

Feichi, Huitong, Wanda and Triangle, countervailing duties shall be assessed, if applicable, at rates equal to the cash deposit or bonding rate of the estimated countervailing duties required at the time of entry, or withdrawal from warehouse, for consumption, in accordance with 19 CFR 351.212(c)(1)(i). The Department intends to issue appropriate assessment instructions directly to CBP 15 days after publication of this notice.

#### Notification Regarding Administrative Protective Order

This notice serves as a final reminder to parties subject to administrative protective orders (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. 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 notice is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.213(d)(4).

Dated: December 30, 2009.

**Susan H. Kuhbach,**

*Acting Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations.*

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## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-570-947]

#### Certain Steel Grating From the People's Republic of China: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination

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

**DATES:** *Effective Date:* January 6, 2010.

**SUMMARY:** The Department of Commerce ("the Department") preliminarily determines that certain steel grating ("steel grating") from the People's Republic of China ("PRC") are being, or are likely to be, sold in the United States at less than fair value ("LTFV"), as provided in section 733 of the Tariff Act of 1930, as amended ("Act"). The

estimated margins of sales at LTFV are shown in the "Preliminary Determination" section of this notice. Interested parties are invited to comment on this preliminary determination.

#### FOR FURTHER INFORMATION CONTACT:

Thomas Martin or Zhulieta Willbrand, AD/CVD Operations, Office 4, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-3936 or (202) 482-3147, respectively.

#### SUPPLEMENTARY INFORMATION:

##### Background

On May 29, 2009, Fisher & Ludlow and Alabama Metal Industries Corporation (hereafter referred to as "Petitioners") filed an antidumping duty petition on PRC imports of steel grating. See the Petitions for the Imposition of Antidumping and Countervailing Duties: Certain Steel Grating from the PRC ("the Petition"). The Department initiated an antidumping duty investigation of steel grating on June 25, 2009. See *Certain Steel Grating from the People's Republic of China: Initiation of Antidumping Duty Investigation*, 74 FR 30273 (June 25, 2009) ("Initiation Notice").

On July 15, 2009, the United States International Trade Commission ("ITC") issued its affirmative preliminary determination that there is a reasonable indication that an industry in the United States is threatened with material injury by reason of imports from the PRC of steel grating. The ITC's determination was published in the **Federal Register** on July 20, 2009. See *Certain Steel Grating from China*, 74 FR 35204 (July 20, 2009); see also *Certain Steel Grating from China: Investigation Nos. 701-TA-465 and 731-TA-1161 (Preliminary)*, USITC Publication 4087 (July 2009).

On July 9, 2009, we received comments from Petitioners regarding product characteristics. On July 16, 2009, we received rebuttal comments from Ningbo Jiulong Machinery Manufacturing Co., Ltd. ("Ningbo Jiulong") regarding product characteristics. On July 23, 2009, we received additional comments from Petitioners regarding product characteristics.

In the *Initiation Notice*, the Department stated that it intended to select respondents based on quantity and value ("Q&V") questionnaires. See *Initiation Notice*, 74 FR at 30277. On June 19, 2009, the Department requested Q&V information from the sixteen

companies that Petitioners identified as potential exporters or producers of steel grating from the PRC. See Petition at Vol 1., Exhibit 5. Additionally, the Department also posted the Q&V questionnaire for this investigation on its Web site at <http://ia.ita.doc.gov/ia-highlights-and-news.html>. The Department received timely Q&V responses from six exporters that shipped merchandise under investigation to the United States during the period of investigation ("POI"), and from one company that stated it had no shipments of merchandise under investigation to the United States during the POI.

On July 31, 2009, the Department selected Shanghai DAHE Grating Co., Ltd. ("Shanghai DAHE") and Ningbo Jiulong Machinery Manufacturing Co., Ltd. ("Ningbo Jiulong") as mandatory respondents in this investigation. See Memorandum to the File, from Thomas Martin, International Trade Compliance Analyst, through Robert Bolling, Program Manager, to Abdelali Elouaradia, Director, Office 4, regarding Selection of Respondents for the Antidumping Investigation of Certain Steel Grating from the People's Republic of China, dated July 31, 2009 ("Respondent Selection Memo"). On July 31, 2009, the Department issued its antidumping duty questionnaire to Shanghai DAHE and Ningbo Jiulong. On August 18, 2009, Shanghai DAHE filed a letter stating that it would not participate as a mandatory respondent in this investigation. See Letter to the Department from Shanghai DAHE, dated August 12, 2009. On August 21, 2009, Ningbo Jiulong submitted a timely response to section A of the Department's antidumping questionnaire. On September 22, 2009, timely responses to sections C and D of the Department's antidumping questionnaire were submitted by Ningbo Jiulong.

Between August 7, 2009, and September 9, 2009, we received timely filed separate-rate applications from four companies: Sinosteel Yantai Steel Grating Co., Ltd. ("Sinosteel"); Ningbo Haitian International Co., Ltd. ("Ningbo Haitian"); Shenyang Yuanda Aluminum Industry Engineering Co., Ltd. ("Shenyang Yuanda"); and Yantai Xinke Steel Structure Co., Ltd. ("Yantai Xinke").

The Department issued supplemental questionnaires and received responses from Sinosteel, Ningbo Haitian, and Yantai Xinke, between September 2009 and November 2009. From September 2009 through December 2009, Petitioners submitted comments to the Department regarding Ningbo Jiulong's

responses to sections A, C, and D of the antidumping questionnaire.

On August 18, 2009, the Department requested comments on surrogate country selection from the interested parties in this investigation. On September 1, 2009, Petitioners submitted surrogate country comments. No other interested parties commented on the selection of a surrogate country. For a detailed discussion of the selection of the surrogate country, see "Surrogate Country" section below.

On October 16, 2009, Ningbo Jiulong submitted publically available surrogate value information in response to specific requests for information by the Department. On November 2, 2009, both Petitioners and Ningbo Jiulong submitted additional publically available surrogate value information. On November 9 and 10, 2009, Petitioners and Ningbo Jiulong submitted rebuttal surrogate value comments.

On October 22, 2009, pursuant to section 733(c) of the Act and 19 CFR 351.205(f)(1), the Department postponed the preliminary determination by 50 days. See *Certain Steel Grating from the People's Republic of China: Postponement of Preliminary Determination of Antidumping Duty Investigation*, 74 FR 54535 (October 22, 2009).

#### Period of Investigation

The POI is October 1, 2008, through March 31, 2009. This period corresponds to the two most recent fiscal quarters prior to the month of the filing of the petition (May 29, 2009). See 19 CFR 351.204(b)(1).

