facilities, (3) supplier relationships, and (4) customer base.³⁰ Although no single or even several of these factors will necessarily provide a dispositive indication of succession, generally the Department will consider one company to be a successor to another company if its resulting operation is not materially dissimilar to that of its predecessor.³¹ Thus, if the “totality of circumstances” demonstrates that, with respect to the production and sale of the subject merchandise, the new company operates as the same business entity as the prior company, the Department will assign the new company the cash-deposit rate of its predecessor.³²

In its initial CCR request and subsequent responses to the Department’s supplemental questionnaires, SKF provided documentation demonstrating that SKF/CPZ instituted a significant change to upper management that starkly contrasts with the management structure of PBCD/CPZ, including the appointment of a new board of directors and a new General Manager. Additionally, SKF expanded its production capabilities by acquiring two co-located affiliated business entities and integrated the production capabilities into one newly consolidated company.

The Department finds that the totality of the circumstances demonstrate that SKF/CPZ is not the successor-in-interest to PBCD/CPZ. First, the Department finds that, because SKF/CPZ has replaced and restructured the company’s top management, SKF/CPZ has demonstrated that the company’s operations and production decisions are distinct from the management and operations of PBCD/CPZ. Additionally, we find that changes in SKF/CPZ’s integration and expansion of its production facilities and structure, along with SKF/CPZ’s complete management restructure, demonstrate that SKF/CPZ is a distinct entity from that of the pre-acquisition company. As such, we preliminarily determine that SKF/CPZ is not the successor-in-interest to the pre-acquisition PBCD/CPZ.³³

³⁰ See, e.g., *Ball Bearings and Parts Thereof from France: Final Results of Changed-Circumstances Review*, 75 FR 34688 (June 18, 2010), and IDM at Comment 1.

³¹ See, e.g., *Fresh and Chilled Atlantic Salmon From Norway: Final Results of Changed Circumstances Antidumping Duty Administrative Review*, 64 FR 9979 (March 1, 1999).

³² See *Id.* at 9980; see also *Brass Sheet and Strip from Canada: Final Result of Administrative Review*, 57 FR 20461 (May 13, 1992), and IDM at Comment 1.

³³ See Memorandum to Wendy Frankel, Director, AD/CVD Operations, Office 8, Import Administration, through Erin Begnal, Program

Fair Value Comparisons

To determine whether sales of TRBs to the United States by respondents were made at less than fair value (“LTFV”), we compared constructed export price (“CEP”) and export price (“EP”) to NV, as described in the “U.S. Price” and “Normal Value” sections of this notice, below, and pursuant to section 771(35) of the Act.

U.S. Price

Constructed Export Price

In accordance with section 772(b) of the Act, CEP is the price at which the subject merchandise is first sold (or agreed to be sold) in the United States before or after the date of importation by or for the account of the producer or exporter of such merchandise or by a seller affiliated with the producer or exporter, to a purchaser not affiliated with the producer or exporter, as adjusted under sections 772(c) and (d) of the Act. In accordance with section 772(b) of the Act, we used CEP for PBCD/CPZ and SKF/CPZ’s sales where the exporter first sold subject merchandise to its affiliated company in the United States, PBCD/Peer and SKF/Peer, respectively, which in turn sold subject merchandise to unaffiliated U.S. customers. We calculated CEP based on delivered prices to unaffiliated purchasers in the United States. We made deductions from the U.S. sales price for movement expenses in accordance with section 772(c)(2)(A) of the Act. These included foreign inland freight from the plant to the port of exportation, international freight, brokerage and handling, marine insurance, other U.S. transportation, U.S. customs duty, U.S. warehousing expenses, where applicable, U.S. inland freight from port to the warehouse, and U.S. inland freight from the warehouse to the customer. Where foreign inland freight, foreign brokerage and handling fees, or international freight were provided by PRC service providers or paid for in renminbi, we based those charges on surrogate rates from India. See “Factor Valuations” section below for further discussion of surrogate rates. In accordance with section 772(d)(1) of the Act, the Department deducted credit expenses, inventory carrying costs and indirect selling expenses from the U.S. price, all of which relate to commercial activity in the United States. Finally, we deducted CEP profit, in accordance with

Manager, AD/CVD Operations, Office 8, from Brendan Quinn, International Trade Analyst, AD/CVD Operations, Office 8, entitled “Tapered Roller Bearings from the People’s Republic of China: Preliminary Successor-In-Interest Determination,” dated July 7, 2010.

sections 772(d)(3) and 772(f) of the Act.³⁴

Consistent with our determination in the 2006–2007 review,³⁵ we have preliminarily determined to use PRODCOD as a basis for comparing NV to CEP for PBCD and SKF’s sales of subject merchandise.

