DEPARTMENT OF COMMERCE
International Trade Administration

[482–3936.]

International Trade Administration

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

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

DATES: Effective Date: June 8, 2010.

SUMMARY: On January 6, 2010, the Department of Commerce (“Department”) published its preliminary determination of sales at less than fair value (“LTFV”) in the antidumping duty investigation of certain steel grating (“steel grating”) from the People's Republic of China (“PRC”). See Certain Steel Grating From the People’s Republic of China: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination, 75 FR 847 (January 6, 2010) (“Preliminary Determination”). We invited interested parties to comment on our preliminary determination of sales at LTFV. Based on our analysis of the comments we received, we have made changes from the Preliminary Determination. We determine that steel grating from the PRC is being, or is likely to be, sold in the United States at LTFV as provided in section 735 of the Tariff Act of 1930, as amended (“Act”). The final dumping margins for this investigation are listed in the “Final Determination Margins” section below.


SUPPLEMENTARY INFORMATION:

Case History

As explained in the memorandum from the Deputy Assistant Secretary for Import Administration, the Department has exercised its discretion to toll deadlines for the duration of the closure of the Federal Government from February 5, through February 12, 2010. Thus, all deadlines in this segment of the proceeding have been extended by seven days. The revised deadline for the final determination of this investigation is now May 28, 2010. See 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. Between January 11, 2010, through January 15, 2010, the Department conducted verification of Ningbo Jiulong Machinery Manufacturing Co., Ltd. and Ningbo Zhenhai Jiulong Electronic Equipment Factory (collectively “Ningbo Jiulong”). See the “Verification” section below for additional information. On March 8, 2010, Fisher & Ludlow and Alabama Metal Industries Corporation (hereafter referred to as “Petitioners”) filed comments regarding mill test certificates from Ningbo Jiulong’s suppliers of steel coils and wire rod that were included in the Department’s verification exhibits. Petitioners cited numerous aspects of the mill test certificates that they deemed irregular, and which indicated that the mill test certificates were not genuine.

On March 8, 2010, the Department issued a supplemental questionnaire to Ningbo Jiulong, requiring a response to Petitioners’ analysis and specific allegations, and to reconcile its suppliers’ mill test certificates with other information on the record. On March 9, 2010, the Department requested additional information from Petitioners, supporting the analysis in its March 8, 2010 submission. Also, on March 9, 2010, the Department requested U.S. Customs and Border Protection (“CBP”) entry documents pertaining to certain Ningbo Jiulong shipments, specifically any mill test certificates filed by the importer of record. On March 10, 2010, the Department issued an additional request to Ningbo Jiulong to provide mill test certificates for its steel inputs for certain specific U.S. sales of steel grating that the Department had selected for specific review at verification.

On March 16, 2010, and March 18, 2010, the Department received from CBP entry documentation and certain mill test certificates created by Ningbo Jiulong for steel coils, filed with CBP by the importer of record.

On March 18, 2010, Ningbo Jiulong responded to the Department’s March 10, 2010 request for specific mill test certificates by stating that (1) Ningbo Jiulong could not link steel coil mill test certificates to the U.S. sales of steel grating in which the steel coil was used in production, and (2) in practice Ningbo Jiulong did not provide mill test certificates to its customer for most sales, despite the “legalistic terms in the small print” of its purchase orders. On March 19, 2010, Petitioners responded to the Department’s request with supporting information concerning the analysis in their March 8, 2010 submission. Also, on March 19, 2010, Ningbo Jiulong responded to the Department’s supplemental questionnaire, stating: (1) Ningbo Jiulong cannot trace any of its suppliers’ mill test certificates to specific purchases of steel coil or wire rod, because mill test certificates are production records that pertain to steel sold to multiple customers; (2) mill test certificates are not accounting records (e.g., invoices, inventory slips, delivery notes), and thus Ningbo Jiulong does not keep mill test certificates in its records in the normal course of business; (3) Ningbo Jiulong creates its own mill test certificates that it admits are unreliable, and that it has no ability to determine with its own analysis the chemical properties of any steel that it purchases; and (4) irregularities in the mill test certificates noted by Petitioners are due to the carelessness of their suppliers and/or “estimations” made by its suppliers using the content of prior mill test certificates.