#### Postponement of Final Determination and Extension of Provisional Measures

Pursuant to section 735(a)(2) of the Act, on December 14, 2009, Ningbo Jiulong requested that, in the event of an affirmative preliminary determination in this investigation, the Department postpone its final determination by 30 days. In the same submission, Ningbo Jiulong agreed that the Department may extend the application of the provisional measures prescribed under 19 CFR 351.210(e)(2) until the date of the final determination. Because our preliminary determination is affirmative, and the respondent requesting an extension of the final determination, and an extension of the provisional measures, accounts for a significant proportion of exports of the merchandise under consideration, and no compelling reasons for denial exist, we are extending the due date for the final determination by 30 days.

Suspension of liquidation will be extended accordingly.

#### Scope of Investigation

The products covered by this investigation are certain steel grating, consisting of two or more pieces of steel, including load-bearing pieces and cross pieces, joined by any assembly process, regardless of: (1) Size or shape; (2) method of manufacture; (3) metallurgy (carbon, alloy, or stainless); (4) the profile of the bars; and (5) whether or not they are galvanized, painted, coated, clad or plated. Steel grating is also commonly referred to as "bar grating," although the components may consist of steel other than bars, such as hot-rolled sheet, plate, or wire rod.

The scope of this investigation excludes expanded metal grating, which is comprised of a single piece or coil of sheet or thin plate steel that has been slit and expanded, and does not involve welding or joining of multiple pieces of steel. The scope of this investigation also excludes plank type safety grating which is comprised of a single piece or coil of sheet or thin plate steel, typically in thickness of 10 to 18 gauge, that has been pierced and cold formed, and does not involve welding or joining of multiple pieces of steel.

Certain steel grating that is the subject of this investigation is currently classifiable in the Harmonized Tariff Schedule of the United States ("HTSUS") under subheading 7308.90.7000. While the HTSUS subheading is provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.

#### Scope Comments

In accordance with the preamble to our regulations, we set aside a period of time for parties to raise issues regarding product coverage and encouraged all parties to submit comments within 20 calendar days of publication of the *Initiation Notice*. See *Antidumping Duties; Countervailing Duties; Final Rule*, 62 FR 27296, 27323 (May 19, 1997). See also *Initiation Notice*, 74 FR at 30274. We received one comment on issues related to the scope, from Shenyang Yuanda. See "Separate Rates" section below.

#### Non-Market Economy Country

The Department considers the PRC to be a non-market economy ("NME") country. See *Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Coated Free Sheet Paper from the People's Republic of China*, 72 FR 30758, 30760 (June 4, 2007), unchanged

in *Final Determination of Sales at Less Than Fair Value: Coated Free Sheet Paper from the People's Republic of China*, 72 FR 60632 (October 25, 2007) ("Coated Free Sheet Paper"). In accordance with 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. No party has challenged the designation of the PRC as an NME country in this investigation. Therefore, we continue to treat the PRC as an NME country for purposes of this preliminary determination.

#### Surrogate Country

When the Department is investigating imports from an NME country, section 773(c)(1) of the Act directs it to base normal value ("NV"), in most circumstances, on the NME producer's factors of production ("FOPs") valued in a surrogate market-economy 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 utilize, to the extent possible, the prices or costs of FOPs in one or more market-economy countries that are at a level of economic development comparable to that of the NME country and are significant producers of comparable merchandise. The sources of the surrogate values we have used in this investigation are discussed under the "Normal Value" section below.

The Department determined that India, the Philippines, Indonesia, Colombia, Thailand and Peru are countries comparable to the PRC in terms of economic development.<sup>1</sup> Once the countries that are economically comparable to the PRC have been identified, we select an appropriate surrogate country by determining whether an economically comparable country is a significant producer of comparable merchandise and whether the data for valuing FOPs is both available and reliable. In their September 1, 2009, submission, Petitioners argued that the Department should select India as a surrogate country because it satisfies the statutory requirements for the selection of a surrogate country since it is at a level of economic development that is comparable to the PRC, and is a significant producer of merchandise

<sup>1</sup> See Memorandum from Kelly Parkhill, Acting Director, Office of Policy, to Robert Bolling, Program Manager, AD/CVD Operations, Office 4, "Request for a List of Surrogate Countries for an Antidumping Duty Investigation of Certain Steel Grating from the People's Republic of China" (August 14, 2009).

comparable to the merchandise under investigation. Petitioners also noted that the Department can readily value the major FOPs for subject merchandise using reliable, publicly available data from Indian sources. No other party provided comments on the record concerning the surrogate country.

We have determined that it is appropriate to use India as a surrogate country pursuant to section 773(c)(4) of the Act based on the following: (1) It is at a similar level of economic development pursuant to section 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. Thus, we have calculated NV using Indian prices when available and appropriate to the FOPs of Ningbo Jiulong. We have obtained and relied upon publicly available information wherever possible. *See Memorandum to the File from Thomas Martin, Senior International Trade Compliance Analyst, AD/CVD Operations, Office 4, to the File, "Investigation of Certain Steel Grating from the People's Republic of China: Surrogate Values for the Preliminary Determination, which is dated concurrently with this notice ("Surrogate Value Memorandum")*

In accordance with 19 CFR 351.301(c)(3)(i), for the final determination in an antidumping investigation, interested parties may submit publicly available information to value the FOPs within 40 days after the date of publication of the preliminary determination.<sup>2</sup>

### Affiliation and Collapsing

*Section 771(33) of the Act, provides that: The following persons shall be considered to be "affiliated" or "affiliated persons":*

(A) Members of a family, including brothers and sisters (whether by the whole or half blood), spouse, ancestors, and lineal descendants.

(B) Any officer or director of an organization and such organization.

(C) Partners.

(D) Employer and employee.

(E) Any person directly or indirectly owning, controlling, or holding with power to vote, 5 percent or more of the outstanding voting stock or shares of any organization and such organization.

(F) Two or more persons directly or indirectly controlling, controlled by, or under common control with, any person.

(G) Any person who controls any other person and such other person.

Additionally, section 771(33) of the Act stipulates that: "For purposes of this paragraph, a person shall be considered to control another person if the person is legally or operationally in a position to exercise restraint or direction over the other person."

Consistent with section 771(33)(B) of the Act, we find that the record evidence demonstrates that Ningbo Jiulong and Ningbo Zhenhai Jiulong Electronic Equipment Factory ("Jiulong Factory") are affiliated because they are indirectly under the common control of a company officer. *See Ningbo Jiulong's Second Supplemental Section A Response, dated November 9, 2009 ("Jiulong Second A Response")* at 3. A finding of affiliation between a producer and its supplier, however, does not justify a departure from the Department's standard practice of valuing the actual FOP(s) consumed by the producer of subject merchandise. Affiliation, by itself, does not necessarily imply that a producer's FOP(s) obtained from an affiliated supplier are self-produced.<sup>3</sup> Nor does the Department consider control a determinative factor in determining whether the upstream inputs of an affiliated supplier should be valued as the producer's own. While control may be a basis for finding affiliation, it does not necessarily mean the two affiliates should be collapsed and treated as a single entity for purposes of determining the margin of dumping.