SKF/CPZ Existing Inventory

On September 11, 2008, AB SKF acquired various Spungen family-owned companies, including PBCD/CPZ and PBCD/Peer. Through a share transfer agreement, AB SKF acquired PBCD/CPZ and PBCD/Peer, including PBCD/CPZ’s assets and liabilities. Among these assets were existing unsold inventory held by PBCD/Peer, which was produced by PBCD/CPZ prior to the acquisition.

SKF has argued that the acquisition of PBCD/Peer’s unsold inventory constituted a CEP sale of all remaining inventory to SKF/Peer as the first unaffiliated customer, and requested that the Department treat the transfer as a CEP sale for the purposes of this review. However, PBCD disagreed that the inventory transfer constituted a CEP sale, arguing, that no asset transfer or sale of inventory was specified by the acquisition documents.³⁶

For these preliminary results, the Department finds that SKF’s acquisition of PBCD/CPZ and PBCD/Peer, pursuant to the Master Purchase Agreement (“MPA”), should not be treated as the first sale to an unaffiliated customer of the inventory held by PBCD/Peer for the purpose of calculating the margin of dumping in this administrative review. The MPA specifies the details of the share transfer between ownership parties upon finalization of the acquisition agreement, which resulted in the transfer of ownership of various

³⁴ See the Department’s memorandum entitled, “2008–2009 Administrative Review of the Antidumping Duty Order on Tapered Roller Bearings and Parts Thereof, Finished or Unfinished, from the People’s Republic of China: Analysis of the Preliminary Determination Margin Calculation for Spungen-Owned Peer Bearing Company—Changshan,” dated concurrently with this notice (“PBCD Program Analysis Memorandum”); see also the Department’s memorandum entitled, “2008–2009 Administrative Review of the Antidumping Duty Order on Tapered Roller Bearings and Parts Thereof, Finished or Unfinished, from the People’s Republic of China: Analysis of the Preliminary Determination Margin Calculation for SKF-Owned Peer Bearing Company—Changshan,” dated concurrently with this notice (“SKF Program Analysis Memorandum”).

³⁵ See *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From the People’s Republic of China: Final Results of the Administrative Review*, 74 FR 3987 (January 22, 2009), and accompanying IDM at Comment 3.

³⁶ For a complete analysis of the arguments forwarded by parties on this issue, see SKF Program Analysis Memorandum.

Spungen-owned companies, including PBCD/Peer and PBCD/CPZ, to various AB SKF-owned affiliates. Therefore, as explained by SKF, there was no sale value specifically associated with just the TRB inventory as part of the MPA. Instead, SKF reported sales prices for the inventory based on an accounting value it obtained from a third party accounting firm for financial reporting purposes subsequent to the acquisition. Thus, the value reported by SKF is not reflective of negotiated sales prices for this merchandise. Therefore, the Department finds that the fact the SKF acquired the inventory of PBCD/Peer simply reflects the fact the inventory in question would remain with SKF/Peer and was not being retained by the former owner of PBCD/Peer. Accordingly, we are examining the sales of this merchandise from SKF to its first unaffiliated downstream customer, and have relied on the U.S. sales prices of SKF/Peer's downstream sales for purposes of calculating SKF/Peer's dumping margin.³⁷

Export Price

Because New Torch sold subject merchandise to unaffiliated purchasers in the United States prior to importation into the United States, we used EP for these transactions in accordance with section 772(a) of the Act. We calculated EP based on the delivery method reported to the first unaffiliated purchaser in the United States. New Torch's sales required no deductions included in section 772(c) of the Act.³⁸

Normal Value

We compared NV to individual EP and CEP transactions in accordance with section 777A(d)(2) of the Act, as appropriate. Section 773(c)(1) of the Act provides that the Department shall determine NV using an FOP methodology if: (1) The merchandise is exported from an NME country; and (2) 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. When determining NV in an NME context, the Department will base NV on FOPs because the presence of government controls on various aspects of these economies renders price comparisons and the calculation of

production costs invalid under our normal methodologies. Under section 773(c)(3) of the Act, 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. The Department used FOPs reported by the respondents for materials, energy, labor and packing.