Analysis of Comments Received
All issues raised in the case and rebuttal briefs by parties to this investigation are addressed in the
“Certain Steel Grating from the People’s Republic of China: Issues and Decision Memorandum for the Final Determination,” (“Issues and Decision Memorandum”), dated concurrently with this notice and which is hereby adopted by this notice. A list of the issues which parties raised and to which we respond in the Issues and Decision Memorandum is attached to this notice as Appendix I. The Issues and Decision Memorandum is a public document and is on file in the Central Records Unit (“CRU”), Room 1117 of the main Commerce building, and is accessible on the World Wide Web at http://trade.gov/ia/index.asp. The paper copy and electronic version of the memorandum are identical in content.

Changes Since the Preliminary Determination

Based on our analysis of information on the record of this investigation, we have determined that the application of total adverse facts available (“AFA”) is warranted in the case of Ningbo Jiulong. For further details, see Issues and Decision Memorandum at Comments 3; see also Memorandum from Thomas Martin to John M. Andersen, regarding: Application of Total Adverse Facts Available for Ningbo Jiulong Machinery Manufacturing Co., Ltd. in the Antidumping Duty Investigation of Certain Steel Grating from the People’s Republic of China, dated May 28, 2010 (“Ningbo Jiulong AFA Memo”).

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.

Application of Adverse Facts Available to Ningbo Jiulong

Section 776(a)(1) of the Act provides that the Department may rely on facts otherwise available where necessary information is not available on the record, and section 776(a)(2) of the Act provides that if an interested party: (A) Withholds information that has been requested by the Department; (B) fails to provide such information in a timely manner or in the form or manner requested, subject to subsections 782(c)(1) and (e) of the Act; (C) significantly impedes a determination under the antidumping statute; or (D) provides such information but the information cannot be verified, the Department shall, subject to subsection 782(d) of the Act, use facts otherwise available in reaching the applicable determination.

Section 782(c)(1) of the Act provides that if an interested party “promptly after receiving a request from [the Department] for information, notifies [the Department] that such party is unable to submit the information,” the Department may modify the requirements to avoid imposing an unreasonable burden on that party. Section 782(d) of the Act provides that, if the Department determines that a response to a request for information does not comply with the request, the Department will inform the person submitting the response of the nature of the deficiency and shall, to the extent practicable, provide that person the opportunity to remedy or explain the deficiency. If that person submits further information that continues to be unsatisfactory, or this information is not submitted within the applicable time limits, the Department may, subject to section 782(e) of the Act, disregard all or part of the original and subsequent responses, as appropriate.

Section 782(e) of the Act states that the Department shall not decline to consider information deemed “deficient” under section 782(d) if: (1) The information is submitted by the established deadline; (2) the information can be verified; (3) the information is not so incomplete that it cannot serve as a reliable basis for reaching the applicable determination; (4) the interested party has demonstrated that it acted to the best of its ability; and (5) the information can be used without undue difficulties.

Furthermore, section 776(b) of the Act states that if the administering authority finds that an interested party has not acted to the best of its ability to comply with a request for information, the administering authority may, in reaching its determination, use an inference that is adverse to that party. The adverse inference may be based upon: (1) The petition, (2) a final determination in the investigation under this title, (3) any previous review under section 751 or determination under section 753, or (4) any other information placed on the record.

The Department has determined that the information to construct an accurate and otherwise reliable margin is not available on the record with respect to Ningbo Jiulong because Ningbo Jiulong withheld information that had been requested, significantly impeded this proceeding, and provided information that could not be verified, pursuant to sections 776(a)(1) and (2)(A), (C) and (D) of the Act.1 As a result, the Department has determined to apply the facts otherwise available. Further, the Department finds that Ningbo Jiulong failed to cooperate to the best of its ability, pursuant to section 776(b) of the Act, and the Department has determined to use an adverse inference when applying facts available in this investigation.2 In addition, we have concluded that the nature of Ningbo Jiulong’s unreliable submissions calls into question the reliability of the questionnaire responses with respect to Ningbo Jiulong’s claim of eligibility for separate rate status. Thus, as an adverse inference, we find that Ningbo Jiulong is part of the PRC-wide entity for purposes of this investigation.3

The PRC Entity (Including Ningbo Jiulong)

Because we begin with the presumption that all companies within an non-market-economy (“NME”) country are subject to government control and because only the companies listed under the “Final Determination Margins” section below have overcome that presumption, we are applying a single antidumping rate—the PRC-wide rate—to all other exporters of

1 See Ningbo Jiulong AFA Memo at 10–14.
2 See Ningbo Jiulong AFA Memo at 14–17.
3 See Ningbo Jiulong AFA Memo at 17.
merchandise under consideration from the PRC, including Ningbo Jiulong. The PRC-wide rate applies to all entries of subject merchandise except for entries from the respondents identified as receiving a separate rate in the “Final Determination Margins” section below.