Under its collapsing regulation (19 CFR 351.401(f)), the Department may collapse affiliated producers where it finds that producers have production facilities for similar or identical products, and that a significant potential for manipulation of price or production exists. The regulation addresses the specific situation of affiliated producers. However, the regulation is not exhaustive of the situations that may call for collapsing of affiliated entities,

<sup>3</sup> *See Lightweight Thermal Paper From the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 73 FR 57329 (October 2, 2008) and accompanying Issues and Decision Memorandum at Comment 8 ("LWTP Final"); *Electrolytic Manganese Dioxide From the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 73 FR 48195 (August 18, 2008) and accompanying Issues and Decision Memorandum at Comment 1.

and the Department has developed a practice of collapsing entities that do not qualify as producers. For example, in the past the Department has collapsed a producer with an affiliated processor. *See Notice of Final Determination of Sales at Less Than Fair Value: Certain Frozen and Canned Warmwater Shrimp From Brazil*, 69 FR 76910 (December 23, 2004) and accompanying Issues and Decision Memorandum at Comment 5.

In this case, the record evidence indicates that although Jiulong Factory is an affiliated supplier that neither produces steel grating nor is involved in the selling/exporting of steel grating, Jiulong Factory nonetheless has the potential to produce steel grating. *See Jiulong Second A Response* at 3. We have determined that Jiulong Factory's facilities would not require substantial retooling to produce the merchandise under consideration. *See Jiulong Second A Response* at 3. Further, Ningbo Jiulong reported that it purchases twisted wire rod only from Jiulong Factory, and the two operations are co-located on the same premises. Therefore, we preliminarily find that Ningbo Jiulong and Jiulong Factory have intertwined operations. *See Jiulong Second A Response* at 4. Thus, we preliminarily determine that there is record evidence of a significant potential for the manipulation of price and production. *See 19 CFR 351.401(f)*. Accordingly, we find it necessary to value upstream inputs that were not used by the actual producer of the merchandise under consideration in NV calculations because such valuation would reflect the producer's, *i.e.*, Ningbo Jiulong's, own production experience. Therefore, for the preliminary determination, we have valued Jiulong Factory's inputs for twisted wire rod production with surrogate values.

### Separate Rates

In the *Initiation Notice*, the Department notified parties of the application process by which exporters and producers may obtain separate rate status in NME investigations. *See Initiation Notice*, 74 FR at 19054–55. The process requires exporters and producers to submit a separate rate status application.<sup>4</sup> However, the

<sup>2</sup> In accordance with 19 CFR 351.301(c)(1), for the final determination of this investigation, 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 Recession, in Part*, 72 FR 58809 (October 17, 2007) and accompanying Issues and Decision Memorandum at Comment 2.

<sup>4</sup> *See Policy Bulletin 05.1: Separate-Rate Practice and Application of Combination Rates in Antidumping Investigations Involving Non-Market Economy Countries*, (April 5, 2005), at 6, available at <http://ia.ita.doc.gov/policy/bull05-1.pdf>. ("Policy Bulletin 05.1"). *Policy Bulletin 05.1* states, in relevant part, "While continuing the practice of assigning separate rates only to exporters, all

standard for separate rate eligibility has not changed.

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 assessed a single antidumping duty rate. It is the Department's policy to assign all exporters of subject merchandise 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* governmental control over export activities. 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 (May 6, 1991) ("*Sparklers*"), as further developed in *Notice of 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.

#### *Separate Rate Recipients*

##### 1. Joint Ventures Between Chinese and Foreign Companies or Wholly Chinese-Owned Companies

Two of the separate rate applicants in this investigation are wholly Chinese-owned companies: Yantai Xinke and Ningbo Haitian (collectively, "Chinese SR Applicants"). The Department has analyzed whether each of the two Chinese SR Applicants has demonstrated the absence of *de jure* and *de facto* governmental control over its respective export activities.

separate rates that the Department will now assign in its NME investigations will be specific to those producers that supplied the exporter during the period of investigation. Note, however, that one rate is calculated for the exporter and all of the producers which supplied subject merchandise to it during the period of investigation. This practice applied both to mandatory respondents receiving an individually calculated separate rate as well as the pool of non-investigated firms receiving the weighted-average of the individually calculated rates. This practice is referred to as the application of "combination rates" because such rates apply to specific combinations of exporters and one or more producers. The cash-deposit rate assigned to an exporter will apply only to merchandise both exported by the firm in question and produced by a firm that supplied the exporter during the period of investigation."

##### 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 license; (2) legislative enactments decentralizing control of companies; and (3) other formal measures by the government decentralizing control of companies. See *Sparklers*, 56 FR at 20589.

*The evidence provided by the two Chinese SR Applicants supports a preliminary finding of de jure absence of governmental control based on the following:* (1) An absence of restrictive stipulations associated with the individual exporters' business and export licenses; (2) the existence of applicable legislative enactments decentralizing control of Chinese companies; and (3) the implementation of formal measures by the government decentralizing control of Chinese companies.

##### b. Absence of *De Facto* Control

*Typically, the Department considers four factors in evaluating whether each respondent is subject to de facto governmental control of its export functions:* (1) Whether the export prices are set by or are subject to the approval of a governmental 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. 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). 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 governmental control which would preclude the Department from assigning separate rates.

*The evidence provided by the two Chinese SR Applicants supports a preliminary finding of de facto absence of governmental control based on record statements and supporting documentation showing that the companies:* (1) Set their own export prices independent of the government and without the approval of a

government authority; (2) have the authority to negotiate and sign contracts and other agreements; (3) maintain autonomy from the government in making decisions regarding the selection of management; and (4) retain the proceeds of their respective export sales and make independent decisions regarding disposition of profits or financing of losses.

In all, the evidence placed on the record of this investigation by the two Chinese SR Applicants demonstrates an absence of *de jure* and *de facto* government control in accordance with the criteria identified in *Sparklers* and *Silicon Carbide*. Accordingly, the Department has preliminarily granted a separate rate to the Chinese SR Applicants. See "Preliminary Determination" section below.

##### 2. Wholly State-Owned Exporters/Manufacturers and Exporters/Manufacturers Whose Stock Is Partially Owned by a Government State Asset Management Company

One of the separate rate applicants in this investigation is a subsidiary company indirectly owned by a government State asset management company ("State-Owned SR Applicant"). According to Sinosteel's Separate Rate Application, Sinosteel is a State-owned enterprise, owned indirectly by the State Assets Administration Commission of the State Council of the People's Republic of China. See Sinosteel's Separate Rate Application Supplemental Response, dated September 25, 2009, at Attachment 1. Absent evidence of *de facto* control over export activities, however, government ownership alone does not warrant denying a company a separate rate. See *LWTP Final* and accompanying Issues and Decision Memorandum at Comment 7.