In past cases, it has been the Department's practice to value various FOPs using import statistics of the primary selected surrogate country from World Trade Atlas ("WTA"), as published by Global Trade Information Services ("GTIS").³⁹ However, in October 2009, the Department learned that Indian import data obtained from the WTA, as published by GTIS, began identifying the original reporting currency for India as the U.S. Dollar. The Department then contacted GTIS about the change in the original reporting currency for India from the Indian Rupee to the U.S. Dollar. Officials at GTIS explained that while GTIS obtains data on imports into India directly from the Ministry of Commerce, Government of India, as denominated and published in Indian Rupees, the WTA software is limited with regard to the number of significant digits it can manage. Therefore, GTIS made a decision to change the original reporting currency for Indian data from the Indian Rupee to the U.S. Dollar in order to reduce the loss of significant digits when obtaining data through the WTA software. GTIS explained that it converts the Indian Rupee to the U.S. Dollar using the monthly Federal Reserve exchange rate applicable to the relevant month of the data being downloaded and converted.⁴⁰

Because of the conversion and rounding problems in the data reported by WTA, the Department will now obtain import statistics from Global Trade Atlas ("GTA"), as published by GTIS, for valuing various FOPs. The data reported in the GTA software reports import statistics, such as from India, in the original reporting currency and thus this data corresponds to the original currency value reported by each country. Additionally, the data reported in the GTA software is reported to the

nearest digit and thus there is not a loss of data by rounding, as there is with the data reported by the WTA software. Consequently the import statistics we obtain from GTA are in the original reporting currency of the country from which the data are obtained and have the same level of accuracy as the original data released.

In the instant review, PBCD and SKF reported sales that were further manufactured or assembled in a third country. Consistent with the TRBs 2007–2008, the Department has determined that the finishing operations in the third country do not constitute substantial transformation and, hence, do not confer a new country of origin for antidumping purposes.⁴¹ As such, we have determined NV for such sales based on the country of origin (*i.e.*, the PRC), pursuant to section 773(a)(3)(A) of the Act, because PBCD and SKF knew at the time of the sale of merchandise that it was destined for export. The Department also included the further manufacturing and assembly costs incurred in the third country in the NV calculation, as well as the expense of transporting the merchandise from the factory in the PRC to the further manufacturing plant in the third country.⁴²

Factor Valuations

In accordance with section 773(c) of the Act, we calculated NV based on FOPs reported by respondents for the POR. In accordance with 19 CFR 351.408(c)(1), the Department will normally use publicly available information to find an appropriate surrogate value ("SV") to value FOPs, but when a producer sources an input from a market economy and pays for it in market economy currency, the Department normally will value the factor using the actual price paid for the input.⁴³ To calculate NV, we multiplied the reported per-unit factor-consumption rates by publicly available surrogate values (except as discussed below). In selecting the surrogate values, we considered the quality, specificity, and contemporaneity of the data.⁴⁴ As

⁴¹ See *Tapered Roller Bearings and Parts Thereof, Finished or Unfinished, from the People's Republic of China: Final Results of 2007–2008 Administrative Review of the Antidumping Duty Order*, 75 FR 844 (January 6, 2010) ("TRBs 2007–2008"), and accompanying IDM at Comment 1.

⁴² See PBCD and SKF Program Analysis Memoranda.

⁴³ See 19 CFR 351.408(c)(1); see also *Shakeproof Assembly Components Div of Ill Tool Works v. United States*, 268 F. 3d 1376, 1382–1383 (Fed. Cir. 2001) (affirming the Department's use of market-based prices to value certain FOPs).

⁴⁴ See, e.g., *Fresh Garlic From the People's Republic of China: Final Results of Antidumping*

Continued

³⁷ See *Id.* for further discussion of this issue.

³⁸ See the Department's memorandum entitled, "2008–2009 Administrative Review of the Antidumping Duty Order on Tapered Roller Bearings and Parts Thereof, Finished or Unfinished, from the People's Republic of China: Analysis of the Preliminary Determination Margin Calculation for Hubei New Torch Science & Technology Co., Ltd.," dated concurrently with this notice ("New Torch Program Analysis Memorandum").

³⁹ See *Certain Preserved Mushrooms from the People's Republic of China: Preliminary Results of Antidumping Duty New Shipper Review*, 74 FR 50946, 50950 (October 2, 2009).

⁴⁰ See *Certain Oil Country Tubular Goods from the People's Republic of China: Final Determination of Sales at Less Than Fair Value, Affirmative Final Determination of Critical Circumstances, and Final Determination of Targeted Dumping*, 75 FR 20335 (April 19, 2010) and accompanying IDM at Comment 4.

appropriate, we adjusted input prices by including freight costs to make them delivered prices. Specifically, we added to import surrogate values a surrogate freight cost using the shorter of the reported distance from the domestic supplier to the factory or the distance from the nearest seaport to the factory where appropriate. This adjustment is in accordance with the Court of Appeals for the Federal Circuit's decision in *Sigma Corp. v. United States*, 117 F.3d 1401, 1407–08 (Fed. Cir. 1997). A detailed description of all surrogate values used for PBCD/CPZ, SKF/CPZ, and New Torch can be found in the Surrogate Value Memorandum.

