

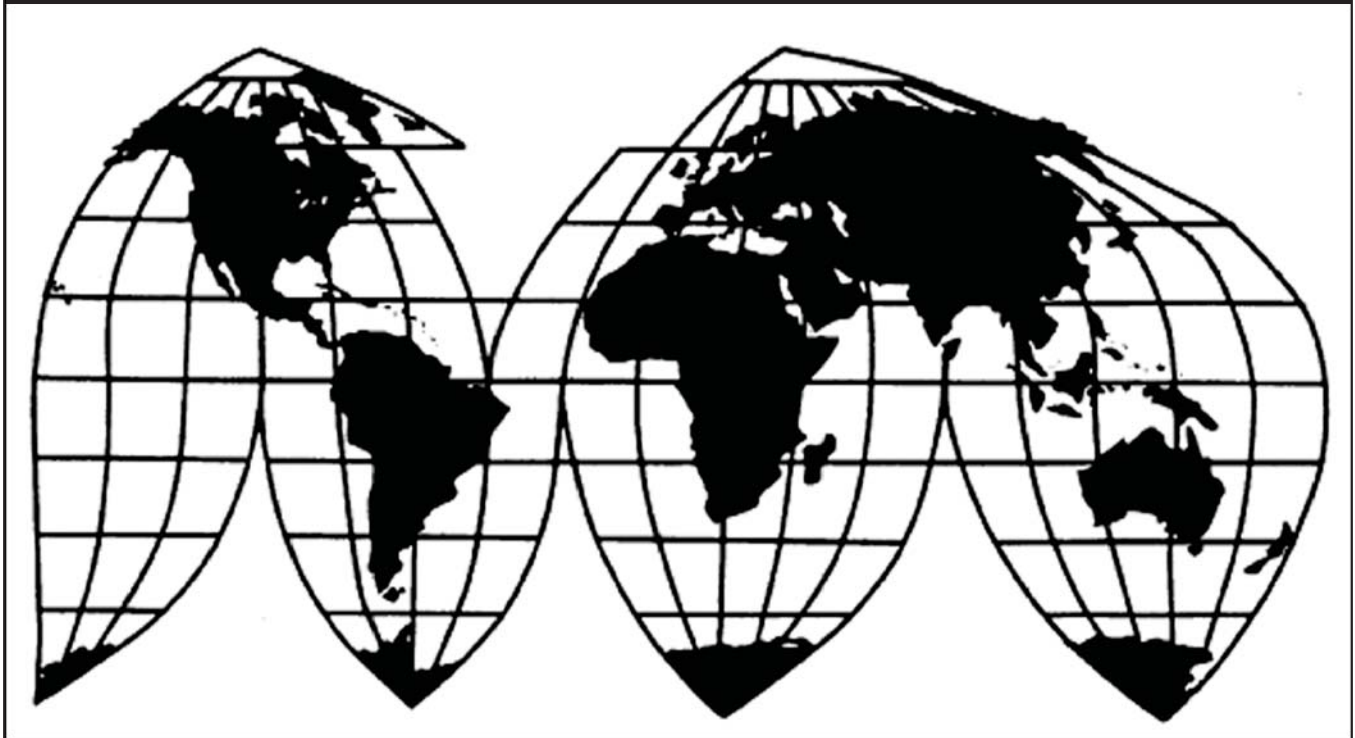
Heavy Forged Hand Tools From China

Investigation Nos. 731-TA-457-A-D (Third Review)

Publication 4250

August 2011

U.S. International Trade Commission



Washington, DC 20436

U.S. International Trade Commission

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Note.--Information that would reveal confidential operations of individual concerns may not be published and therefore has been deleted from this report. Such deletions are indicated by asterisks.

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 731-TA-457-A-D (Third Review)

HEAVY FORGED HAND TOOLS FROM CHINA

DETERMINATIONS

On the basis of the record¹ developed in the subject five-year reviews, the United States International Trade Commission (Commission) determines, pursuant to section 751(c) of the Tariff Act of 1930 (19 U.S.C. § 1675(c)), that revocation of the antidumping duty orders on heavy forged hand tools from China would be likely to lead to continuation or recurrence of material injury to industries in the United States within a reasonably foreseeable time.

BACKGROUND

The Commission instituted these reviews on January 3, 2011 (76 F.R. 168) and determined on April 8, 2011 that it would conduct expedited reviews (76 F.R. 31631, June 1, 2011).

¹ The record is defined in sec. 207.2(f) of the Commission's Rules of Practice and Procedure (19 CFR § 207.2(f)).