The Department preliminarily determines that the evidence placed on the record of this investigation by Sinosteel demonstrates an absence of *de facto* government control of exports of the merchandise under investigation, in accordance with the criteria identified in *Sparklers* and *Silicon Carbide*.<sup>5</sup> Sinosteel certified that its export prices are not set by, subject to the approval of, or in any way controlled by a government entity at any level and that

<sup>5</sup> See also *Certain Circular Welded Carbon Quality Steel Line Pipe from the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 74 FR 14514 (March 31, 2009) and accompanying Issues and Decision Memorandum at Comment 11 (where the Department granted a separate rate to a company owned by the State-owned Assets Supervision and Administration Commission of the State Council of the government of the PRC).

it has independent authority to negotiate and sign export contracts, by providing price negotiation documents for its first U.S. sale. *See, e.g.,* Sinosteel's Separate Rate Application, dated August 7, 2009, at Exhibit 1. Sinosteel also stated that it has the right to select its own management and to decide how profits will be distributed. *See* Sinosteel's Separate Rate Application Supplemental Questionnaire Response, dated September 25, 2009, at 3. Thus, the Department preliminarily determines that there is an absence of both *de jure* and *de facto* government control with respect to Sinosteel. Accordingly, the Department has preliminarily granted a separate rate to the State-Owned SR Applicant (*i.e.*, Sinosteel). *See* "Preliminary Determination" section below.

#### *Companies Not Receiving a Separate Rate*

In the *Initiation Notice*, the Department requested that all companies wishing to qualify for separate rate status in this investigation submit a separate rate status application. *See Initiation Notice.* Shenyang Yuanda submitted both a separate rate application and scope comments. In its scope comments, Shenyang Yuanda requested the Department to determine whether the product it exported (*i.e.*, steel connectors for aluminum curtains) to the United States during the POI was within the scope of the investigation. Specifically, Shenyang Yuanda stated that the only steel products that it ships to the United States are steel connectors, made from milled steel plate, that have the purpose of securing aluminum curtains to the walls of buildings. *See* Shenyang Yuanda's July 6, 2009, submission. We examined Shenyang Yuanda's submission, and found that Shenyang Yuanda's aluminum curtains are not merchandise under consideration, as they are not made of steel; we also found that Shenyang Yuanda's steel connectors are not merchandise under consideration because they are not grating. While Shenyang Yuanda submitted a separate rate application and scope comments, based on record evidence (*i.e.*, Shenyang Yuanda's separate rate application and scope comments), we have determined that Shenyang Yuanda is not an exporter of merchandise subject to this investigation. Therefore, the Department has determined that Shenyang Yuanda has not demonstrated its eligibility for separate rate status in this investigation. As a result, the

Department will not provide Shenyang Yuanda with a separate rate.

#### *Margins for Separate Rate Recipients*

Through the evidence in their applications, the Separate-Rate Applicants have demonstrated their eligibility for a separate rate, *see* the "Separate Rates" section above. Consistent with the Department's practice, we have established a margin for the Separate-Rate Applicants based on the rate we calculated for Ningbo Jiulong (the remaining mandatory respondent), excluding any rates that are zero, *de minimis*, or based entirely on adverse facts available ("AFA").<sup>6</sup> The Separate-Rate Applicants are listed in the "Suspension of Liquidation" section of this notice.

#### **Use of Facts Available and Adverse Facts Available**

Section 776(a) of the Act provides that the Department shall apply "facts otherwise available" ("FA") if (1) necessary information is not on the record, or (2) an interested party or any other person (A) withholds information that has been requested, (B) fails to provide information within the deadlines established, or in the form and manner requested by the Department, subject to subsections (c)(1) and (e) of section 782 of the Act, (C) significantly impedes a proceeding, or (D) provides information that cannot be verified as provided by section 782(i) of the Act.

Section 776(b) of the Act further provides that the Department may use an adverse inference in applying the facts otherwise available when a party has failed to cooperate by not acting to the best of its ability to comply with a request for information. Such an adverse inference may include reliance on information derived from the petition, the final determination, a previous administrative review, or other information placed on the record.

#### *PRC-Wide Entity*

##### **1. Non-Responsive Companies**

On June 19, 2009, the Department requested Q&V information from the sixteen companies that Petitioners identified as potential exporters or producers of steel grating from the PRC.

<sup>6</sup> *See, e.g., Preliminary Determination of Sales at Less Than Fair Value and Partial Affirmative Determination of Critical Circumstances: Certain Polyester Staple Fiber from the People's Republic of China*, 71 FR 77373, 77377 (December 26, 2006), unchanged in *Final Determination of Sales at Less Than Fair Value and Partial Affirmative Determination of Critical Circumstances: Certain Polyester Staple Fiber from the People's Republic of China*, 72 FR 19690 (April 19, 2007), *see also* the "Separate Rates" section.

*See* Petition at Vol. 1, Exhibit 5. Additionally, the Department's *Initiation Notice* informed these companies of the requirements to respond to both the Department's Q&V questionnaire and the separate rate application in order to receive consideration for separate rate status. However, not all exporters/manufacturers responded to the Department's request for Q&V information.<sup>7</sup> Furthermore, not all exporters/manufacturers that submitted Q&V information also submitted a separate rate application.<sup>8</sup> Therefore, the Department preliminarily determines that there were exports of merchandise under review from PRC exporters/manufacturers that did not respond to the Department's Q&V questionnaire, and/or subsequently did not demonstrate their eligibility for separate rate status. As a result, the Department is treating these PRC exporters/manufacturers ("non-responsive companies") as part of the PRC-wide entity.

##### **2. Shanghai DAHE**

As stated above, Shanghai DAHE informed the Department, on August 18, 2009, that it would no longer participate in the instant investigation and did not place any information (*e.g.*, Section A questionnaire response) on the record of this investigation. Because Shanghai DAHE decided to no longer participate in this investigation, Shanghai DAHE has failed to demonstrate that it operates free of government control and that it is entitled to a separate rate. Therefore, the Department preliminarily finds that Shanghai DAHE is part of the PRC-wide entity.

#### *Application of Total Adverse Facts Available*

As noted above, the Department has determined that Shanghai DAHE, and the non-responsive companies, are part of the PRC-wide entity. Pursuant to section 776(a) of the Act, the Department further finds that the PRC-wide entity failed to respond to the Department's questionnaires, withheld required information, and/or submitted information that cannot be verified, thus

<sup>7</sup> As stated in the "Background" section above, of the sixteen Q&V questionnaires the Department sent to potential exporters identified in the Petition, the Department received seven timely responses, one of which reported no sales within the POI. The record indicates that all sixteen companies received the Department's questionnaires. *See* Respondent Selection Memo and "Background" section above.

<sup>8</sup> As stated in the "Separate Rates" section above, six exporters submitted a timely response to the Department's Q&V questionnaire with sales within the POI, but only four of these exporters submitted a separate rate application.

significantly impeding the proceeding. See, e.g., *Preliminary Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Preliminary Partial Determination of Critical Circumstances: Diamond Sawblades and Parts Thereof from the People's Republic of China*, 70 FR 77121, 77128 (December 29, 2005), unchanged in *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). Accordingly, the Department has preliminarily determined to base the PRC-wide entity's margin on facts otherwise available. See section 776(a) of the Act. Further, because the PRC-wide entity failed to cooperate by not acting to the best of its ability to comply with the Department's request for information, the Department preliminarily determines that, when selecting from among the facts otherwise available, an adverse inference is warranted for the PRC-wide entity pursuant to section 776(b) of the Act.