For the preliminary results, in accordance with the Department's practice, except where noted below, we used data from the Indian Import Statistics in the GTA and other publicly available Indian sources in order to calculate surrogate values for PBCD/CPZ, SKF/CPZ, and New Torch's FOPs (i.e. direct materials, energy, and packing materials) and certain movement expenses. In selecting the best available information for valuing FOPs in accordance with section 773(c)(1) of the Act, the Department's practice is to select, to the extent practicable, surrogate values which are non-export average values, most contemporaneous with the POR, product-specific, and tax-exclusive.⁴⁵ The record shows that data in the Indian Import Statistics, as well as those from the other Indian sources, are contemporaneous with the POI, product-specific, and tax-exclusive.⁴⁶ In those instances where we could not obtain publicly available information contemporaneous to the POI with which to value factors, we adjusted the surrogate values using, where appropriate, the Indian Wholesale Price Index ("WPI") as published in the IMF's *International Financial Statistics*.⁴⁷

Duty New Shipper Review, 67 FR 72139 (December 4, 2002), and accompanying IDM at Comment 6; and *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 IDM at Comment 5.

⁴⁵ See, e.g., *Notice of Preliminary Determination of Sales at Less Than Fair Value, Negative Preliminary Determination of Critical Circumstances and Postponement of Final Determination: Certain Frozen and Canned Warmwater Shrimp From the Socialist Republic of Vietnam*, 69 FR 42672, 42682 (July 16, 2004), unchanged in *Final Determination of Sales at Less Than Fair Value: Certain Frozen and Canned Warmwater Shrimp from the Socialist Republic of Vietnam*, 69 FR 71005 (December 8, 2004).

⁴⁶ See Surrogate Value Memorandum.

⁴⁷ See, e.g., *Certain Kitchen Appliance Shelving and Racks From the People's Republic of China: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final*

Determination, 74 FR 9600 (March 5, 2009), unchanged in *Certain Kitchen Appliance Shelving and Racks From the People's Republic of China: Final Determination of Sales at Less than Fair Value*, 74 FR 36656 (July 24, 2009).
In accordance with the OTCA 1988 legislative history, the Department continues to apply its long-standing practice of disregarding surrogate values if it has a reason to believe or suspect the source data may be subsidized.⁴⁸ In this regard, the Department has previously found that it is appropriate to disregard such prices from India, Indonesia, South Korea and Thailand because we have determined that these countries maintain broadly available, non-industry specific export subsidies.⁴⁹ Based on the existence of these subsidy programs that were generally available to all exporters and producers in these countries at the time of the POR, the Department finds that it is reasonable to infer that all exporters from India, Indonesia, South Korea and Thailand may have benefitted from these subsidies. Additionally, we disregarded prices from NME countries.⁵⁰ Finally, imports that were labeled as originating from an "unspecified" country were excluded from the average value, because the Department could not be certain that they were not from either an NME country or a country with generally available export subsidies.⁵¹

PBCD and SKF claim that certain of their reported raw material inputs were sourced from an ME country and paid for in ME currencies. When a respondent sources inputs from an ME supplier in meaningful quantities, we use the actual price paid by respondent for those inputs, except when prices may have been distorted by dumping or subsidies.⁵² Where we found ME

Determination, 74 FR 9600 (March 5, 2009), unchanged in *Certain Kitchen Appliance Shelving and Racks From the People's Republic of China: Final Determination of Sales at Less than Fair Value*, 74 FR 36656 (July 24, 2009).

⁴⁸ Omnibus Trade and Competitiveness Act of 1988, Conf. Report to Accompany H.R. 3, H.R. Rep. No. 576, 100th Cong., 2nd Sess. (1988) ("OTCA 1988") at 590.

⁴⁹ See e.g., *Expedited Sunset Review of the Countervailing Duty Order on Carbazole Violet Pigment 23 from India*, 75 FR 13257 (March 19, 2010) and accompanying Issues and Decision Memorandum at pages 4–5; *Expedited Sunset Review of the Countervailing Duty Order on Certain Cut-to-Length Carbon Quality Steel Plate from Indonesia*, 70 FR 45692 (August 8, 2005) and accompanying Issues and Decision Memorandum at page 4; *See Corrosion-Resistant Carbon Steel Flat Products from the Republic of Korea: Final Results of Countervailing Duty Administrative Review*, 74 FR 2512 (January 15, 2009) and accompanying Issues and Decision Memorandum at pages 17, 19–20; *See Certain Hot-Rolled Carbon Steel Flat Products from Thailand: Final Results of Countervailing Duty Determination*, 66 FR 50410 (October 3, 2001) and accompanying Issues and Decision Memorandum at page 23.