VIEWS OF THE COMMISSION

Based on the record in these five-year reviews, we determine under section 751(c) of the Tariff Act of 1930, as amended (the Act), that revocation of the antidumping duty orders on heavy forged hand tools from China is likely to lead to continuation or recurrence of material injury to industries in the United States within a reasonably foreseeable time.

I. BACKGROUND

The U.S. International Trade Commission (“Commission”) determined that industries in the United States were materially injured by reason of less than fair value (“LTFV”) imports of heavy forged hand tools (“hand tools”) from China in January 1991,¹ and Commerce issued antidumping duty orders on the subject merchandise on February 19, 1991.² The Commission found four separate like products: (1) picks and mattocks, with or without handles (“picks and mattocks”); (2) hammers and sledges, with heads weighing two pounds or more (“hammers and sledges”); (3) bar tools, track tools and wedges (“bars and wedges”); and (4) axes, adzes and hewing tools, other than machetes, with or without handles (“axes and adzes”).

On October 1, 1999, the Commission determined to conduct full reviews of the antidumping duty orders on heavy forged hand tools from China. The Commission found the domestic interested party group response to be adequate for picks and mattocks, hammers and sledges, and bars and wedges, but inadequate with respect to axes and adzes. The Commission also determined that the respondent interested party group responses were adequate with respect to all heavy forged hand tools. Pursuant to 19 U.S.C. § 1675(c)(5), the Commission decided to conduct full reviews of these orders. In June 2000, the Commission determined that revocation of the orders would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.³ Subsequently, Commerce issued a continuation of the antidumping duty orders, effective February 4, 2000, for picks and mattocks and axes and adzes,⁴ and effective June 2, 2000, for hammers and sledges and bars and wedges.

The Commission instituted the second reviews of the orders at issue on July 1, 2005. It found the domestic interested party group responses to the notice of institution to be adequate with respect to all four domestic like products and the respondent interested party group responses to be inadequate. In the absence of adequate respondent interested party group responses or other circumstances warranting a full review, the Commission decided to conduct expedited reviews pursuant to section 751(c)(3) of the Act. In those reviews, the Commission determined that revocation of the antidumping duty orders on heavy forged hand tools from China would be likely to lead to continuation or recurrence of material injury to industries in the United States within a reasonably foreseeable time.⁵

¹ Heavy Forged Handtools from China, Inv. No. 731-TA-457 (Final), USITC Pub. 2357, (Feb. 1991) at 3 (“Original Determination”). All citations are to the published version of the determination unless otherwise noted.

² 56 Fed. Reg. 6622 (Feb. 19, 1991).

³ Heavy Forged Handtools from China, Inv. No. 731-TA-457 (A-D) (First Review), USITC Pub. 3322, (July 2000) at 3 (“First Five-Year Review Determination”). All citations are to the published version of the determination unless otherwise noted.

⁴ 65 Fed. Reg. 5497 (Feb. 4, 2000).

⁵ Heavy Forged Handtools from China, Inv. No. 731-TA-457 (A-D) (Second Review), USITC Pub. 3836 (Jan. 2006), at 3 (“Second Five-Year Review Determination”). All citations are to the published version of the determination unless otherwise noted.

The Commission instituted these third reviews of the orders at issue on January 3, 2011.⁶ On April 4, 2011, the Commission determined that the domestic interested party group responses to its notice of institution were adequate, but that the respondent interested party group responses were inadequate.⁷ In the absence of adequate respondent interested party group responses, or other factors warranting full reviews, the Commission determined to conduct expedited reviews pursuant to section 751(c)(3) of the Act.^{8 9} Domestic interested parties Ames True Temper (“Ames”) and Council Tool Co., Inc. (“Council”), both domestic producers of all four separate like products (axes and adzes, bars and wedges, hammers and sledges, and picks and mattocks), responded to the Commission’s notice of institution and filed comments in these reviews. Fiskars Brands Inc., (“Fiskars”), a U.S. importer of subject axes and adzes during the period of review, submitted a response to the Commission’s notice of institution. On February 28, 2011, however, Fiskars submitted a letter indicating that it no longer intended to participate in these reviews and requested that its response be withdrawn.¹⁰ No other respondent interested party has provided any information or argument to the Commission in these reviews.

II. DOMESTIC LIKE PRODUCT AND INDUSTRY

A. Domestic Like Product

In making its determination under section 751(c), the Commission defines the “domestic like product” and the “industry.”¹¹ 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 subtitle.”¹² The Commission’s practice in five-year reviews is to look to the like product definition from the original determination and any previous reviews, and consider whether the record indicates any reason to revisit that definition.¹³

In these five-year reviews, Commerce has defined the scope of the antidumping duty orders as follows:

The products covered by these orders are hand tools (“HFHTs”) comprising the following classes or kinds of merchandise: (1) hammers and sledges with heads over 1.5 kg (3.33 pounds); (2) bars over 18 inches in length, track tools, and wedges; (3) picks and mattocks; and (4) axes, adzes, and similar hewing tools. HFHTs include heads for drilling, hammers, sledges, axes, mauls, picks,

⁶ 76 Fed. Reg. 168 (Jan. 3, 2011).

