Preliminary Determinations by the ITC

The ITC will preliminarily determine, no later than May 16, 2011, whether there is a reasonable indication that imports of steel wheels from the PRC are materially injuring, or threatening material injury to a U.S. industry. A negative ITC determination will result in the investigation being terminated; otherwise, this investigation will proceed according to statutory and regulatory time limits.

Notification to Interested Parties

Interested parties must submit applications for disclosure under administrative protective orders in accordance with 19 CFR 351.305. On January 22, 2008, the Department published Antidumping and Countervailing Duty Proceedings: Documents Submission Procedures; APO Procedures, 73 FR 3634. Parties wishing to participate in these investigations should ensure that they meet the requirements of these procedures (e.g., the filing of letters of appearance as discussed at 19 CFR 351.103(d)).

Any party submitting factual information in an antidumping or countervailing duty proceeding must certify to the accuracy and completeness of that information.44 Parties are hereby reminded that revised certification requirements are in effect for company/government officials as well as their representatives in all segments of any antidumping duty or countervailing duty proceedings initiated on or after March 14, 2011.45 The formats for the revised certifications are provided at the end of the Interim Final Rule. The Department intends to reject factual submissions in any proceeding segments initiated on or after March 14, 2011, if the submitting party does not comply with the revised certification requirements.

This notice is issued and published pursuant to section 777(i) of the Act.

Dated: April 19, 2011.

Ronald K. Lorentzen,
Deputy Assistant Secretary for Import Administration.

Appendix I

Scope of the Investigation

The products covered by this investigation are steel wheels with a wheel diameter of 18 to 24.5 inches. Rims and discs for such wheels are included, whether imported as an assembly or separately. These products are used with both tubed and tubeless tires. Steel wheels, whether or not attached to tires or axles, are included. However, if the steel wheels are imported as an assembly attached to tires or axles, the tire or axle is not covered by the scope. The scope includes steel wheels, discs, and rims of carbon and/or alloy composition and clad wheels, discs, and rims when carbon or alloy steel represents more than fifty percent of the product by weight. The scope includes wheels, rims, and discs, whether coated or uncoated, regardless of the type of coating.

Imports of the subject merchandise are provided for under the following categories of the Harmonized Tariff Schedule of the United States (“HTSUS”): 8708.70.05.00, 8708.70.25.00, 8708.70.45.30, and 8708.70.60.30. These HTSUS numbers are provided for convenience and customs purposes only; the written description of the scope is dispositive.

[FR Doc. 2011–10076 Filed 4–25–11; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[C–580–866]

Bottom Mount Combination Refrigerator-Freezers From the Republic of Korea: Initiation of Countervailing Duty Investigation

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

DATES: Effective Date: April 26, 2011.

FOR FURTHER INFORMATION CONTACT: Justin Neuman or Dana Mermelstein, AD/CVD Operations, Office 6, Import Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482–0486 or (202) 482–1391, respectively.

SUPPLEMENTARY INFORMATION:
The Petition

On March 30, 2011, the Department of Commerce (the Department) received a countervailing duty (CVD) petition concerning imports of bottom mount combination refrigerator-freezers (bottom mount refrigerators) from the Republic of Korea (Korea) filed in proper form by Whirlpool Corporation (the petitioner), a domestic producer of bottom mount refrigerators. See “Bottom Mount Combination Refrigerator-Freezers From the Republic of Korea and Mexico: Antidumping and Countervailing Duty Petitions on Behalf of Whirlpool Corporation,” dated March 30, 2011 (Korea CVD Petition). On April 5, 6, 12, and 14, 2011, the Department issued additional requests for information and clarification of certain
areas of the Korea CVD Petition. Based on the Department’s requests, the petitioner timely filed additional information pertaining to the Korea CVD Petition on April 11, 14, and 18, 2011. In accordance with section 702(b)(1) of the Tariff Act of 1930, as amended, (the Act), the petitioner alleges that producers/exporters of bottom mount refrigerators from Korea received countervailable subsidies within the meaning of sections 701 and 771(5) of the Act, and that imports from these producers/exporters materially injure, or threaten material injury to, an industry in the United States. The Department finds that the petitioner has filed this CVD petition on behalf of the domestic industry because it is an interested party as defined in section 771(9)(C) of the Act, and the petitioner has demonstrated sufficient industry support with respect to the CVD investigation that it is requesting the Department to initiate (see “Determination of Industry Support for the CVD Petition,” below).

Period of Investigation

The period of investigation (POI) is calendar year 2010, i.e., January 1, 2010, through December 31, 2010. See 19 CFR 351.204(b)(2).