⁵⁰ See *Id.*

⁵¹ See *Id.*

⁵² See *Antidumping Duties; Countervailing Duties; Final Rule*, 62 FR 27296, 27366 (May 19, 1997).

purchases to be of significant quantities (i.e., 33 percent or more), in accordance with our statement of policy as outlined in *Antidumping Methodologies: Market Economy Inputs*,⁵³ we used the actual purchases of these inputs to value the inputs.

Accordingly, we valued certain of respondents' inputs using the ME prices paid for in ME currencies for the inputs where the total volume of the input purchased from all ME sources during the POR exceeds or is equal to 33 percent of the total volume of the input purchased from all sources during the period. Where the quantity of the reported input purchased from ME suppliers was below 33 percent of the total volume of the input purchased from all sources during the POR, and were otherwise valid, we weight-averaged the ME input's purchase price with the appropriate surrogate value for the input according to their respective shares of the reported total volume of purchases.⁵⁴ Where appropriate, we added freight to the ME prices of inputs. For a detailed description of the actual values used for the ME inputs reported, see the Department's analysis memoranda dated concurrently with this notice.

Among the FOPs for which the Department calculated SVs using Indian import statistics are bearing-quality steel bar, cage steel, steel by-product, cone spacer, coal, anti-rust oil, and all packing materials.

In their June 16, 2010, surrogate value submission, PBCD expressed concerns regarding the quality of certain SV information from the primary surrogate country, India, specifically in regard to the valuation of bearing quality steel bar and wire rod inputs. In these comments, PBCD argues that the Indian import data for HTS 7228.30.29 (Other bars and rods of other alloy steel; angles, shapes and sections, of other alloy steel; hollow drill bars and rods, of alloy or non-alloy steel; Other bars and rods, not further worked than hot-rolled, hot-drawn or extruded; Bright Bars; Other), submitted by Petitioner and SKF as a surrogate to value bearing quality steel bar, are aberrational due to the relatively high value when benchmarked against similar bearing and roller quality steel HTS categories in the U.S. and potential surrogate countries. Furthermore, PBCD reiterates the position previously

⁵³ See *Antidumping Methodologies: Market Economy Inputs, Expected Non-Market Economy Wages, Duty Drawback; and Request for Comments*, 71 FR 61716, 61717 (October 19, 2006) ("Antidumping Methodologies: Market Economy Inputs").

⁵⁴ See *Antidumping Methodologies: Market Economy Inputs*, 71 FR at 61718.

forwarded by SKF in its December 7, 2009, surrogate value submission that, consistent with the analysis of potential wire rod SVs performed in the prior review, certain data considerations compel the Department to reject Indian import information for HTS 7228.50.90 (Other bars and rods of other alloy steel; angles, shapes and sections, of other alloy steel; hollow drill bars and rods, of alloy or non-alloy steel; Other bars and rods, not further worked than cold-formed or cold-finished: Other) in favor of Thai import data for HTS 7228.50.90 (Other bars and rods of other alloy steel; angles, shapes and sections, of other alloy steel; hollow drill bars and rods, of alloy or non-alloy steel; Other bars and rods, not further worked than cold-formed or cold-finished: Other) to value wire rod inputs in the instant review. Petitioner addressed the steel bar and wire rod surrogate issues in its June 18, 2010, surrogate value comments, as well as additional comments submitted on June 21, 2010. While Petitioner maintains that the Department should value all FOPs, including wire rod and steel bar, using surrogate data from the primary surrogate country (*i.e.* India), it adds that, should the Department determine that Thai data is preferable to Indian data for the valuation of wire rod inputs, as was determined in the prior review, Thai import data for HTS 7228.50.10⁵⁵ are a more appropriate surrogate to value wire rod than the Thai import data for HTS 7228.50.90 suggested by PBCD and SKF.

For the preliminary results, we have determined to use contemporaneous Thai import data from HTS category 7228.50.10 and contemporaneous Indian import data from HTS category 7228.30.29 to calculate a SV for roller quality steel wire rod and bearing quality steel bar, respectively. As in *TRBs 2007–2008*, the Indian import statistics for HTS category 7228.50.90 show wide variations in the average unit values (“AUVs”) between the individual countries listed as exporters in the data. Thai import statistics under Thai HTS categories 7228.50.10 and 7228.50.90 do not exhibit the wide level of AUV variance between imports from individual countries that is seen in the Indian data. Thus, we have determined to use Thai data to value steel wire rod. We have used Thai HTS category 7228.50.10 to value wire rod, as it is more specific to the input than Thai HTS category 7228.50.90 because the

wire rod in this category are circular, as are the respondents’ inputs. Using the same method of analysis, Indian import statistics for steel bar under Indian HTS category 7228.30.29 appear to be reasonably consistent and do not have wide fluctuations between the AUVs from individual countries. As it is our preference to use SVs from within the primary surrogate country, and because we do not find that the Indian import data under Indian HTS category 7228.30.29 are aberrational, we preliminarily determine to value steel bar from Indian HTS category 7228.30.29.⁵⁶