⁷ See Confidential Staff Report (“CR”) at Appendix B.

⁸ 19 U.S.C. § 1675(c)(3).

⁹ See CR at Appendix B.

¹⁰ CR/PR at I-1, n.4. Fiskars reported that ***. *Id.*

¹¹ 19 U.S.C. § 1677(4)(A). The definitions in 19 U.S.C. § 1677 apply to the entire subtitle containing the antidumping and countervailing duty laws, including 19 U.S.C. §§ 1675 and 1675a. See 19 U.S.C. § 1677.

¹² 19 U.S.C. § 1677(10). See *Nippon Steel Corp. v. United States*, 19 CIT 450, 455 (1995); *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int’l Trade 1996); *Torrington Co. v. United States*, 747 F. Supp. 744, 748-49 (Ct. Int’l Trade 1990), *aff’d*, 938 F.2d 1278 (Fed. Cir. 1991). See also S. Rep. No. 249, 96th Cong., 1st Sess. 90-91 (1979).

¹³ See *Stainless Steel Sheet and Strip from France, Germany, Italy, Japan, Korea, Mexico, Taiwan and the United Kingdom*, Inv. No. 701-TA-380-382 and 731-TA-797-804 (Review), USITC Pub. 3788 (July 2005) at 6; *Crawfish Tail Meat from China*, Inv. No. 731-TA-752 (Review), USITC Pub. 3614 (July 2003) at 4; *Steel Concrete Reinforcing Bar from Turkey*, Inv. No. 731-TA-745 (Review), USITC Pub. 3577 (Feb. 2003) at 4.

and mattocks, which may or may not be painted, which may or may not be finished, or which may or may not be imported with handles; assorted bar products and track tools including wrecking bars, digging bars, and tampers; and steel woodsplitting wedges. HFHTs are manufactured through a hot forge operation in which steel is sheared to required length, heated to forging temperature, and formed to final shape on forging equipment using dies specific to the desired product shape and size. Depending on the product, finishing operations may include shot blasting, grinding, polishing and painting, and the insertion of handles for handled product. HFHTs are currently provided for under the following Harmonized Tariff Schedule of the United States (“HTS”) subheadings 8201.30.00, 8201.40.60, 8205.20.60, and 8205.59.30. Specifically excluded from these reviews are hammers and sledges with heads 1.5 kilograms (3.33 pounds) in weight and under, hoes and rakes, and bars 18 inches in length and under.¹⁴

Heavy hammers and sledges with heads over 1.5 kg (3.33 pounds) have heads that are heavier than claw-type (carpenters’) hammers or ball peen type (machinists’) hammers. Sledge hammers are heavy hammers used for driving stakes, wedges or other objects. Woodsplitting mauls resemble sledge hammers except that they have one axe-like edge. Primarily, they are intended to split wood without the use of wedges, but the blunt end may be used for striking stakes, wedges or other objects as one would with a sledge hammer. Hammers and sledges, including mauls, within the scope of the antidumping duty order typically have handles made of wood or fiberglass.¹⁵

The principal product within the bars and wedges category is the crowbar. This tool typically has a gooseneck-like shape to the bar at the claw end for pulling nails and spikes, and a chisel blade at the other end of the bar for prying. Other bars, such as wrecking bars, may be flattened. Various configurations of curves allow for differing degrees of leverage in prying operations. Bars and wedges encompass digging bars and tampers. Bars are used for demolition, scraping, lifting, or prying apart floor tile, wood paneling, nailed wood items, wood molding, and/or removing nails and spikes from wood.

