

In accordance with 19 CFR 351.310(c), we will hold a public hearing, if requested, to afford interested parties an opportunity to comment on this preliminary determination. 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. Parties will be notified of the schedule for the hearing and parties should confirm the time, date, and place of the hearing 48 hours before the scheduled time. *Requests for a public hearing should contain:* (1) 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.

This determination is issued and published pursuant to sections 703(f) and 777(i) of the Act and 19 CFR 351.221(b)(4).

Dated: June 30, 2008.

**David M. Spooner,**  
Assistant Secretary for Import  
Administration.

[FR Doc. E8-15733 Filed 7-9-08; 8:45 am]

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## DEPARTMENT OF COMMERCE

### International Trade Administration (C-570-923)

#### **Raw Flexible Magnets from the People's Republic of China: Final Affirmative Countervailing Duty Determination**

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

**SUMMARY:** The Department of Commerce (the Department) has made a final determination that countervailable subsidies are being provided to producers and exporters of raw flexible magnets (RFM) from the People's Republic of China (PRC). For information on the estimated subsidy rates, see the "Suspension of Liquidation" section of this notice.

**EFFECTIVE DATE:** July 10, 2008.

**FOR FURTHER INFORMATION CONTACT:**  
Kristen Johnson, AD/CVD Operations,  
Office 3, Import Administration,  
International Trade Administration,  
U.S. Department of Commerce, Room  
4012, 14th Street and Constitution  
Avenue, NW, Washington, DC 20230;  
telephone: 202-482-4793.

#### **SUPPLEMENTARY INFORMATION:**

##### **Petitioner**

The petitioner in this investigation is Magnum Magnetics Corporation (petitioner).

##### **Period of Investigation**

The period for which we are measuring subsidies, or period of investigation (POI), is January 1, 2006, through December 31, 2006.

##### **Case History**

On February 25, 2008, the Department published in the **Federal Register** its preliminary affirmative determination in the countervailing duty (CVD) investigation of RFM from the PRC. *See Raw Flexible Magnets from the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Countervailing Duty Determination with Final Antidumping Duty Determination*, 73 FR 9998 (February 25, 2008) (*RFM Preliminary Determination*).

On April 29, 2008, we received a case brief from the Government of the People's Republic of China (GOC). Petitioner submitted a rebuttal brief on May 5, 2008. Neither the GOC nor petitioner requested a hearing.

##### **Scope of Investigation**

The products covered by this investigation are certain flexible magnets regardless of shape,<sup>1</sup> color, or packaging.<sup>2</sup> Subject flexible magnets are bonded magnets composed (not necessarily exclusively) of (i) any one or combination of various flexible binders (such as polymers or co-polymers, or rubber) and (ii) a magnetic element, which may consist of a ferrite permanent magnet material (commonly, strontium or barium ferrite, or a combination of the two), a metal alloy (such as NdFeB or Alnico), any combination of the foregoing with each other or any other material, or any other material capable of being permanently magnetized.

Subject flexible magnets may be in either magnetized or unmagnetized (including demagnetized) condition, and may or may not be fully or partially laminated or fully or partially bonded with paper, plastic, or other material, of any composition and/or color. Subject flexible magnets may be uncoated or may be coated with an adhesive or any other coating or combination of coatings.

<sup>1</sup> The term "shape" includes, but is not limited to profiles, which are flexible magnets with a non-rectangular cross-section.

<sup>2</sup> Packaging includes retail or specialty packaging such as digital printer cartridges.

Specifically excluded from the scope of this investigation are printed flexible magnets, defined as flexible magnets (including individual magnets) that are laminated or bonded with paper, plastic, or other material if such paper, plastic, or other material bears printed text and/or images, including but not limited to business cards, calendars, poetry, sports event schedules, business promotions, decorative motifs, and the like. This exclusion does not apply to such printed flexible magnets if the printing concerned consists of only the following: a trade mark or trade name; country of origin; border, stripes, or lines; any printing that is removed in the course of cutting and/or printing magnets for retail sale or other disposition from the flexible magnet; manufacturing or use instructions (e.g., "print this side up," "this side up," "lamine here"); printing on adhesive backing (that is, material to be removed in order to expose adhesive for use such as application of laminate) or on any other covering that is removed from the flexible magnet prior or subsequent to final printing and before use; non-permanent printing (that is, printing in a medium that facilitates easy removal, permitting the flexible magnet to be re-printed); printing on the back (magnetic) side; or any combination of the above.

All products meeting the physical description of subject merchandise that are not specifically excluded are within the scope of this investigation. The products subject to the investigation are currently classifiable principally under subheadings 8505.19.10 and 8505.19.20 of the Harmonized Tariff Schedule of the United States (HTSUS). The HTSUS subheadings are provided only for convenience and customs purposes; the written description of the scope of this proceeding is dispositive.

##### **Scope Comments**

Interested parties submitted comments on the scope of investigation. Those comments are fully addressed in the Decision Memorandum, which is hereby adopted by this notice.