We valued truck freight expenses using a per-unit average rate calculated from data on the infobanc Web site: <http://www.infobanc.com/logistics/logtruck.htm>. The logistics section of this Web site contains inland freight truck rates between many large Indian cities.⁵⁷

We valued inland water freight using price data for barge freight reported in a March 19, 2007, article published in *The Hindu Business Line*.⁵⁸ Since the inland water transportation rates are not contemporaneous with the POR, we inflated the rates using the Indian WPI inflator.

We valued brokerage and handling using a price list of export procedures necessary to export a standardized cargo of goods in India. The price list is compiled based on a survey case study of the procedural requirements for trading a standard shipment of goods by ocean transport in India that is published in *Doing Business 2010: India*, published by the World Bank.⁵⁹ Since brokerage and handling rates are not contemporaneous with the POR, we inflated the rates using the Indian WPI inflator.

We valued electricity using the updated electricity price data for small, medium, and large industries, as published by the Central Electricity Authority, an administrative body of the Government of India, in its publication titled “Electricity Tariff & Duty and Average Rates of Electricity Supply in India,” dated March 2008. These electricity rates represent actual country-wide, publicly-available information on tax-exclusive electricity rates charged to small, medium, and large industries in India.⁶⁰ Because the rates listed in this source became effective on a variety of different dates,

we are not adjusting the average value for inflation. In other words, the Department did not inflate this value to the POR because the utility rates represent current rates, as indicated by the effective date listed for each of the rates provided.⁶¹

We valued international air freight using rates based on the market economy air freight purchases of SKF and PBCD.⁶²

We valued water using the revised Maharashtra Industrial Development Corporation water rates available at <http://www.midcindia.com/water-supply>.⁶³

The Department is valuing international ocean freight from the PRC to the United States using data obtained from the Descartes Carrier Rate Retrieval Database (“Descartes”), which can be accessed via <http://descartes.com/>. The Department has calculated the period-average international freight rate by obtaining rates from multiple carriers for a single day in each quarter of the POR. For any rate that the Department determined was from a non-market economy carrier, the Department has not included that rate in the period-average international freight calculation. Additionally, the Department has not included any charges included in the rate that are covered by brokerage and handling charges that the respondent incurred and are valued by the reported market economy purchase or the appropriate surrogate value in the calculation.⁶⁴

Because PBCD and SKF had shipments of subject merchandise to a third country for further manufacturing during the POR, we added the additional international freight cost to NV, and applied the surrogate value for international freight from the PRC to the third country. The Department valued ocean freight using publicly available data collected from Maersk Line.⁶⁵

For direct, indirect, and packing labor, pursuant to a recent decision by the Court of Appeals for the Federal Circuit, we have calculated an hourly wage rate to use in valuing each respondent’s reported labor input by averaging earnings and/or wages in countries that are economically comparable to the PRC and that are significant producers of comparable

⁶¹ See, e.g., *Wire Decking from the People’s Republic of China: Final Determination of Sales at Less Than Fair Value*, 75 FR 32905 (June 10, 2010), and accompanying IDM at Comment 3.

⁶² See Surrogate Value Memorandum.

⁶³ See *Id.*

⁶⁴ See *Id.*

⁶⁵ See *Id.*

⁵⁶ See Surrogate Value Memorandum for further analysis.

⁵⁷ See *Id.*

⁵⁸ See *Id.*

⁵⁹ See *Id.*

⁶⁰ See *Id.*

⁵⁵ Other bars and rods of other alloy steel; angles, shapes and sections, of other alloy steel; hollow drill bars and rods, of alloy or non-alloy steel; Other bars and rods, not further worked than cold-formed or cold-finished: Of circular cross-section.

merchandise.⁶⁶ Because this wage rate does not separate the labor rates into different skill levels or types of labor, the Department has applied the same wage rate to all skill levels and types of labor reported by the respondents.⁶⁷

To value factory overhead, selling, general and administrative expenses and profit, the Department used the average of the ratios derived from the financial statements of three Indian producers: SKF India Limited (for the year ending on December 31, 2008), ABC Bearings Limited (for the year ending on March 31, 2009), and FAG Bearings India Limited (for the year ending on December 31, 2008).⁶⁸

Each respondent reported that steel scrap was recovered as a by-product of the production of subject merchandise and successfully demonstrated that the scrap has commercial value, therefore, we have granted by-product offset for the quantities of these reported by-products, valued using Indian GTA data.⁶⁹

Currency Conversion

Where appropriate, we made currency conversions into U.S. dollars, in accordance with section 773A(a) of the Act, based on the exchange rates in effect on the dates of the U.S. sales as certified by the Federal Reserve Bank.