#### *Selection of the Adverse Facts Available Rate*

In deciding which facts to use as AFA, section 776(b) of the Act and 19 CFR 351.308(c)(1) provide that the Department may rely on information derived from (1) the petition, (2) a final determination in the investigation, (3) any previous review or determination, or (4) any information placed on the record. In selecting a rate for AFA, the Department selects a rate that is sufficiently adverse "as to effectuate the purpose of the facts available rule to induce respondents to provide the Department with complete and accurate information in a timely manner." See *Notice of Final Determination of Sales at Less Than Fair Value: Static Random Access Memory Semiconductors From Taiwan*, 63 FR 8909, 8932 (February 23, 1998). Further, it is the Department's practice to select a rate that ensures "that the party does not obtain a more favorable result by failing to cooperate than if it had cooperated fully." See *Brake Rotors from the People's Republic of China: Final Results and Partial Rescission of the Seventh Administrative Review; Final Results of the Eleventh New Shipper Review*, 70 FR 69937, 69939 (November 18, 2005).

It is the Department's practice to select, as AFA, the higher of the (a) highest margin alleged in the petition, or (b) the highest calculated rate of any respondent in the investigation. See *Final Determination of Sales at Less*

*Than Fair Value: Certain Cold-Rolled Flat-Rolled Carbon Quality Steel Products from the People's Republic of China*, 65 FR 34660 (May 31, 2000) and accompanying Issues and Decision Memorandum, at "Facts Available." In the instant investigation, as AFA, we have preliminarily assigned to the PRC-wide entity, including Shanghai DAHE, the highest rate on the record of this proceeding, which in this case is the 145.18 percent margin from the Petition. See *Initiation Notice*, 74 FR at 30277. The Department preliminarily determines that this information is the most appropriate from the available sources to effectuate the purposes of AFA. The Department will consider all margins on the record at the time of the final determination for the purpose of determining the most appropriate AFA rate for the PRC-wide entity, including Shanghai DAHE.

The dumping margin for the PRC-wide entity applies to all entries of the merchandise under investigation except for entries of subject merchandise from the exporter/manufacturer combinations listed in the chart in the "Preliminary Determination" section below.

#### *Corroboration of Information*

Section 776(c) of the Act provides that, when the Department relies on secondary information rather than on information obtained in the course of an investigation as facts available, it must, to the extent practicable, corroborate that information from independent sources reasonably at its disposal. Secondary information is described as "information derived from the petition that gave rise to the investigation or review, the final determination concerning merchandise subject to this investigation, or any previous review under section 751 concerning the merchandise subject to this investigation."<sup>9</sup> To "corroborate" means simply that the Department will satisfy itself that the secondary information to be used has probative value. Independent sources used to corroborate may include, for example, published price lists, official import statistics and customs data, and information obtained from interested parties during the particular investigation. To corroborate secondary information, the Department will, to the extent practicable, examine the reliability and relevance of the information used.<sup>10</sup>

<sup>9</sup> See *Final Determination of Sales at Less Than Fair Value: Sodium Hexametaphosphate From the People's Republic of China*, 73 FR 6479, 6481 (February 4, 2008), quoting SAA at 870.

<sup>10</sup> See *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From Japan, and Tapered*

The AFA rate that the Department used is from the Petition. Petitioners' methodology for calculating the United States price and NV in the Petition is discussed in the *Initiation Notice*. To corroborate the AFA margin that we have selected, we compared this margin to the margins we found for the respondent. We found that the margin of 145.18 percent has probative value because it is in the range of the model-specific margins that we found for the mandatory respondent, Ningbo Jiulong. See Memorandum to the File from Thomas Martin, through Robert Bolling, Program Manager, AD/CVD Operations, Office 4, and Abdelali Elouaradia, Director, AD/CVD Operations, Office 4: *Certain Steel Grating from the People's Republic of China: Calculation Memorandum the Preliminary Determination: Ningbo Jiulong Machinery Manufacturing Co., Ltd.*, dated concurrently with this notice ("Calculation Memorandum"). Accordingly, we find that the rate of 145.18 percent is corroborated within the meaning of section 776(c) of the Act.

#### *Date of Sale*

19 CFR 351.401(i) states that, "in identifying the date of sale of the merchandise under consideration or foreign like product, the Secretary normally will use the date of invoice, as recorded in the exporter or producer's records kept in the normal course of business." In *Allied Tube*, the Court of International Trade ("CIT") noted that a "party seeking to establish a date of sale other than invoice date bears the burden of producing sufficient evidence to 'satisf(y)' the Department that 'a different date better reflects the date on which the exporter or producer establishes the material terms of sale.'" *Allied Tube and Conduit Corp. v. United States*, 132 F. Supp. 2d 1087, 1090 (CIT 2001) (quoting 19 CFR 351.401(i)) ("*Allied Tube*"). Additionally, the Secretary may use a date other than the date of invoice if the Secretary is satisfied that a different date better reflects the date on which the exporter or producer establishes the material terms of sale. See 19 CFR 351.401(i); see also *Allied Tube*, 132 F.

*Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, From Japan; Preliminary Results of Antidumping Duty Administrative Reviews and Partial Termination of Administrative Reviews*, 61 FR 57391, 57392 (November 6, 1996), unchanged in *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From Japan, and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, From Japan; Final Results of Antidumping Duty Administrative Reviews and Termination in Part*, 62 FR 11825 (March 13, 1997).

Supp. 2d at 1090–1092. The date of sale is generally the date on which the parties agree upon all substantive terms of the sale. This normally includes the price, quantity, delivery terms and payment terms. *See Carbon and Alloy Steel Wire Rod From Trinidad and Tobago: Final Results of Antidumping Duty Administrative Review*, 72 FR 62824 (November 7, 2007) and accompanying Issues and Decision Memorandum at Comment 1; *Notice of Final Determination of Sales at Less Than Fair Value: Certain Cold-Rolled Flat-Rolled Carbon-Quality Steel Products from Turkey*, 65 FR 15123 (March 21, 2000) and accompanying Issues and Decision Memorandum at Comment 1.

Ningbo Jiulong reported that the date of sale was determined by the invoice issued by the affiliated importer to the unaffiliated United States customer. In this case, as the Department found no evidence contrary to Ningbo Jiulong's claims that invoice date was the appropriate date of sale, the Department used invoice date as the date of sale for this preliminary determination.

#### Fair Value Comparison

To determine whether sales of steel grating to the United States by Ningbo Jiulong were made at LTFV, we compared export price ("EP") to NV, as described in the "U.S. Price" and "Normal Value" sections of this notice.