Scope of Investigation

The products covered by this investigation are bottom mount refrigerators from Korea. For a full description of the scope of this investigation, please see the “Scope of Investigation” Appendix to this notice.

Comments on Scope of Investigation

During our review of the Korea CVD Petition, we discussed the scope with the petitioner to ensure that it is an accurate reflection of the products for which the domestic industry is seeking relief. Moreover, as discussed in the preamble to the regulations (See Antidumping Duties; Countervailing Duties; Final Rule, 62 FR 27296, 27323 (May 19, 1997)), we are setting aside a period for interested parties to raise issues regarding product coverage. The Department encourages all interested parties to submit such comments by May 9, 2011, twenty calendar days from the signature date of this notice. All comments must be filed on the records of the Korea and Mexico antidumping duty investigations as well as the Korea countervailing duty investigation. Comments should be addressed to Import Administration’s APO/Dockets Unit, Room 1970, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230. The period of scope consultations is intended to provide the Department with ample opportunity to consider all comments and to consult with parties prior to the issuance of the preliminary determination.

Consultations

Pursuant to section 702(b)(4)(A)(ii) of the Act, the Department held consultations in Washington, DC with the Government of Korea (GOK) with respect to the Korea CVD Petition on April 13, 2011. See Memorandum to the File, “Consultations With the Government of Korea Regarding the Countervailing Duty Petition on Bottom Mount Combination Refrigerator-Freezers From Korea,” dated April 14, 2011, a public document on file in the Central Records Unit (CRU), Room 7046 of the main Department of Commerce building.

Determination of Industry Support for the Petition

Section 702(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 702(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) At least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 702(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, the Department shall: (i) Poll the industry or rely on other information in order to determine if there is support for the petition, as required by subparagraph (A); or (ii) determine industry support using a statistically valid sampling method to poll the industry.

Section 771(4)(A) of the Act defines the “industry” as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs the Department to look to producers and workers who produce the domestic like product. The International Trade Commission (ITC), which is responsible for determining whether the “domestic industry” has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both the Department and the ITC must apply the same statutory definition regarding the domestic like product (see section 771(10) of the Act), they do so for different purposes and pursuant to a separate and distinct authority. In addition, the Department’s determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to law. See USEC, Inc. v. United States, 132 F. Supp. 2d 1, 8 (CIT 2001), citing Algoma Steel Corp., Ltd. v. United States, 685 F. Supp. 639, 644 (CIT 1988), aff’d 865 F.2d 240 (Fed. Cir. 1989), cert. denied 492 U.S. 919 (1989).

Section 771(10) of the Act defines the domestic like product as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title.” Thus, the reference point from which the domestic like product analysis begins is “the article subject to an investigation” (i.e., the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition).

With regard to the domestic like product, the petitioner does not offer a definition of domestic like product distinct from the scope of the investigation. Based on our analysis of the information submitted on the record, we have determined that bottom mount refrigerators constitute a single domestic like product and we have analyzed industry support in terms of that domestic like product. For a discussion of the domestic like product analysis in this case, see Countervailing Duty Investigation Initiation Checklist: Bottom Mount Combination Refrigerator-Freezers from Korea (Korea CVD Initiation Checklist) at Attachment II, “Analysis of Industry Support for the Petitions Covering Bottom Mount Combination Refrigerator-Freezers,” on file in the CRU.

In determining whether the petitioner has standing under section 702(c)(4)(A) of the Act, we considered the industry support data contained in the petition with reference to the domestic like product as defined in the “Scope of Investigation” section above. To establish industry support, the petitioner provided its production volume of the domestic like product in 2010, and compared it to the estimated total production of the domestic like product for the entire domestic industry. See Volume I of the Korea CVD Petition, at 6–11, Volume 2A of the petition, at Exhibits 4 and 5, and Supplement to the AD/CVD petitions, dated April 11, 2011 at 2–4 and Exhibits S–2 and S–3. The estimated 2010 production of the domestic like product by non-
petitioning companies based on its knowledge of its competitors and their production capacity. We have relied upon data the petitioner provided for purposes of measuring industry support. For further discussion, see Korea CVD Initiation Checklist, at Attachment II.