Preliminary Results of Review

We preliminarily determine that the following weighted-average dumping margin exists for the period June 1, 2008, through May 31, 2009:

| TRBS FROM THE PRC | |
|---|-----------------------------------|
| Exporter | Weighted-average margin (percent) |
| Spungen-Owned Peer Bearing Company-Changshan | 52.26 |
| SKF-Owned Changshan Peer Bearing Co., Ltd | 9.94 |
| Hubei New Torch Science & Technology Co., Ltd | 00.00 |

Disclosure and Public Comment

The Department will disclose calculations performed for these preliminary results to the parties within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). Interested parties may submit written comments no later than 30 days after the date of publication of

these preliminary results of review.⁷⁰ Rebuttals to written comments may be filed no later than five days after the written comments are filed.⁷¹ Further, parties submitting written comments and rebuttal comments are requested to provide the Department with an additional copy of those comments on diskette.

Any interested party may request a hearing within 30 days of publication of this notice.⁷² Hearing requests should contain the following information: (1) The party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Oral presentations will be limited to issues raised in the briefs. If a request for a hearing is made, parties will be notified of the time and date for the hearing to be held at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230.⁷³

The Department will issue the final results of this administrative review, which will include the results of its analysis of issues raised in any such comments, within 120 days of publication of these preliminary results, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

The Department will determine, and CBP shall assess, antidumping duties on all appropriate entries of subject merchandise in accordance with the final results of this review. For assessment purposes, we calculated exporter/importer- (or customer) -specific assessment rates for merchandise subject to this review. Where appropriate, we calculated an *ad valorem* rate for each importer (or customer) by dividing the total dumping margins for reviewed sales to that party by the total entered values associated with those transactions. For duty-assessment rates calculated on this basis, we will direct CBP to assess the resulting *ad valorem* rate against the entered customs values for the subject merchandise. Where appropriate, we calculated a per-unit rate for each importer (or customer) by dividing the total dumping margins for reviewed sales to that party by the total sales quantity associated with those transactions. For duty-assessment rates calculated on this basis, we will direct CBP to assess the resulting per-unit rate against the entered quantity of the subject merchandise. Where an

importer- (or customer) -specific assessment rate is *de minimis* (i.e., less than 0.50 percent), the Department will instruct CBP to assess that importer (or customer's) entries of subject merchandise without regard to antidumping duties. We intend to instruct CBP to liquidate entries containing subject merchandise exported by the PRC-wide entity at the PRC-wide rate we determine in the final results of this review. The Department intends to issue appropriate assessment instructions directly to CBP 15 days after publication of the final results of this review.

Cash-Deposit Requirements

The following cash-deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) For PBCD, SKF, and New Torch, the cash deposit rate will be their respective rates established in the final results of this review, except if the rate is zero or *de minimis* no cash deposit will be required; (2) for previously investigated or reviewed PRC and non-PRC exporters not listed above that have separate rates, the cash deposit rate will continue to be the exporter-specific rate published for the most recent period; (3) for all 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 92.84 percent; and (4) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporters that supplied that non-PRC exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

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

We are issuing and publishing these preliminary results of review in accordance with sections 751(a)(1) and

⁶⁶ See *Dorbest Ltd. v. United States*, 2009–1257 at 20 (CAFC 2010) (“*Dorbest*”).
⁶⁷ See Surrogate Value Memorandum.
⁶⁸ See *Id.*
⁶⁹ See *Id.*

⁷⁰ See 19 CFR 351.309(c).
⁷¹ See 19 CFR 351.309(d).
⁷² See 19 CFR 351.310(c).
⁷³ See 19 CFR 351.310(d).

777(i)(1) of the Act, and 19 CFR 351.213.

Dated: July 7, 2010.

Ronald K. Lorentzen,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 2010-17302 Filed 7-14-10; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

RIN 0648-XX52

Stanford University Habitat Conservation Plan; Extension of Comment Period

AGENCIES: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce; Fish and Wildlife Service, Interior (DOI).

ACTION: Notice; extension of comment period.

SUMMARY: The National Marine Fisheries Service and the U.S. Fish and Wildlife Service, are extending the comment period for our joint request for comments on the Stanford University Habitat Conservation Plan (Plan), the Draft Environmental Impact Statement (DEIS) for Authorization of Incidental Take and Implementation of the Plan, and the Implementing Agreement (IA). As of July 2, 2010, we have received comments from four organizations and individuals requesting that the comment period be extended by 45 days. In response to these requests, we are extending the comment period for an additional 45 days.

