DEPARTMENT OF COMMERCE

International Trade Administration

C–580–851

Dynamic Random Access Memory Semiconductors From the Republic of Korea: Final Results of Countervailing Duty Administrative Review

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

SUMMARY: On September 14, 2010, the Department of Commerce published in the Federal Register its preliminary results of administrative review of the countervailing duty order on dynamic random access memory semiconductors from the Republic of Korea for the period January 1, 2008, through August 10, 2008. We provided interested parties with an opportunity to comment on the preliminary results. Our analysis of the comments submitted led to a change in the net subsidy rate. The final net subsidy rate for Hynix Semiconductor, Inc., is listed below in the section entitled “Final Results of Review.”

DATES: Effective Date: January 13, 2011.

FOR FURTHER INFORMATION CONTACT: Shane Subler or Jennifer Meek, AD/CVD Operations, Office 1, Import Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482–0189 or (202) 482–2778, respectively.

SUPPLEMENTARY INFORMATION:

Background

The following events have occurred since the publication of the preliminary results of this review. See Dynamic Random Access Memory Semiconductors From the Republic of Korea: Preliminary Results of Countervailing Duty Administrative Review, 75 FR 55764 (September 14, 2010) (“Preliminary Results”).

On October 14, 2010, we received a case brief from the petitioner, Micron Technology, Inc. (“Micron”), and a joint case brief from Hynix Semiconductor, Inc. (“Hynix”) and the Government of the Republic of Korea (“GOK”). On October 19, 2010, Micron submitted a rebuttal brief. Hynix and the GOK also submitted a joint rebuttal brief on this date.

Scope of the Order

The products covered by the order are dynamic random access memory semiconductors ("DRAMS") from the Republic of Korea ("ROK"), whether assembled or unassembled. Assembled DRAMS include all package types.

Unassembled DRAMS include processed wafers, uncut die, and cut die. Processed wafers fabricated in the ROK, but assembled into finished semiconductors outside the ROK are also included in the scope. Processed wafers fabricated outside the ROK and assembled into finished semiconductors in the ROK are not included in the scope.

The scope of the order additionally includes memory modules containing DRAMS from the ROK. A memory module is a collection of DRAMS, the sole function of which is memory. Memory modules include single in-line processing modules, single in-line memory modules, dual in-line memory modules, small outline dual in-line memory modules, Rambus in-line memory modules, and memory cards or other collections of DRAMS, whether unmounted or mounted on a circuit board. Modules that contain other parts that are needed to support the function of memory are covered. Only those modules that contain additional items which alter the function of the module to something other than memory, such as video graphics adapter boards and cards, are not included in the scope. The scope also covers future DRAMS module types.

The scope of the order additionally includes, but is not limited to, video random access memory and synchronous graphics random access memory, as well as various types of DRAMS, including fast page-mode, extended data-out, burst extended data-out, synchronous dynamic RAM, Rambus DRAM, and Double Data Rate DRAM. The scope also includes any future density, packaging, or assembling of DRAMS. Also included in the scope of the order are removable memory modules placed on motherboards, with or without a central processing unit, unless the importer of the motherboards certifies with U.S. Customs and Border Protection ("CBP") that neither it, nor a party related to it or under contract to it, will remove the modules from the motherboards after importation. The scope of the order does not include DRAMS or memory modules that are re-imported for repair or replacement.

The DRAMS subject to the order are currently classifiable under subheadings 8542.21.8005, 8542.21.8020 through 8542.21.8030, and 8542.32.0001 through 8542.32.0023 of the Harmonized Tariff Schedule of the United States ("HTSUS"). The memory modules containing DRAMS from the ROK, described above, are currently classifiable under subheadings 8473.30.1040, 8473.30.1080, 8473.30.1140, and 8473.30.1180 of the
Countervailing Duty Order on Dynamic Random Access Memory