Our review of the data provided in the petition, supplemental submissions, and other information readily available to the Department indicates that the petitioner has established industry support. First, the petition established support from domestic producers (or workers) accounting for more than 50 percent of the total production of the domestic like product and, as such, the Department is not required to take further action in order to evaluate industry support (e.g., polling). See section 702(c)(4)(D) of the Act and Korea CVD Initiation Checklist, at Attachment II. Second, the domestic producers (or workers) have met the statutory criteria for industry support under section 702(c)(4)(A)(i) of the Act because the domestic producers (or workers) who support the petition account for at least 25 percent of the total production of the domestic like product. See Korea CVD Initiation Checklist, at Attachment II. Finally, the domestic producers (or workers) have met the statutory criteria for industry support under section 702(c)(4)(A)(ii) of the Act because the domestic producers (or workers) who support the petition account for more than 50 percent of the production of the like product produced by that portion of industry in opposition to the petition. Accordingly, the Department determines that the petition was filed on behalf of the domestic industry within the meaning of section 702(b)(1) of the Act. See id.

The Department finds that the petitioner filed the petition on behalf of the domestic industry because it is an interested party as defined in section 771(9)(C) of the Act and it has demonstrated sufficient industry support with respect to the countervailing duty investigation that it is requesting the Department initiate. See id.

Injury Test

Because Korea is a “Subsidies Agreement Country” within the meaning of section 701(b) of the Act, section 701(a)(2) of the Act applies to this investigation. Accordingly, the ITC must determine whether imports of the subject merchandise from Korea materially injure, or threaten material injury to, a U.S. industry.

Allegations and Evidence of Material Injury and Causation

The petitioner alleges that imports of the subject merchandise are benefitting from countervailable subsidies and that such imports are causing, or threatening to cause, material injury to the U.S. industry producing the domestic like product. In addition, the petitioner alleges that subject imports exceed the negligibility threshold provided for under section 771(24)(A) of the Act. The petitioner contends that the industry’s injured condition is illustrated by reduced market share, reduced shipments, underselling and price depression or suppression, decline in financial performance, lost sales and revenue, and increase in the volume of imports and import penetration. See Volume I of the Korea CVD Petition, at 114–138, Volume 2A of the petition, at Exhibit 6, Volume 2B of the petition, at Exhibits 35 and 38–42, and Supplement to the AD/CVD petitions, at S–10 and Exhibits S–1, S–2, S–4, and S–5. We have assessed the allegations and supporting evidence regarding material injury, threat of material injury, and causation, and we have determined that these allegations are properly supported by adequate evidence and meet the statutory requirements for initiation. See Korea CVD Initiation Checklist at Attachment III, “Analysis of Allegations and Evidence of Material Injury and Causation for the Petitions Covering Bottom Mount Combination Refrigerator-Freezers from the Republic of Korea and Mexico.”

Initiation of Countervailing Duty Investigation

Section 702(b)(1) of the Act requires the Department to initiate a CVD investigation whenever an interested party files a CVD petition on behalf of an industry that: (1) Alleges the elements necessary for an imposition of duty under section 701(a) of the Act; and (2) is accompanied by information reasonably available to the petitioner supporting the allegations.

The Department has examined the countervailing duty petition on bottom mount refrigerators from Korea and finds that it complies with the requirements of section 702(b)(1) of the Act. Therefore, in accordance with section 702(b)(1) of the Act, we are initiating a CVD investigation to determine whether Korean producers/exporters of bottom mount refrigerators receive countervailable subsidies. For a discussion of evidence supporting our initiation determination, see Korea CVD Initiation Checklist.

We are including in our investigation the following programs alleged in the Korea CVD Petition to provide countervailable subsidies to producers/exporters of the subject merchandise:

1. Korean Export-Import Bank (KEXIM) Subsidy Programs
a. KEXIM Loan Guarantees
b. KEXIM Export Factoring

2. Korea Development Bank (KDB) and Industrial Bank of Korea (IBK) Short-Term Discounted Loans for Export Receivables

3. Korea Trade Insurance Corporation—Export Insurance and Export Credit Guarantees
a. Short-Term Export Insurance
b. Export Credit Guarantees

4. Production Facilities Subsidies
a. Tax Reductions/Tax Exemptions
b. Relocation Grants
c. Facilities Grants
d. Employment Grants
e. Training Grants
f. Consulting Grants
g. Preferential Financing for Business Restructuring
h. Interest Grants for the Stabilization of Management Costs
i. “Special Support” for Large Corporate Investors
j. Research and Development and Other Technical Support Services

5. Production Facilities Subsidies: Changwon City Subsidy Programs
a. Relocation Grants
b. Employment Grants
c. Training Grants
d. Facilities Grants
e. Grant for “Moving Metropolitan Area-Based Company to Changwon”


8. Government of Korea Targeted Subsidies
a. Research, Supply, or Workforce Development Investment Tax Deductions for New Growth
b. Research, Supply, or Workforce Development Expense Tax
Distribution of Copies of the CVD Petition

In accordance with section 702(b)(4)(A)(i) of the Act, copies of the public versions of the Korea CVD Petition and amendments thereto have been provided to the GOK. To the extent practicable, we will attempt to provide a copy of the public version of the Korea CVD Petition to each exporter named in the petition, as provided under 19 CFR 351.203(c)(2).