##### **Injury Test**

Because the PRC is a "Subsidies Agreement Country" within the meaning of section 701(b) of the Tariff Act of 1930, as amended, (the Act), section 701(a)(2) of the Act applies to this investigation. Accordingly, the International Trade Commission (ITC) must determine whether imports of the subject merchandise from the PRC materially injure, or threaten material injury to a U.S. industry. On November 9, 2007, the ITC published its preliminary determination that there is

a reasonable indication that an industry in the United States is materially injured or threatened with material injury by reason of imports from the PRC of subject merchandise. *See Raw Flexible Magnets from China and Taiwan*, Investigation Nos. 701-TA-452 and 731-TA-1129 and 1130 (Preliminary), 72 FR 63629 (November 9, 2007).

#### Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties to this investigation are addressed in the Decision Memorandum. Attached to this notice as an Appendix is a list of the issues that parties raised and to which we have responded in the Decision Memorandum. Parties can find a complete discussion of all issues raised in this investigation and the corresponding recommendations in this public memorandum, which is on file in the Department's Central Records Unit (CRU). In addition, a complete version of the Decision Memorandum can be accessed directly on the Internet at <http://ia.ita.doc.gov/frn/>. The paper copy and electronic version of the Decision Memorandum are identical in content.

#### Application of Facts Available, Including the Application of Adverse Inferences

For purposes of this final determination, we have relied on facts available and have used adverse inferences to determine the countervailable subsidy rates for the two mandatory respondents: China Ningbo Cixi Import Export Corporation (Cixi) and Polyflex Magnets Ltd. (Polyflex), in accordance with sections 776(a) and (b) of the Act. A full discussion of our decision to apply adverse facts available (AFA) is presented in the Decision Memorandum in the section "Application of Facts Available and Use of Adverse Inferences" and in "Analysis of Comments" at Comment 6.

#### Suspension of Liquidation

In accordance with section 705(c)(1)(B)(i)(I) of the Act, we have calculated an individual rate for the companies under investigation, Cixi and Polyflex. With respect to the all-others rate, section 705(c)(5)(A)(ii) of the Act provides that if the countervailable subsidy rates established for all exporters and producers individually investigated are determined entirely under section 776 of the Act, the Department may use any reasonable method to establish an all-others rate for exporters and producers not individually investigated. In this case,

the rate calculated for the two investigated companies is based entirely on facts available under section 776 of the Act. There is no other information on the record upon which we could determine an all-others rate. As a result, we have used the AFA rate calculated for Cixi and Polyflex as the all-others rate. This method is consistent with the Department's past practice. *See Final Affirmative Countervailing Duty Determination: Certain Hot-Rolled Carbon Steel Flat Products From Argentina*, 66 FR 37007, 37008 (July 16, 2001); *see also Final Affirmative Countervailing Duty Determination: Prestressed Concrete Steel Wire Strand From India*, 68 FR 68356, 68357 (December 8, 2003).

Producer/Exporter	Subsidy Rate
China Ningbo Cixi Import Export Corporation .....	109.95 percent <i>ad valorem</i>
Polyflex Magnets Ltd. ....	109.95 percent <i>ad valorem</i>
All Others .....	109.95 percent <i>ad valorem</i>

As a result of our *RFM Preliminary Determination* and pursuant to section 703(d) of the Act, we instructed the U.S. Customs and Border Protection (CBP) to suspend liquidation of all entries of RFM from the PRC which were entered or withdrawn from warehouse, for consumption on or after February 25, 2008, the date of the publication of the *RFM Preliminary Determination* in the **Federal Register**. In accordance with section 703(d) of the Act, we instructed CBP to discontinue the suspension of liquidation for CVD purposes for subject merchandise entered on or after June 24, 2008, but to continue the suspension of liquidation of entries made from February 25, 2008, through June 24, 2008.

We will issue a CVD order and reinstate the suspension of liquidation under section 706(a) of the Act if the ITC issues a final affirmative injury determination, and will require a cash deposit of estimated countervailing duties for such entries of merchandise in the amounts indicated above. If the ITC determines that material injury, or threat of material injury, does not exist, this proceeding will be terminated and all estimated duties deposited or securities posted as a result of the suspension of liquidation will be refunded or canceled.

#### ITC Notification

In accordance with section 705(d) of the Act, we will notify the ITC of our determination. In addition, we are making available to the ITC all non-

privileged and non-proprietary information related to this investigation. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under an APO, without the written consent of the Assistant Secretary for Import Administration.

#### Return or Destruction of Proprietary Information

In the event that the ITC issues a final negative injury determination, this notice will serve as the only reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

This determination is published pursuant to sections 705(d) and 777(i) of the Act.

Dated: July 2, 2008.

**David M. Spooner,**  
Assistant Secretary for Import  
Administration.

#### Appendix

*List of Comments and Issues in the Decision Memorandum*

*Comment 1: Application of CVD Law to China*

*Comment 2: Imposition of CVD Law on China and Administrative Procedures Act*

*Comment 3: Specificity of Tax Programs to Foreign-Invested Enterprises*

*Comment 4: Countervailability of Value Added Tax (VAT) Export Rebates*

*Comment 5: VAT and Import Duty Exemptions on Imported Equipment Are One Program*

*Comment 6: AFA Rates for Provincial Programs*

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## DEPARTMENT OF COMMERCE

### International Trade Administration

#### Exporters' Textile Advisory Committee; Solicitation for Members

The Secretary of Commerce initially established the Exporters' Textile Advisory Committee ("Committee") on March 24, 1966. The Committee's