DATES: We must receive any written comments on the DEIS, Plan, and IA by August 30, 2010, at 5 p.m. Pacific Time.

ADDRESSES: Comments concerning the DEIS, Plan, and IA can be sent by U.S. Mail or facsimile to:

1. Gary Stern, San Francisco Bay Region Supervisor, National Marine Fisheries Service, 777 Sonoma Avenue, Room 325, Santa Rosa, CA 95404; facsimile (707) 578-3435; or

2. Eric Tattersall, Chief, Conservation Planning and Recovery Division, Fish and Wildlife Service, Sacramento Fish and Wildlife Office, 2800 Cottage Way, Room W-2605, Sacramento, CA 95825; facsimile (916) 414-6713.

Comments concerning the DEIS, Plan, and IA can also be sent by email to:

Stanford.HCP@noaa.gov. Include the document identifier: Stanford HCP.

FOR FURTHER INFORMATION CONTACT: Gary Stern (NMFS), 707-575-6060, or Sheila Larsen (USFWS), 916-414-6600.

SUPPLEMENTARY INFORMATION: We are extending the comment period for our jointly issued Stanford University Habitat Conservation Plan, a DEIS for Authorization of Incidental Take and Implementation of the Plan, and IA. On April 12, 2010, we opened a 90-day public comment period via a **Federal Register** notice (75 FR 18482). We then made a correction to our comment period closing date via a May 18, 2010 (75 FR 27708), notice. A public meeting was held at Stanford, CA on May 25, 2010. As of July 2, 2010, we received comments from four organizations and individuals requesting an extension of the comment period by 45 days. In response to requests from the public, we now extend the comment period for an additional 45 days. The comment period will now officially close on August 30, 2010, at 5 p.m. Pacific Time.

Background

For background information, see our April 12, 2010, notice (75 FR 18482).

Document Availability

Copies of the DEIS, Plan, and IA are available on the NMFS Southwest Region website at <http://swr.nmfs.noaa.gov> or the U.S. Fish and Wildlife Service's Sacramento Fish and Wildlife Office Website at <http://www.fws.gov/sacramento/>.

Alternatively, the documents are available for public review during regular business hours from 9 a.m. to 5 p.m. at the National Marine Fisheries Service's Santa Rosa Office and the U.S. Fish and Wildlife Service's Sacramento Fish and Wildlife Office (see **ADDRESSES**). Individuals wishing copies of the DEIS, Plan, or IA should contact either of the Services by telephone (see **FOR FURTHER INFORMATION CONTACT**) or by letter (see **ADDRESSES**).

Additionally, hardcopies of the DEIS, Plan, and IA are available for viewing, or for partial or complete duplication, at the following locations:

1. Social Sciences Resource Center, Green Library, Room 121, Stanford, CA 94305.

2. Palo Alto Main Library, 1213 Newell Road, Palo Alto, CA 94303.

Dated: July 12, 2010.

Therese Conant,

Acting Chief, Endangered Species Division, Office of Protected Resources, National Marine Fisheries Service.

Dated: July 9, 2010.

Alexandra Pitts,

Deputy Region Director, Pacific Southwest Region, U.S. Fish and Wildlife Service.

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BILLING CODES 3510-22-S, 4310-55-S

DEPARTMENT OF COMMERCE

International Trade Administration

U.S. Cleantech Trade & Investment Mission

AGENCY: International Trade Administration, Department of Commerce.

ACTION: Notice.

Mission Description

The United States Department of Commerce's International Trade Administration, U.S. and Foreign Commercial Service (USFCS), and Economic Development Administration (EDA) are holding the first ever U.S. Clean Technology Trade & Investment Mission to Lyon, France, November 29–December 2, 2010 and to Brussels, Belgium, December 2–4, 2010. This joint mission will be led by senior Department of Commerce officials Brian McGowan, Deputy Assistant Secretary for Economic Development, and Karen Zens, Deputy Assistant Secretary for International Operations (OIO) of the USFCS. This mission is designed to advance President Obama's economic growth initiatives and Secretary Locke's goal of simplifying access to the Department of Commerce's diverse suite of resources—all for the purpose of employment generation. This initiative will support both bureaus' job creation goals by increasing exports and attracting foreign direct investment (FDI), placing a particular emphasis on the clean technology sector.

This mission is especially significant as it includes, for the first time ever, both U.S. companies and delegates from U.S. communities. Please see the section titled "Participation Requirements" below for more information on community delegates and selection criteria that will be used to evaluate applicants. While traditional trade missions are limited to business-to-business connections, the addition of communities in this model provides much broader access to U.S. companies by leveraging regional business networks. Community delegates will