ITC Notification

We have notified the ITC of our initiation, as required by section 702(d) of the Act.

Preliminary Determination by the ITC

The ITC will preliminarily determine, within 45 days after the date on which the petition was filed, whether there is a reasonable indication that imports of allegedly subsidized bottom mount refrigerators from Korea materially injure, or threaten material injury to, a U.S. industry. See section 703(a)(2) of the Act. A negative ITC determination will result in the investigation being terminated; see section 703(a)(1) of the Act. Otherwise, the investigation will proceed according to statutory and regulatory time limits.

Notification to Interested Parties

Interested parties must submit applications for disclosure under administrative protective orders in accordance with 19 CFR 351.305. On January 22, 2008, the Department published Antidumping and Countervailing Duty Proceedings: Documents Submission Procedures; APO Procedures (73 FR 3634). Parties wishing to participate in this investigation should ensure that they meet the requirements of these procedures (e.g., the filing of letters of appearance as discussed at 19 CFR 351.103(d)).

Any party submitting factual information in an AD/CVD proceeding must certify to the accuracy and completeness of that information. See section 782(b) of the Act. Parties are hereby reminded that revised certification requirements are in effect for company/government officials as well as their representatives in all segments of any AD/CVD proceedings initiated on or after March 14, 2011. See Certification of Factual Information to Import Administration During Antidumping and Countervailing Duty Proceedings: Interim Final Rule, 76 FR 7491 (February 10, 2011) (Interim Final Rule). Amendments to 19 CFR 351.305(g)(1) and (2). The formats for the revised certifications are provided at the end of the Interim Final Rule. The Department intends to reject factual submissions in any proceeding segments initiated on or after March 14, 2011, if the submitting party does not comply with the revised certification requirements.

This notice is issued and published pursuant to section 777(i) of the Act.

Dated: April 19, 2011.

Ronald K. Lorentzen,
Deputy Assistant Secretary for Import Administration.

Appendix

Scope of the Investigation

The products covered by the investigation are all bottom mount combination refrigerator-freezers and certain assemblies thereof from Korea.

For purposes of the investigation, the term “bottom mount combination refrigerator-freezers” denotes freestanding or built-in cabinets that have an integral source of refrigeration using compression technology, with all of the following characteristics:

• The cabinet contains at least two interior storage compartments accessible through one or more separate external doors or drawers or a combination thereof;

• The upper-most interior storage compartment(s) that is accessible through an external door or drawer is either a refrigerator compartment or convertible compartment, but is not a freezer compartment; 1 and

• There is at least one freezer or convertible compartment that is mounted below the upper-most interior storage compartment(s).

For purposes of the investigation, a refrigerator compartment is capable of storing food at temperatures above 32 degrees F (0 degrees C), a freezer compartment is capable of storing food at temperatures at or below 32 degrees F (0 degrees C), and a convertible compartment is capable of operating as either a refrigerator compartment or a freezer compartment, as defined above.

Also covered are certain assemblies used in bottom mount combination refrigerator-freezers, namely: (1) Any assembled cabinets designed for use in bottom mount combination refrigerator-freezers that incorporate, at a minimum: (a) an external metal shell, (b) a back panel, (c) a deck, (d) an interior plastic liner, (e) wiring, and (f) insulation; (2) any assembled external doors designed for use in bottom mount combination refrigerator-freezers that incorporate, at a minimum: (a) an external metal shell, (b) an interior plastic liner, and (c) insulation; and (3) any assembled external drawers designed for use in bottom mount combination refrigerator-freezers that incorporate, at a minimum: (a) an external metal shell, (b) an interior plastic liner, and (c) insulation.

The products subject to the investigation are currently classifiable under subheadings 8418.10.0010, 8418.10.0020, 8418.10.0030, 8418.10.0040, and 8418.10.0050.

1 The existence of an interior sub-compartment for ice-making in the upper-most storage compartment does not render the upper-most storage compartment a freezer compartment.
DEPARTMENT OF COMMERCE

International Trade Administration

[C–570–974]

Certain Steel Wheels From the People's Republic of China: Initiation of Countervailing Duty Investigation

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

DATES: Effective Date: April 26, 2011.