Verification
As provided in section 782(i) of the Act, the Department attempted to verify Ningbo Jiulong’s questionnaire responses. We used standard verification procedures, including examination of relevant accounting and production records, as well as original source documents provided by respondents. However, as detailed in the AFA section of this notice, and Comment 3 of the Issues and Decision Memorandum, we cannot conclude that the information submitted is either accurate or reliable.

Surrogate Country
In the Preliminary Determination, we stated that we selected India as the appropriate surrogate country to use in this investigation for the following reasons: (1) It is a significant producer of comparable merchandise; (2) it is at a similar level of economic development pursuant to section 773(c)(4) of the Act; and (3) we have reliable data from India that we can use to value the factors of production. See Preliminary Determination. We received no comments on this issue after the Preliminary Determination, and we have made no changes to our findings with respect to the selection of a surrogate country for the final determination.

Separate Rates
In proceedings involving NME countries, the Department begins with a rebuttable presumption that all companies within the country are subject to government control and, thus, should be assigned a single antidumping duty deposit rate. It is the Department’s policy to allow all exporters of merchandise subject to an investigation 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. See Final Determination of Sales at Less Than Fair Value: Sparklers from the People’s Republic of China, 56 FR 20588 (May 6, 1991), as amplified by Notice of Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the People’s Republic of China, 59 FR 22585 (May 2, 1994), and 19 CFR 351.107(d).

In the Preliminary Determination, we found that the separate rate applicants Sinosteel Yantai Steel Grating Co., Ltd. (“Sinosteel”), Ningbo Haitian, and Xinke (collectively, the “Separate Rate Applicants”) demonstrated their eligibility for, and were hence assigned, separate rate status. No party has commented on the eligibility of these companies for separate rate status. For the final determination, we continue to find that the evidence placed on the record of this investigation by these companies demonstrates both a de jure and de facto absence of government control with respect to their exports of the merchandise under investigation. Thus, we continue to find that they are eligible for separate rate status.

Normally, the separate rate is determined based on the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding de minimis margins or margins based entirely on AFA. See section 735(c)(5)(A) of the Act.

In the Preliminary Determination, the Department assigned to the Separate Rate Applicants’ exporter/producer combinations that qualified for a separate rate a weighted-average margin based on the experience of the mandatory respondents. Ningbo Jiulong, See Preliminary Determination. For the final determination, we have denied Ningbo Jiulong a separate rate in applying total AFA. See “Application of Adverse Facts Available To Ningbo Jiulong” section above. In this case, where there are no mandatory respondents receiving a calculated rate and the PRC-wide entity’s rate is based upon total AFA, we find that applying the simple average of the rates alleged in the petition, incorporating revisions made in Petitioners’ supplemental responses, is both reasonable and reliable for purposes of establishing a separate rate. Therefore, the Department will assign a separate rate for the Separate Rate Applicants’ exporter/producer combinations using the average of the margins alleged in the petition, or 136.76 percent, pursuant to its practice. This rate is corroborated, to the extent practicable, for the reasons stated the “Corroboration” section, below.

The PRC-Wide Rate
In the Preliminary Determination, the Department found that the PRC-wide entity did not respond to our requests for information. In the Preliminary Determination, we treated PRC exporters/ producers that did not respond to the Department’s request for information as part of the PRC-wide entity because they did not demonstrate that they operate free of government control. No additional information has been placed on the record with respect to these entities after the Preliminary Determination. The PRC-wide entity has not provided the Department with the requested information; therefore, pursuant to section 776(a)(2)(A) of the Act, the Department continues to find that the use of facts available is appropriate to determine the PRC-wide rate. Section 776(b) of the Act provides that, in selecting from among the facts otherwise available, the Department may employ an adverse inference if an interested party fails to cooperate by not acting to the best of its ability to comply with requests for information. See Notice of Final Determination of Sales at Less Than Fair Value: Certain Cold-Rolled Flat-Rolled Carbon-Quality Steel Products From the Russian Federation, 65 FR 5510, 5518 (February 4, 2000). See also, Statement of Administrative Action accompanying the URAA, H.R. Rep. No. 103–316, vol. 1, at 870 (1994).