¹⁴ 76 Fed. Reg. at 24856 (May 3, 2011). Since the original investigations, Commerce has issued ten scope rulings regarding the merchandise covered by these orders: (1) On August 16, 1993, the Commerce found the “Max Multi-Purpose Axe,” imported by the Forrest Tool Co., to be within the scope of the axes/adzes order; (2) on March 8, 2001, Commerce found “18–inch” and “24– inch” pry bars, produced without dies, imported by Olympia Industrial, Inc. and SMC Pacific Tools, Inc., to be within the scope of the bars/wedges order; (3) on March 8, 2001, Commerce found the “Pulaski” tool, produced without dies by TMC, to be within the scope of the axes/adzes order; (4) on March 8, 2001, Commerce found the “skinning axe,” imported by Import Traders, Inc., to be within the scope of the axes/adzes order; (5) on December 9, 2004, Commerce found the “Scrapek MUTT,” imported by Olympia Industrial, Inc., under HTS 8205.59.5510, to be within the scope of the axes/adzes order; (6) on May 23, 2005, Commerce found 8 inch by 8 inch and 10 inch by 10 inch cast tampers, imported by Olympia Industrial, Inc. to be outside the scope of the orders; (7) on October 14, 2005, Commerce found the “Mean Green Splitting Machine” imported by Avalanche Industries to be within the scope of the bars/wedges order; (8) on February 20, 2008, Commerce found that “stamped machetes, gator machetes, and brush axes” imported by Fiskars are not within the scope of the orders; (9) on December 1, 2008, Commerce found that New Buffalo Corp.’s “4 Ton Electric Log Splitter” was not within the scope of the orders; and (10) on February 25, 2011, Commerce found that “stubby bar” imported by Olympia Tools was not within the scope of the orders. *Id.*; 73 Fed Reg. 9293 (Feb. 20, 2008); 73 Fed Reg. 72771, (Dec. 1, 2008); 76 Fed Reg. 10558, (Feb. 25, 2011).

¹⁵ CR at I-9, PR at I-8.

Digging bars are used to break up hardened soil and tampers are used to compact loose soil or asphalt. Wedges are used in splitting wood.¹⁶

Picks and mattocks are produced in a number of styles and sizes, and differ principally in the weight of the head, the angle and size of the prongs, and the shape of the pick points. Picks generally are used for digging in relatively hard soil and striking the soil with the point of the pick head, whereas the mattock has one side of the head being a broad blade and is used in relatively soft soil. Both mattocks and picks are produced with either wood or fiberglass handles.¹⁷

Axes and adzes are hewing tools. Axes generally are grouped into two categories: large axes and special-purpose axes. Large axes are intended primarily for chopping wood. They are manufactured with either two cutting edges (double-bit) or a single cutting edge (single-bit). The single-bit axe has on the opposite side of the axe head a hammer face that can be used for pounding. Special-purpose axes are designed to function as two tools. For example, the mattock axe is a single-bit axe with an adze-shaped grubbing blade on the back and is designed for digging, prying or chopping. Adzes are used in shaping wood, and may have either a flat or curved blade at a right angle to the handle.¹⁸

In the original investigation, the Commission determined that there were four like products: (1) hammers and sledges, with heads weighing two pounds or more, with or without handles (striking tools); (2) all bar tools, track tools and wedges (bar tools); (3) picks and mattocks, with or without handles (digging tools); and (4) axes, adzes and hewing tools, other than machetes, with or without handles (hewing tools).¹⁹ The Commission found the same four like products in its first and second five-year reviews.²⁰

In these third five-year reviews, there is no new information on the record that suggests a reexamination of the Commission's definition of domestic like product is warranted, and no party has argued for different domestic like product definitions than in the original investigation and prior reviews.²¹ For the reasons stated in the original determination and the first and second five-year reviews, we again define the domestic like products as: (1) axes, adzes and hewing tools, other than machetes, with or without handles; (2) bar tools, track tools and wedges; (3) hammers and sledges, with heads weighing two pounds or more, with or without handles; and (4) picks and mattocks, with or without handles, coextensive with Commerce's scope.

B. Domestic Industry

Section 771(4)(A) of the Act defines the relevant domestic industry as the "producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product."²²

¹⁶ CR at I-9, PR at I-8.

¹⁷ CR at I-10, PR at I-9.

¹⁸ CR at I-8, PR at I-8.

¹⁹ Original Determination at 15.

²⁰ First Five-Year Review Determination at 6; Second Five-Year Review Determination at 7.

²¹ Ames' Response to Notice of Institution at 25; Council's Response to Notice of Institution at 9.

²² 19 U.S.C. § 1677(4)(A). In defining the domestic industry, the Commission's general practice has been to include in the industry producers of all domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market, provided that adequate production-related activity is conducted in the United States. See United States Steel Group v. United States, 873 F. Supp. 673, 682-83 (Ct. Int'l Trade 1994), aff'd, 96 F.3d 1352 (Fed. Cir. 1996).

In the original investigation and the first two reviews, the Commission found four domestic industries, consistent with the four domestic like products.²³ These industries consisted of the following: (1) domestic producers of hammers and sledges, with heads weighing two pounds or more, with or without handles (striking tools); (2) domestic producers of all bar tools, track tools and wedges (bar tools); (3) domestic producers of picks and mattocks, with or without handles (digging tools); and (4) domestic producers of axes, adzes and hewing tools, other than machetes, with or without handles (hewing tools).