#### U.S. Price

In accordance with section 772(a) of the Act, for Ningbo Jiulong, we based the U.S. price of sales on EP because the first sale to unaffiliated purchasers was made prior to importation and the use of constructed export price was not otherwise warranted. In accordance with section 772(c) of the Act, we calculated EP for Ningbo Jiulong by deducting the following expenses from the starting price (gross unit price) charged to the first unaffiliated customer in the United States: foreign movement expenses and foreign brokerage and handling expenses. For certain transactions, Ningbo Jiulong paid international freight to the United States using a market economy carrier. For these transactions, we also deducted the reported international freight expenses from the starting price (gross unit price) charged to the first unaffiliated customer in the United States.

We based these movement expenses on surrogate values where the service was purchased from a PRC company. For certain sales, for international freight, the Department used Ningbo Jiulong's reported expenses for its sales

because Ningbo Jiulong used a market economy freight carrier and paid for those expenses in a market economy currency. For details regarding our EP calculation, *see* Calculation Memorandum.

#### Normal Value

Section 773(c)(1) of the Act provides that the Department shall determine NV using a FOP methodology if the merchandise is exported from an NME 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 bases NV on the FOP because the presence of government controls on various aspects of NMEs renders price comparisons and the calculation of production costs invalid under the Department's normal methodologies. *See, e.g., Preliminary Determination of Sales at Less Than Fair Value, Affirmative Critical Circumstances, In Part, and Postponement of Final Determination: Certain Lined Paper Products from the People's Republic of China*, 71 FR 19695 (April 17, 2006), unchanged in *Notice of Final Determination of Sales at Less Than Fair Value, and Affirmative Critical Circumstances, In Part: Certain Lined Paper Products from the People's Republic of China*, 71 FR 53079 (September 8, 2006).

As the basis for NV, Ningbo Jiulong provided FOPs used in each stage for producing steel grating. Additionally, Ningbo Jiulong reported that it is an integrated producer, in conjunction with an affiliate, Jiulong Factory, in as far as Jiulong Factory produces the twisted bar used in the cross bars for steel grating. *See* Ningbo Jiulong's Section D response, dated September 22, 2009, at 2. Jiulong Factory provided the FOP information used in this production stage.

Consistent with section 773(c)(1)(B) of the Act, it is the Department's practice to value the FOPs that a respondent uses to produce the merchandise under consideration. *See Notice of Final Determination of Sales at Less Than Fair Value: Certain Frozen and Canned Warmwater Shrimp from the People's Republic of China*, 69 FR 70997 (December 8, 2004) ("*Shrimp from China*") and accompanying Issues and Decision Memorandum at Comment 9(E). If the NME respondent is an integrated producer, we take into account the factors utilized in each stage of the production process. *See Shrimp from China*. In this case, we are valuing those inputs reported by both Ningbo Jiulong and its affiliate that produced twisted bar when calculating NV.

#### Factor Valuation Methodology

In accordance with section 773(c) of the Act, we calculated NV based on FOP data reported by Ningbo Jiulong. 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. *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 *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. As appropriate, we adjusted input prices by including freight costs to make them delivered prices. Specifically, we added to Indian 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 Ningbo Jiulong and Jiulong Factory can be found in the Surrogate Value Memorandum.

For this preliminary determination, in accordance with the Department's practice, we used data from the Indian import statistics in the World Trade Atlas ("WTA"), and other publicly available Indian sources in order to calculate surrogate values for Ningbo Jiulong and Jiulong Factory's FOPs (direct materials, energy, and packing materials) and certain movement expenses. However, for low carbon steel wire rod input, we used price data from the Indian Joint Plant Committee. 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 POI, product-specific, and tax-exclusive. *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). 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. See Surrogate Value Memorandum. 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 as published in the International Financial Statistics of the International Monetary Fund. See Surrogate Value Memorandum at Exhibit 2.

Furthermore, with regard to the Indian import-based surrogate values, we have disregarded import prices that we have reason to believe or suspect may be subsidized. We have reason to believe or suspect that prices of inputs from Indonesia, South Korea, and Thailand may have been subsidized. We have found in other proceedings that these countries maintain broadly available, non-industry-specific export subsidies and, therefore, it is reasonable to infer that all exports to all markets from these countries may be subsidized. See *Notice of Final Determination of Sales at Less than Fair Value and Negative Final Determination of Critical Circumstances: Certain Color Television Receivers from the People's Republic of China*, 69 FR 20594 (April 16, 2004) and accompanying Issues and Decision Memorandum at Comment 7. Further, guided by the legislative history, it is the Department's practice not to conduct a formal investigation to ensure that such prices are not subsidized. See Omnibus Trade and Competitiveness Act of 1988, Conference Report to accompany H.R. Rep. 100-576 at 590 (1988) reprinted in 1988 U.S.C.A.N. 1547, 1623-24; see also *Coated Free Sheet Paper*. Rather, the Department bases its decision on information that is available to it at the time it makes its determination. See *Polyethylene Terephthalate Film, Sheet, and Strip from the People's Republic of China: Preliminary Determination of Sales at Less Than Fair Value*, 73 FR 24552, 24559 (May 5, 2008), unchanged in *Polyethylene Terephthalate Film, Sheet, and Strip from the People's Republic of China: Final Determination of Sales at*

*Less than Fair Value*, 73 FR 55039 (September 24, 2008) ("PET Film from China"). Therefore, we have not used prices from these countries in calculating the Indian import-based surrogate values. Additionally, we disregarded prices from NME countries. 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 general export subsidies. See *PET Film from China*.

For direct, indirect, and packing labor, consistent with 19 CFR 351.408(c)(3), we used the PRC regression-based wage rate as reported on Import Administration's home page, <http://ia.ita.doc.gov/wages/index.html>, "Expected Wages Of Selected Non-Market Economy Countries, Expected Wage Calculation: 2007 GNI Data, Regression Analysis: 2007 GNI Data." The source of these wage-rate data on the Import Administration's Web site is 2006 and 2007 data in Chapter 5B of the International Labour Organization's Yearbook of Labour Statistics. Because this regression-based wage rate does not separate the labor rates into different skill levels or types of labor, we have applied the same wage rate to all skill levels and types of labor reported by the respondent. See Surrogate Value Memorandum at Exhibit 7.

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. The value is contemporaneous with the POI. See Surrogate Value Memorandum at Exhibit 10.

We valued electricity using price data for small, medium, and large industries, as published by the Central Electricity Authority 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 industries in India. As the rates listed in this source became effective on a variety of different dates, we are not adjusting the average value for inflation. See Surrogate Value Memorandum at Exhibit 5.