We find that, because the PRC-wide entity did not respond to our request for information, it has failed to cooperate to the best of its ability. Therefore, the Department finds that, in selecting from among the facts otherwise available, an adverse inference is appropriate for the PRC-wide entity.

Because we begin with the presumption that all companies within an NME country are subject to government control and because only the companies listed under the “Final Determination Margins” section below have overcome that presumption, we are applying a single antidumping rate—the PRC-wide rate—to all other exporters of subject merchandise from the PRC. Such companies did not demonstrate entitlement to a separate rate. See, e.g., Synthetic Indigo From the People’s Republic of China: Notice of Final Determination of Sales at Less Than Fair Value, 65 FR 25706 (May 3, 2000). The PRC-wide rate applies to all entries...
of subject merchandise except for entries from the Separate Rate Applicants, which are listed in the "Final Determination Margins" section below.

Corroboration

Section 776(c) of the Act provides that, when the Department relies on secondary information in using the facts otherwise available, it must, to the extent practicable, corroborate that information from independent sources that are reasonably at its disposal. We have interpreted "corroborate" to mean that we will, to the extent practicable, examine the reliability and relevance of the information submitted. See Notice of Final Determination of Sales at Less Than Fair Value: Certain Cold-Rolled Flat-Rolled Carbon-Quality Steel Products From Brazil, 65 FR 5554, 5568 (February 4, 2000); see, e.g., 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; Preliminary Results of Antidumping Duty Administrative Reviews and Partial Termination of Administrative Reviews, 61 FR 57391, 57392 (November 6, 1996).

As total AFA, the Department preliminarily selected the rate of 145.18 percent from the petition as revised by the Department through supplemental questionnaires. Petitioners’ methodology for calculating the export price and normal value ("NV") in the petition is discussed in the Initiation Notice. At the Preliminary Determination, in accordance with section 776(c) of the Act, we corroborated our AFA margin by comparing it to the CONNUM margins we found for the mandatory respondent. We found that the margin of 145.18 percent had probative value because it was in the range of CONNUM model margins we found for the only participating mandatory respondent, Ningbo Jiulong. Accordingly, we found that the rate of 145.18 percent was corroborated within the meaning of section 776(c) of the Act.

Because there are no cooperating mandatory respondents to corroborate the 145.18 percent margin used as AFA for the PRC-wide entity, to the extent appropriate information was available, we revisited our pre-initiation analysis of the adequacy and accuracy of the information in the petition. See Antidumping Investigation Initiation Checklist: Certain Steel Grating from the People’s Republic of China, dated June 18, 2009 ("Initiation Checklist"). We examined evidence supporting the calculations in the petition and the supplemental information provided by Petitioners prior to initiation to determine the probative value of the margins alleged in the petition. During our pre-initiation analysis, we examined the information used as the basis of export price and NV in the petition, and the calculations used to derive the alleged margins. Also during our pre-initiation analysis, we examined information from various independent sources provided either in the petition or, based on our requests, in supplements to the petition (e.g., Global Trade Atlas, and Petitioners’ experience with selling and producing the merchandise under consideration), which corroborated key elements of the export price and NV calculations. See Initiation Checklist at 7–12. We received no comments as to the relevance or probative value of this information. Therefore, the Department finds that the margin of 145.18 percent has probative value for the purpose of being selected as the AFA rate assigned to the PRC-wide entity (including Ningbo Jiulong).

Therefore, the Department finds that the rates derived from the petition for purposes of initiation have probative value for the purpose of being selected as the AFA rate assigned to the PRC-wide entity (including Ningbo Jiulong).

Combination Rates

In the initiation notice, the Department stated that it would calculate combination rates for respondents that are eligible for a separate rate in this investigation. See Polyethylene Retail Carrier Bags From Indonesia, Taiwan, and the Socialist Republic of Vietnam: Initiation of Antidumping Duty Investigations, 74 FR 19049 (April 27, 2009). This practice is described in Separate Rates and Combination Rates in Antidumping Investigations Involving Non-Market Economy Countries, 70 FR 17233 (April 5, 2005) which states:

"...while continuing the practice of assigning separate rates only to exporters, all separate rates that the Department will now assign in its (non-market economy) 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 applies 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.