In their responses to the notice of institution, Ames and Council list themselves and Warwood Tool Co. as the domestic producers of hand tools.²⁴ Both Ames and Council indicated that to the best of their knowledge no domestic producer is a related party under the statute.²⁵

The record here contains no information that would warrant a reconsideration of any of the prior domestic industry definitions. We therefore define the domestic industries in these reviews as consistent with the definitions in the first and second five-year reviews and the original determination: (1) domestic producers of hammers and sledges, with heads weighing two pounds or more, with or without handles (striking tools); (2) domestic producers of all bar tools, track tools and wedges (bar tools); (3) domestic producers of picks and mattocks, with or without handles (digging tools); and (4) domestic producers of axes, adzes and hewing tools, other than machetes, with or without handles (hewing tools).

III. LIKELIHOOD OF CONTINUATION OR RECURRENCE OF MATERIAL INJURY IF THE ANTIDUMPING DUTY ORDERS ARE REVOKED

In a five-year review conducted under section 751(c) of the Act, Commerce will revoke an antidumping duty order unless (1) it makes a determination that dumping or subsidization is likely to continue or recur and (2) the Commission makes a determination that revocation of the antidumping duty order “would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.”²⁶ The SAA states that “under the likelihood standard, the Commission will engage in a counter-factual analysis; it must decide the likely impact in the reasonably foreseeable future of an important change in the status quo – the revocation or termination of a proceeding and the elimination of its restraining effects on volumes and prices of imports.”²⁷ Thus, the likelihood standard is prospective in nature.²⁸ The U.S. Court of International Trade has found that “likely,” as used in the sunset review

²³ Original Determination at 19; First Five-Year Review Determination at 7; Second Five-Year Review Determination at 8-9. In the original investigation, the Commission excluded from the domestic industries companies that did no more than assemble imported heads with handles purchased from a domestic manufacturer. The Commission also excluded one domestic producer, Madison Mill, from the domestic industries under the related parties provision. In the first reviews, one of the domestic producers, ***, imported axes from China in 1999, and was therefore a related party. The Commission determined that appropriate circumstances did not exist to exclude *** from the axes and adzes domestic industry. First Five-Year Review Determination at 7 at 8. In the second expedited review, the Commission did not exclude any company as a related party. Second Five-Year Review Determination at 8-9.

²⁴ Ames’ Response to Notice of Institution at 22-23; Council’s Response to Notice of Institution at 6-7.

²⁵ Ames’ Response to Notice of Institution at 22-23; Council’s Response to Notice of Institution at 6-7.

²⁶ 19 U.S.C. § 1675a(a).

²⁷ SAA, H.R. Rep. No. 103-316, vol. I, at 883-84 (1994). The SAA states that “[t]he likelihood of injury standard applies regardless of the nature of the Commission’s original determination (material injury, threat of material injury, or material retardation of an industry). Likewise, the standard applies to suspended investigations that were never completed.” SAA at 883.

²⁸ While the SAA states that “a separate determination regarding current material injury is not necessary,” it
(continued...)

provisions of the Act, means “probable,” and the Commission applies that standard in five-year reviews.²⁹
30 31

The statute states that “the Commission shall consider that the effects of revocation or termination may not be imminent, but may manifest themselves only over a longer period of time.”³² According to the SAA, a “‘reasonably foreseeable time’ will vary from case-to-case, but normally will exceed the ‘imminent’ timeframe applicable in a threat of injury analysis in original investigations.”³³

Although the standard in a five-year review is not the same as the standard applied in an original antidumping duty investigation, it contains some of the same fundamental elements. The statute provides that the Commission is to “consider the likely volume, price effect, and impact of imports of the subject merchandise on the industry if the order is revoked or the suspended investigation is terminated.”³⁴ It directs the Commission to take into account its prior injury determination, whether any improvement in the state of the industry is related to the order or the suspension agreement under review, whether the industry is vulnerable to material injury if the order is revoked or the suspension agreement is terminated, and any findings by Commerce regarding duty absorption pursuant to 19 U.S.C. § 1675(a)(4).³⁵

²⁸ (...continued)

indicates that “the Commission may consider relevant factors such as current and likely continued depressed shipment levels and current and likely continued [sic] prices for the domestic like product in the U.S. market in making its determination of the likelihood of continuation or recurrence of material injury if the order is revoked.” SAA at 884.