FOR FURTHER INFORMATION CONTACT: Kristen Johnson or Eric B. Reynolds, AD/CVD Operations, Office 3, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482–4793 and (202) 482–6071, respectively.

SUPPLEMENTAL INFORMATION:

The Petition

On March 30, 2011, the Department of Commerce (the Department) received a countervailing duty (CVD) petition concerning imports of certain steel wheels (steel wheels) from the People’s Republic of China (the PRC) filed in proper form by Accuride Corporation (Accuride) and Hayes Lemmerz International, Inc. (collectively, Petitioners).{1}

On April 6, 2011, the Department issued supplemental questions to Petitioners regarding certain issues in the Petition. {2} Petitioners responded to the questions with supplemental responses on April 11, 2011. {3} On April 12, 2011, the Department requested additional information on certain issues. {4} On April 14, 2011, Petitioners provided a response to the Department’s requests. {5} On April 14, 2011, the Department requested further clarification with respect to the Petition, which Petitioners submitted on April 15, 2011. {6} On April 18, 2011, the Department further clarified the scope of the Petition with Petitioners. {7}

In accordance with section 702(b)(1) of the Tariff Act of 1930, as amended (the Act), Petitioners allege that producers/exporters of steel wheels from the PRC received countervailable subsidies within the meaning of sections 701 and 771(5) of the Act, and that imports from these producers/exporters materially injure, and threaten further material injury to, an industry in the United States.

The Department finds that Petitioners filed the Petition on behalf of the domestic industry because Petitioners are interested parties, as defined in section 771(b)(9)(C) of the Act, and they have demonstrated sufficient industry support with respect to the investigation that they are requesting the Department to initiate (see “Determination of Industry Support for the Petition” below). The Department also notes that, pursuant to section 702(b)(1) of the Act, the Petition is accompanied by information reasonably available to Petitioners supporting their allegations.

Period of Investigation

The proposed period of investigation is January 1, 2010, through December 31, 2010.

Scope of Investigation

The products covered by this investigation are steel wheels from the PRC. For a full description of the scope of the investigation, see “Scope of the Investigation,” in Appendix I of this notice.

[6]

1 See Petition for the Imposition of Countervailing Duties (Petition), filed on March 30, 2011. A public version of the Petition and all other public documents and public versions are available on the public file in the Central Records Unit (CRU), Room 7046 of the main Department of Commerce building.


3 See Supplement to the AD/CVD Petitions dated April 11, 2011 (First Supplement to the AD/CVD Petitions).

4 See April 12, 2011, Memorandum to the File, regarding “Phone Conference with and Request for Further Information from Petitioners.”

5 See Supplement to the AD/CVD Petitions dated April 14, 2011 (Second Supplement to the AD/CVD Petitions).

6 See Supplement to the AD/CVD Petitions dated April 15, 2011 (Third Supplement to the AD/CVD Petitions).

7 See April 18, 2011, Memorandum to the File, regarding “Petitions for the Imposition of Antidumping and Countervailing Duties on Steel Wheels from the People’s Republic of China—Clarification of Scope Language.”

Comments on Scope of Investigation

During our review of the Petition, we discussed the scope with Petitioners to ensure that it is an accurate reflection of the products for which the domestic industry is seeking relief. Moreover, as discussed in the preamble to the regulations (Antidumping Duties; Countervailing Duties: Final rule, 62 FR 27296, 27323 (May 19, 1997)), we are setting aside a period for interested parties to raise issues regarding product coverage. The Department encourages interested parties to submit such comments by Monday, May 9, 2011, twenty calendar days from the signature date of this notice. Comments should be addressed to Import Administration’s APO/Dockets Unit, Room 1870, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230. The period of scope consultations is intended to provide the Department with ample opportunity to consider all comments and to consult with parties prior to the issuance of the preliminary determination.

Consultations

Pursuant to section 702(b)(4)(A)(ii) of the Act, on March 30, 2011, the Department invited representatives of the Government of the PRC (the GOC) for consultations with respect to the CVD petition. On April 14, 2011, the Department held consultations with representatives of the GOC via a conference call. See Memorandum on Consultations with Officials from the Government of the People’s Republic of China on the Countervailing Duty Petitions regarding Steel Wheels and Galvanized Steel Wire (April 15, 2011).

Determination of Industry Support for the Petition

Section 702(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 702(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) At least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 702(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, the Department shall: (i) Poll the industry or rely on other information in...