Final Determination Margins

The Department determines that the following dumping margins exist for the period October 1, 2008, through March 31, 2009:

<table>
<thead>
<tr>
<th>Manufacturer</th>
<th>Exporter</th>
<th>Antidumping duty percent margin</th>
</tr>
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<tr>
<td>Sinosteel Yantai Steel Grating Co., Ltd</td>
<td>Sinosteel Yantai Steel Grating Co., Ltd</td>
<td>136.76</td>
</tr>
<tr>
<td>Ningbo Haitian International Co., Ltd</td>
<td>Ningbo Lihong Steel Grating Co., Ltd</td>
<td>136.76</td>
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<tr>
<td>Yantai Xinke Steel Structure Co., Ltd</td>
<td>Yantai Xinke Steel Structure Co., Ltd</td>
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</tr>
<tr>
<td>PRC-wide Entity</td>
<td>PRC-wide Entity</td>
<td>145.18</td>
</tr>
</tbody>
</table>

Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, the Department will instruct CBP to continue to suspend liquidation of all entries of steel grating from PRC, as described in the "Scope of Investigation" section, above, entered, or withdrawn from warehouse, for consumption on or after January 6, 2010, the date of publication of the Preliminary Determination in the
This determination is issued and published in accordance with sections 735(d) and 777(f)(1) of the Act.

Paul Piquado,
Acting Deputy Assistant Secretary for Import Administration.

Appendix I

Issues For Final Determination

General Issues
Comment 1: Whether the Department Can Concurrently Apply Antidumping and Countervailing Duties to Non-Market Economy Producers and Exporters
Comment 2: Whether the Department Should Recalculate the Petition Margins With Updated Surrogate Values

Ningbo Jiulong Specific Issues
Comment 3: Whether the Department Should Apply Adverse Facts Available to Ningbo Jiulong Based Upon Submitted False Information Regarding Its Steel Inputs
Comment 4: Whether the Department Should Rely Upon Documents Obtained From CBP in the Final Determination
Comment 5: Whether the Department Should Apply Adverse Facts Available to Ningbo Jiulong Based Upon the Failure To Report the Correct Customer
Comment 6: Whether the Department Should Apply Adverse Facts Available to Ningbo Jiulong Based Upon Unreported Sales
Comment 7: Whether the Department Should Apply Partial Adverse Facts Available to Ningbo Jiulong’s Packing Inputs
Comment 8: Whether the Department Should Revise Ningbo Jiulong’s Steel Scrap Offset

Surrogate Value Issues for Specific Factors of Production
Comment 9: Whether the Department Should Revise the Surrogate Value for the Steel Coil Input
Comment 10: Whether the Department Should Revise the Surrogate Value for the Wire Rod Input
Comment 11: Whether the Department Should Revise the Surrogate Value for Galvanizing Services

Surrogate Financial Ratio Calculation Issues
Comment 12: Whether the Department Should Use the Financial Statement of Greatweld Steel Grating Private Limited to Calculate Surrogate Financial Ratios
Comment 13: Whether the Department Should Use the Financial Statements of Comparable Merchandise Producers to Calculate Surrogate Financial Ratios

Separate Rate Applicant Rate Issues
Comment 14: Whether the Department Should Revise the Rate Assigned to Separate Rate Applicants

[FR Doc. 2010–13778 Filed 6–7–10; 8:45 am]

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DEPARTMENT OF COMMERCE
International Trade Administration
[A–403–801]

Final Results of Antidumping Duty Changed Circumstances Review: Fresh and Chilled Atlantic Salmon from Norway

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

ACTION: Final Results of Antidumping Duty Changed Circumstances Review: Fresh and Chilled Atlantic Salmon from Norway

SUMMARY: On August 5, 2009, the Department of Commerce (Department) initiated a changed circumstances review of the antidumping order on fresh and chilled Atlantic Salmon from Norway and preliminarily determined that Nordic Group AS is the successor–in-interest to Nordic Group A/L for purposes of determining antidumping duty liability. We received comments from interested parties. Based on our analysis, we are now affirming our preliminary results.

EFFECTIVE DATE: June 8, 2010.

FOR FURTHER INFORMATION CONTACT: John Conniff, Office of AD/CVD Operations, Office 3, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482–1009.

SUPPLEMENTARY INFORMATION:

Background