²⁹ See NMB Singapore Ltd. v. United States, 288 F. Supp. 2d 1306, 1352 (Ct. Int’l Trade 2003) (“‘likely’ means probable within the context of 19 U.S.C. § 1675(c) and 19 U.S.C. § 1675a(a)”), aff’d mem., 140 Fed. Appx. 268 (Fed. Cir. 2005); Nippon Steel Corp. v. United States, 26 CIT 1416, 1419 (2002) (same); Usinor Industeel, S.A. v. United States, 26 CIT 1402, 1404 nn.3, 6 (2002) (“more likely than not” standard is “consistent with the court’s opinion”; “the court has not interpreted ‘likely’ to imply any particular degree of ‘certainty’”); Indorama Chemicals (Thailand) Ltd. v. United States, 26 CIT 1059 (Ct. Int’l Trade 2002) (“standard is based on a likelihood of continuation or recurrence of injury, not a certainty”); Usinor v. United States, 26 CIT 767, 794 (2002) (“‘likely’ is tantamount to ‘probable,’ not merely ‘possible’”).

³⁰ For a complete statement of Chairman Okun’s interpretation of the likely standard, see Additional Views of Vice Chairman Deanna Tanner Okun Concerning the “Likely” Standard in Certain Seamless Carbon and Alloy Steel Standard, Line and Pressure Pipe From Argentina, Brazil, Germany, and Italy, Invs. Nos. 701-TA-362 (Review) and 731-TA-707 to 710 (Review) (Remand), USITC Pub. 3754 (Feb. 2005).

³¹ Commissioner Lane notes that, consistent with her views in Pressure Sensitive Plastic Tape From Italy, Inv. No. AA1921-167 (Second Review), USITC Pub. 3698 (June 2004), she does not concur with the U.S. Court of International Trade’s interpretation of “likely,” but she will apply the Court’s standard in this review and all subsequent reviews until either Congress clarifies the meaning or the U.S. Court of Appeals for the Federal Circuit addresses this issue.

³² 19 U.S.C. § 1675a(a)(5).

³³ SAA at 887. Among the factors that the Commission should consider in this regard are “the fungibility or differentiation within the product in question, the level of substitutability between the imported and domestic products, the channels of distribution used, the methods of contracting (such as spot sales or long-term contracts), and lead times for delivery of goods, as well as other factors that may only manifest themselves in the longer term, such as planned investment and the shifting of production facilities.” *Id.*

³⁴ 19 U.S.C. § 1675a(a)(1).

³⁵ 19 U.S.C. § 1675a(a)(1). There have been no duty absorption findings by Commerce with respect to the orders under review. The statute further provides that the presence or absence of any factor that the Commission is required to consider shall not necessarily give decisive guidance with respect to the Commission’s determination. 19 U.S.C. § 1675a(a)(5). While the Commission must consider all factors, no one factor is necessarily dispositive. SAA at 886.

No respondent interested parties participated in these expedited reviews. The record, therefore, contains limited new information with respect to the hand tools industries in China, as well as limited information on the hand tools market during the period of review. Accordingly, in reaching our determination, we rely as appropriate on the facts available from the original investigation and prior reviews and the limited new information on the record in these reviews.^{36 37}

B. Conditions of Competition and Business Cycle

In evaluating the likely impact of the subject imports on the domestic industry, the statute directs the Commission to consider all relevant economic factors “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”³⁸

1. The Original Investigation and the Prior Reviews

In the original investigations, the Commission did not make explicit findings regarding conditions of competition for each of the domestic industries.

In the first five-year reviews, the Commission found several conditions of competition for each of the domestic industries, as follows. The production of hand tools was labor intensive, rather than capital intensive, and there were no significant differences reported in the manufacturing process between imported and domestically produced products. There was a moderate to high degree of substitution between the domestic products and subject imports. Demand had been relatively flat since the time of the original investigations and there had been a shift in demand from the industrial sector to large retail accounts as well as to the do-it-yourself market. Price was an important factor in purchasing decisions, particularly with the large retail accounts. Since the time of the original investigations, there had been a large increase in nonsubject imports, which accounted for a large percentage of total imports at the time of the first reviews.³⁹

³⁶ 19 U.S.C. § 1677e(a) authorizes the Commission to “use the facts otherwise available” in reaching a determination when (1) necessary information is not available on the record or (2) an interested party or other person withholds information requested by the agency, fails to provide such information in the time, form, or manner requested, significantly impedes a proceeding, or provides information that cannot be verified pursuant to section 782(i) of the Act. 19 U.S.C. § 1677e(a). The verification requirements in section 782(i) are applicable only to Commerce. 19 U.S.C. § 1677m(i). See *Titanium Metals Corp. v. United States*, 155 F. Supp. 2d 750, 765 (Ct. Int’l Trade 2001) (“[T]he ITC correctly responds that Congress has not required the Commission to conduct verification procedures for the evidence before it, or provided a minimum standard by which to measure the thoroughness of a Commission investigation.”).