Scope

On December 29, 2004, the Department of Commerce (“Department”) received a request from Cisco Systems, Inc., to determine whether removable memory modules placed on motherboards that are imported for repair or refurbishment are within the scope of the CVD Order. See Notice of Countervailing Duty Order: Dynamic Random Access Memory Semiconductors from the Republic of Korea, 68 FR 47546 (August 11, 2003) (“CVD Order”). The Department initiated a scope inquiry pursuant to 19 CFR 351.225(e) on February 4, 2005. On January 12, 2006, the Department issued a final scope ruling, finding that removable memory modules placed on motherboards that are imported for repair or refurbishment are not within the scope of the CVD Order provided that the importer certifies that it will destroy any memory modules that are removed for repair or refurbishment. See Memorandum from Stephen J. Claeys to David M. Spooner, regarding Final Scope Ruling, Countervailing Duty Order on DRAMS from the Republic of Korea (January 12, 2006).

Period of Review

The period for which we are measuring subsidies, i.e., the period of review (“POR”), is January 1, 2008, through August 10, 2008.

Analysis of Comments Received

We have addressed all issues raised in the case and rebuttal briefs in the January 5, 2011, Issues and Decision Memorandum for the Final Results in the Sixth Administrative Review of the Countervailing Duty Order on Dynamic Random Access Memory Semiconductors from the Republic of Korea from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Ronald K. Lorentzen, Deputy Assistant Secretary for Import Administration (“Decision Memorandum”), which is hereby adopted by this notice. Attached to this notice as an appendix is a list of the issues which parties have raised and to which we have responded in the Decision Memorandum. Parties can find a complete discussion of all issues raised in this review and the corresponding recommendations in this public memoranda, which is on file in the Department’s Central Records Unit, Room 7046 of the main Department building. In addition, a complete version of the public Decision Memorandum can be accessed directly on the Internet at http://www.ia.ita.doc.gov/frn. The paper copy and electronic version of the Decision Memorandum are identical in content.

Final Results of Review

In accordance with 19 CFR 351.221(b)(5), we calculated an individual subsidy rate for the producer, Hynix. For the period January 1, 2008, through August 10, 2008, we find that the ad valorem net subsidy rate for Hynix is 1.93 percent.

Assessment Rates

The Department intends to issue assessment instructions to CBP fifteen days after the date of publication of these final results of this review. The Department will instruct CBP to liquidate shipments of DRAMS by Hynix entered or withdrawn from warehouse, for consumption from January 1, 2008, through August 10, 2008, at 1.93 percent ad valorem of the F.O.B. invoice price, or 0.0033 U.S. dollars per megabit, as appropriate. 1

Cash Deposits

On October 3, 2008, the Department published a Federal Register notice that, inter alia, revoked this order, effective August 11, 2008. See Dynamic Random Access Memory Semiconductors From the Republic of Korea: Final Results of Sunset Review and Revocation of Order, 73 FR 57594 (October 3, 2008). As a result, CBP is no longer suspending liquidation for entries of subject merchandise occurring after the revocation. Therefore, there is no need to issue new cash deposit instructions pursuant to the final results of this administrative review.

This notice also serves as a reminder to parties subject to administrative protective order (“APO”) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

This administrative review and notice are issued and published in accordance with section 751(a)(1) of the Tariff Act of 1930, as amended.

Dated: January 5, 2011.
Ronald K. Lorentzen,
Deputy Assistant Secretary for Import Administration.

Appendix I—Comments in the Decision Memorandum

Comment 1: Income Tax Treatment of Hynix’s Debt Restructuring

Comment 2: Allocation Method for Tax Benefit

Comment 3: Clerical Error Allegations

Comment 4: Circumvention of the Order

BILLCODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

Agricultural Import Administration [A–570–827]

Certain Cased Pencils From the People’s Republic of China: Preliminary Results and Partial Rescission of Antidumping Duty Administrative Review

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

DATES: Effective Date: January 13, 2011. SUMMARY: The Department of Commerce (“the Department”) has preliminarily determined that the respondents in this review, for the period December 1, 2008, through November 30, 2009, have made sales of subject merchandise at less than normal value. If these preliminary results are adopted in the final results of this review, we will instruct U.S. Customs and Border Protection (“CBP”) to assess antidumping duties on all appropriate entries.

The Department is also rescinding this review for those foreign producers/exporters for which requests for review were timely withdrawn. For the