Because water is essential to the production process (the welding process) of the merchandise under consideration, the Department considers water to be a direct material input, not overhead, and thus valued water with a

surrogate value according to our practice. See *Final Determination of Sales at Less than Fair Value and Critical Circumstances: Certain Malleable Iron Pipe Fittings from the People's Republic of China*, 68 FR 61395 (October 28, 2003), and accompanying Issues and Decision Memorandum at Comment 11. The Department valued water using data from the Maharashtra Industrial Development Corporation (<http://midcindia.org>) as it includes a wide range of industrial water tariffs. This source provides 378 industrial water rates within the Maharashtra province for April 2009; 189 of the water rates were for the "inside industrial areas" usage category and 189 of the water rates were for the "outside industrial areas" usage category. See Surrogate Value Memorandum at Exhibit 6.

We valued brokerage and handling using a simple average of the brokerage and handling costs reported in public submissions filed in three antidumping duty cases. Specifically, we averaged the public brokerage and handling expenses reported by Navneet Publications (India) Ltd. in the 2007-2008 administrative review of certain lined paper products from India, Essar Steel Limited in the 2006-2007 antidumping duty administrative review of hot-rolled carbon steel flat products from India, and Himalaya International Ltd. in the 2005-2006 administrative review of certain preserved mushrooms from India. The Department adjusted the average brokerage and handling rate for inflation. See Surrogate Value Memorandum at Exhibit 9.

To value factory overhead, selling, general, and administrative expenses, and profit, we used the factory overhead, selling, general and administrative, and profit on data from two Indian producers of comparable merchandise: (1) Mekins Agro Products Limited ("Mekins"); and (2) Rama Steel Tubes Limited ("Rama"), for the fiscal year April 2007, through March 2008. Petitioners provided the Mekins financial statement. See Supplement to the AD Petition, at 10 and Exhibit S-8. Ningbo Jiulong submitted the financial statements of two producers of steel pipes, Rama and Bihar Tubes Limited ("Bihar"), maintaining that steel pipe is more comparable to steel grating because it consumes largely the same raw material (hot-rolled coil/strip), which is also welded. See Ningbo Jiulong's Submission dated November 2, 2009, "Certain Steel Grating from the People's Republic of China—Surrogate Values for the Preliminary Determination" ("Jiulong SV Submission") at 2. We have determined

not to rely on the 2007–2008 financial statement of Bihar because it indicates that Bihar received “Export Incentives” under the Duty Entitlement Pass Book as “Loans and Advances.”<sup>11</sup> Consistent with the Department practice, we do not use financial statements of a company we have reason to believe or suspect may have received subsidies that the Department has found to be countervailable, because financial ratios derived from that company’s financial statements do not constitute the best available information with which to value financial ratios.<sup>12</sup>

Mekins manufactures multiple products, such as wire decking, handling equipment, pallets, bins, trolleys, perforated sheets, wheels, agricultural implements, steel sheet and strip, pipe, tube, tire tubes and axles, hardware chemicals and paints. Rama manufactures steel pipe and tube, structural steel, PVC pipes and pipe fittings, and provides “turn key” project services (*i.e.*, project management and construction services). *See* Petitioners’ November 10, 2009, Surrogate Value Rebuttal Comments at Exhibit 7. Petitioners state that the Mekins financial statement, which the Department used for this initiation, reflects the experience of a producer of merchandise with multiple-welded grids of steel bars for the support of loads and weight. *See* Petitioners’ “Comments on Surrogate Values,” dated November 2, 2009; *see also* Petitioners’ “Surrogate Value Rebuttal Comments,” dated November 9, 2009. *See* Surrogate Value Memorandum at Exhibit 8. We have determined to use the financial statements of both Mekins and Rama because both are producers of comparable merchandise with

experiences comparable to Ningbo Jiulong.

For its hot-rolled steel input, Ningbo Jiulong reported that it used hot-rolled steel strip. *See* Ningbo Jiulong’s October 16, 2009, submission at 3. On November 9, 2009, Petitioners argued that the description of Ningbo Jiulong’s hot-rolled steel input can be either steel sheet or steel strip, and argued that the Department should value Ningbo Jiulong’s hot rolled steel input using surrogate values for both sheet and strip. *See* Petitioners’ November 9, 2009, submission at 2–5 and Petitioners’ December 7, 2009, submission at 2–7. On December 11, 2009, Ningbo Jiulong contended that record evidence showed that its hot-rolled steel input is steel strip, and argued that the Department should apply a surrogate value that is specific to Ningbo Jiulong’s inputs. *See* Ningbo Jiulong’s comments dated December 11, 2009, at 3–4. Evidence placed on the record by Ningbo Jiulong (*i.e.*, purchase invoices) indicates that Ningbo Jiulong purchased steel strip that it used in the production of steel grating. *See* Ningbo Jiulong’s November 18, 2009 submission at Exhibit 8. After examining the record, we have determined to use, for the preliminary determination, Ningbo Jiulong’s reported steel strip as its hot-rolled steel input surrogate value, because the Department has no contrary evidence that Ningbo Jiulong used hot-rolled steel sheet or other hot-rolled steel as its hot-rolled steel input. However, at verification, we will examine this surrogate value to further analyze Ningbo Jiulong’s hot-rolled steel input. *See* Surrogate Value Memorandum at 3.

To value low carbon steel wire rod, we used price data from the Indian Joint Plant Committee (“JPC”), which is a joint industry/government board that

monitors Indian steel prices. These data are fully contemporaneous with the POI, and are specific to the reported inputs of the respondents. *See* Ningbo Jiulong’s Section D Supplemental Questionnaire response, dated October 16, 2009, at Exhibit 3. Further, these data are publicly available, represent a broad market average, and we are able to calculate them on a tax-exclusive basis. *See* 19 CFR 351.408(c)(1). *See* Surrogate Value Memorandum at Exhibit 3.

To value the cost of galvanization services, we used a surrogate value from the JPC. *See* Surrogate Value Memorandum at Exhibit 4.

### Currency Conversion

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.

### Verification

As provided in section 782(i)(1) of the Act, we intend to verify the information upon which we will rely in making our final determination.

### Combination Rates

In the *Initiation Notice*, the Department stated that it would calculate combination rates for certain respondents that are eligible for a separate rate in this investigation. *See Initiation Notice*, 74 FR at 30277. This practice is described in *Policy Bulletin 05.1*, available at <http://ia.ita.doc.gov/>.

### Preliminary Determination

The Department preliminarily determines that the following dumping margins exist for the period October 2008 through March 2009:

Exporter	Producer	Weighted-average margin
Ningbo Jiulong Machinery Manufacturing Co., Ltd. ....	Ningbo Jiulong Machinery Manufacturing Co., Ltd. ....	14.36
Sinosteel Yantai Steel Grating Co., Ltd. ....	Sinosteel Yantai Steel Grating Co., Ltd. ....	14.36
Ningbo Haitian International Co., Ltd. ....	Ningbo Lihong Steel Grating Co., Ltd. ....	14.36
Yantai Xinke Steel Structure Co., Ltd. ....	Yantai Xinke Steel Structure Co., Ltd. ....	14.36
PRC-wide Entity (including Shanghai DAHE Grating Co., Ltd.) ....	.....	145.18

### Disclosure

We will disclose the calculations performed within five days of the date of publication of this notice to parties in

this proceeding in accordance with 19 CFR 351.224(b).