³⁷ Chairman Okun notes that the statute authorizes the Commission to take adverse inferences in five-year reviews, but such authorization does not relieve the Commission of its obligation to consider the record evidence as a whole in making its determination. See 19 U.S.C. § 1677e. She generally gives credence to the facts supplied by the participating parties and certified by them as true, but bases her decision on the evidence as a whole, and does not automatically accept participating parties’ suggested interpretations of the record evidence. Regardless of the level of participation, the Commission is obligated to consider all evidence relating to each of the statutory factors and may not draw adverse inferences that render such analysis superfluous. “In general, the Commission makes determinations by weighing all of the available evidence regarding a multiplicity of factors relating to the domestic industry as a whole and by drawing reasonable inferences from the evidence it finds most persuasive.” SAA at 869.

³⁸ 19 U.S.C. § 1675a(a)(4).

³⁹ *First Five-Year Review Determination* at 11. Based on the record data, the Commission found that the important conditions of competition were similar for each of the industries, as were the likely effects of revocation of the orders.

In the second five-year reviews, the Commission stated that the limited record did not indicate that there had been any significant changes in the conditions of competition since the time of the first five-year reviews.⁴⁰ The Commission noted that there had been no significant changes in supply and demand conditions or in the business cycle for hand tools since 1991.⁴¹ The Commission also noted that there was no indication from the record that the production of any of the hand tools is no longer labor intensive, nor was there any indication that the degree of substitution between the domestic products and subject imports is no longer moderate to high.⁴² The Commission stated that Chinese producers reportedly continued to compete on price.⁴³ The record also indicated that there had been an increase in sales at internet retail sites.⁴⁴ Finally, the Commission noted that the domestic industries appeared to have consolidated since the first reviews, declining from five major domestic producers to three major domestic producers of each of the domestic like products.⁴⁵

2. The Current Reviews

In these reviews, we find the following conditions of competition relevant to our analysis.

The limited record of these expedited reviews indicates that the conditions of competition relied upon by the Commission in making its determinations in the second five-year reviews generally continued in the current period. The record indicates that the high degree of substitutability between subject imports and the domestic like products, the importance of price in the U.S. hand tools market, and overlapping channels of distribution continue to exist in the market.⁴⁶

Since the last reviews, Ames notes that the economic downturn has had a significant impact on U.S. manufacturing industries, including the hand tools industries. It states that hand tools demand is heavily dependent on construction activity, both residential and non-residential, which has been adversely affected by the recent recession.⁴⁷ Ames asserts that demand for hand tools has declined, resulting in reduced capacity utilization and downward pressure on U.S. prices.⁴⁸

Ames listed 87 Chinese producers of subject merchandise⁴⁹ and two known importers of subject merchandise from China.⁵⁰ Council listed eight Chinese firms that it believes are major exporters of subject merchandise to the United States,⁵¹ and nine importers of subject merchandise from China.⁵²

During the original investigations and the first reviews, import data were collected from Commission questionnaires. Such data were unavailable in the expedited second reviews and the current reviews; the only data available for 2010 are based on official Commerce import statistics. As a result, our volume data in the original investigations were based on import shipment data reported in

⁴⁰ Second Five-Year Review Determination at 12.

⁴¹ Id.

⁴² Id.

⁴³ Id.

⁴⁴ Id.

⁴⁵ Id. at 14-15.

⁴⁶ Ames' Response to Notice of Institution at 12-13.

⁴⁷ Ames' Response to Notice of Institution at 14-15.

⁴⁸ Ames' Response to Notice of Institution at 15. Ames asserts that there are ***. Ames' Response to Notice of Institution at 15-16. Ames states that while *** Id. at 16.

⁴⁹ CR at I-19, PR at I-16. Ames was unable to list which producers produced which categories of hand tools.

⁵⁰ CR at I-15, PR at I-12.

⁵¹ CR at I-19, PR at I-16.

⁵² CR at I-15, PR at I-12.

Commission questionnaires, whereas our volume data in these third reviews are based on import data from official Commerce import statistics. Moreover, three of the four categories of HTS numbers, corresponding to three out of the four hand tool products subject to the orders, are “basket” categories with nonsubject items included in the category (only “hammers and sledges” is not a basket category). We recognize that any comparison of the data should be made with caution.⁵³

The U.S. hand tools market is supplied by domestic producers,⁵⁴ subject imports, and nonsubject imports. In 2010, the domestic industries’ shares of apparent U.S. consumption for each like product category were *** percent for axes and adzes, *** percent for bars and wedges, *** percent for hammers and sledges, and *** percent for picks and mattocks.⁵⁵ The market shares held by subject imports from China were *** percent for axes and adzes, *** percent for bars and wedges, *** percent for hammers and sledges, and *** percent for picks and mattocks.⁵⁶ The market shares held by nonsubject imports were *** percent for axes and adzes, *** percent for bars and wedges, *** percent for hammers and sledges, and *** percent for picks and mattocks.⁵⁷

We find that these conditions of competition in the hand tools market provide us with a reasonable basis on which to assess the likely effects of revocation of the orders.