### Suspension of Liquidation

In accordance with section 733(d) of the Act, we will instruct U.S. Customs and Border Protection (“CBP”) to suspend liquidation of all entries of

<sup>11</sup> *See* Annual Report 2007–2008, Bihar, at Schedules H(B) and R(B)(10)(B) contained in Jiulong SV Submission at Exhibit 1a.

<sup>12</sup> *See Freshwater Crawfish Tail Meat from the People’s Republic of China: Notice of Final Results And Rescission, In Part, of 2004/2005 Antidumping Duty Administrative and New Shipper Reviews*, 72 FR 19174 (April 17, 2007) and accompanying Issues

and Decision Memorandum at Comment 1; *see also Commodity Matchbooks From India: Final Affirmative Countervailing Duty Determination*, 74 FR 54547, 54548 (October 22, 2009)

steel grating from the PRC as described in the "Scope of Investigation" section, entered, or withdrawn from warehouse, for consumption from on or after the date of publication of this notice in the **Federal Register**. We will instruct CBP to require a cash deposit or the posting of a bond equal to the weighted-average amount by which the normal value exceeds U.S. price, as indicated above.

Additionally, as the Department has determined in its *Certain Steel Grating from the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Countervailing Duty Determination with Final Antidumping Duty Determination*, 74 FR 56796 (November 3, 2009) ("CVD Prelim") that the product under investigation, exported and produced by Ningbo Jiulong, benefitted from an export subsidy we will instruct CBP to require an antidumping cash deposit or posting of a bond equal to the weighted-average amount by which the NV exceeds the EP, as indicated above, minus the amount determined to constitute an export subsidy. *See, e.g., Notice of Final Determination of Sales at Less than Fair Value: Carbazole Violet Pigment 23 from India*, 69 FR 67306, 67307 (November 17, 2004). Therefore, for merchandise under consideration exported and produced by Ningbo Jiulong entered or withdrawn from warehouse, for consumption on or after publication date of this preliminary determination, we will instruct CBP to require an antidumping duty cash deposit or the posting of a bond for each entry equal to the weighted-average margin indicated above adjusted for the export subsidy rate determined in the *CVD Prelim* (i.e., Export Grant 2008, Foreign Trade Grant 2008, and Water Fund Refund/Exemption 2008). The adjusted cash deposit rate for Ningbo Jiulong is 14.12 percent.

Furthermore, in the *CVD Prelim*, Ningbo Jiulong's rate was assigned to the all-others rate as it was the only rate that was not zero, *de minimis* or based on total facts available. *See CVD Prelim*, 74 FR at 56804. Accordingly, as the countervailing duty rate for Sinosteel Yantai Steel Grating Co., Ltd., Ningbo Haitian International Co., Ltd., and Yantai Xinke Steel Structure Co., Ltd. is the all-others rate, which includes the countervailable export subsidies listed above, we will also instruct CBP to require an antidumping duty cash deposit or the posting of a bond for each entry equal to the weighted-average margin indicated above for these companies adjusted for the export subsidies determined in the *CVD Prelim*. The adjusted cash deposit rate

for Sinosteel Yantai Steel Grating Co., Ltd., Ningbo Haitian International Co., Ltd., Yantai Xinke Steel Structure Co., Ltd. is 14.12 percent.

#### International Trade Commission Notification

In accordance with section 733(f) of the Act, we have notified the ITC of our preliminary affirmative determination of sales at LTFV. Section 735(b)(2) of the Act requires the ITC to make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports of steel grating, or sales (or the likelihood of sales) for importation, of the merchandise under investigation within 45 days of our final determination.

#### Public Comment

Case briefs or other written comments may be submitted to the Assistant Secretary for Import Administration no later than seven days after the date on which the final verification report is issued in this proceeding and rebuttal briefs limited to issues raised in case briefs and must be received no later than five days after the deadline date for case briefs. *See* 19 CFR 351.309(c)(i) and (d). A list of authorities used and an executive summary of issues should accompany any briefs submitted to the Department. This summary should be limited to five pages total, including footnotes.

In accordance with section 774 of the Act, and if requested, we will hold a public hearing, to afford interested parties an opportunity to comment on arguments raised in case or rebuttal briefs. If a request for a hearing is made, we intend to hold the hearing shortly after the deadline of submission of rebuttal briefs at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230, at a time and location to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

Interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request to the Assistant Secretary for Import Administration, U.S. Department of Commerce, Room 1870, within 30 days after the date of publication of this notice. *See* 19 CFR 351.310(c). Requests should contain the party's name, address, and telephone number, the number of participants, and a list of the issues to be discussed. At the hearing, each party may make an affirmative presentation only on issues raised in that party's case brief and may make rebuttal presentations only on

arguments included in that party's rebuttal brief.

This determination is issued and published in accordance with sections 733(f) and 777(i)(1) of the Act.

Dated: December 28, 2009.

**Ronald K. Lorentzen,**

*Deputy Assistant Secretary for Import Administration.*

[FR Doc. E9-31414 Filed 1-5-10; 8:45 am]

BILLING CODE 3510-DS-P

## CONSUMER PRODUCT SAFETY COMMISSION

### Sunshine Act Meeting Notice

**TIME AND DATE:** Wednesday, January 6, 2010, 9:30 a.m.–11:30 a.m.

**PLACE:** Hearing Room 420, Bethesda Towers, 4330 East West Highway, Bethesda, Maryland.

**STATUS:** Closed to the Public.

### Matter To Be Considered

Compliance Weekly Report—Commission Briefing.

The staff will brief the Commission on various compliance matters.

For a recorded message containing the latest agenda information, call (301) 504-7948.

### CONTACT PERSON FOR MORE INFORMATION:

Todd A. Stevenson, Office of the Secretary, U.S. Consumer Product Safety Commission, 4330 East West Highway, Bethesda, MD 20814 (301) 504-7923.

Dated: December 28, 2009.

**Todd A. Stevenson,**

*Secretary.*

[FR Doc. E9-31294 Filed 1-5-10; 8:45 am]

BILLING CODE 6355-01-M

## CONSUMER PRODUCT SAFETY COMMISSION

### Sunshine Act Meetings

**TIME AND DATE:** Wednesday, January 6, 2010, 9 a.m.–9:30 a.m.

**PLACE:** Hearing Room 420, Bethesda Towers, 4330 East West Highway, Bethesda, Maryland.

**STATUS:** Commission Meeting—Open to the Public.

**MATTERS TO BE CONSIDERED:** 1. Pending Decisional Matters:

(a) Lead in Electronic Devices—Final Rule;

(b) Mandatory Recall Notice—Final Rule.

A live webcast of the Meeting can be viewed at <http://www.cpsc.gov/webcast/index.html>.