C. Likely Volume of Subject Imports

In evaluating the likely volume of imports of subject merchandise if the antidumping duty orders were revoked, the Commission is directed to consider whether the likely volume of imports would be significant either in absolute terms or relative to production or consumption in the United States.⁵⁸ In doing so, the Commission must consider “all relevant economic factors,” including four enumerated factors: (1) any likely increase in production capacity or existing unused production capacity in the exporting country; (2) existing inventories of the subject merchandise, or likely increases in inventories; (3) the existence of barriers to the importation of the subject merchandise into countries other than the United States; and (4) the potential for product shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products.⁵⁹

⁵³ CR/PR at Appendix C; CR at I-15, PR at I-12.

⁵⁴ Ames estimated that in 2010 it accounted for *** percent of U.S. production of axes and adzes, *** percent of U.S. production of bars and wedges, *** percent of U.S. production of hammers and sledges, and *** percent of U.S. production of picks and mattocks. CR at I-13; PR at I-11. Council estimated that it accounted for approximately *** percent of U.S. production of all four domestic like products. CR at I-13, PR at I-11. In the second five-year reviews, data on domestic producers were available only for Ames, which accounted for *** percent of domestic production of hammers and sledges, *** percent of the production of bars and wedges, *** percent of the production of picks and mattocks, and *** percent of the production of axes and adzes. In the first five-year reviews, data were available for 100 percent of domestic production of hammers and sledges, *** percent of the production of bars and wedges, 100 percent of the production of picks and mattocks, and 100 percent of the production of axes and adzes. In the original investigation, data were available for 99.9 percent of domestic production of hammers and sledges, 99.9 percent of the production of bars and wedges, *** percent of the production of picks and mattocks, and 99.9 percent of the production of axes and adzes. CR/PR at Appendix C.

⁵⁵ CR/PR at Table I-5.

⁵⁶ CR/PR at Table I-5.

⁵⁷ CR/PR at Table I-5.

⁵⁸ 19 U.S.C. § 1675a(a)(2).

⁵⁹ 19 U.S.C. § 1675a(a)(2)(A-D).

1. The Original Determinations

The Commission found that the market share of subject imports corresponding to each of the four like products had increased significantly. Between 1987 and 1989, subject imports' share of total domestic consumption of hammers and sledges rose from *** percent to *** percent, as the actual volume of subject imports rose by *** percent, from *** units in 1987 to *** in 1989. Subject imports' share of total domestic consumption of bars and wedges by volume rose from *** percent in 1987 to *** percent in 1989, with actual imports rising by *** percent, from *** units in 1987 to *** units in 1989. Subject imports' share of total domestic consumption of picks and mattocks rose from *** percent in 1987 to *** percent in 1989, as the actual volume of imports rose by *** percent, rising from *** units in 1987 to *** units in 1989. For axes and adzes, subject imports' share of total domestic consumption rose from *** percent in 1987 to *** percent in 1989; the volume of subject axe and adze imports rose from *** units in 1987 to *** units in 1989, or by *** percent.⁶⁰

2. The Prior Reviews

In the first five-year reviews, the Commission found that the volume of subject imports would likely be significant if the orders were revoked. The limited information available indicated that the Chinese industries remained very large. In addition, the United States was the most important export market for the Chinese products.⁶¹

In the second five-year reviews, the Commission found that the volume of subject imports from China likely would be significant in the reasonably foreseeable future if the orders were revoked "in light of the large and growing capacity of Chinese producers and the continued and rising presence of subject imports in the market despite the orders, the importance of the U.S. market and the aggressive pursuit of market share by Chinese producers and exporters seeking to evade duties."⁶²

3. The Current Reviews

In these third five-year reviews, we find that the volume of subject imports would likely be significant if the orders were revoked. Even with the orders in place, Chinese producers continue to supply the United States with large volumes of subject merchandise.^{63 64} The absolute volumes of subject imports for two of the four products, bars and wedges and hammers and sledges, were greater in 2010 than the volumes for those products that were found to be injurious during the original investigations.⁶⁵ Shipments of subject imports of bars and wedges were *** units in 1989, and subject imports were 2.0

⁶⁰ Original Determination at 25-30.

⁶¹ First Five-Year Review Determination at 13-14.

⁶² Second Five-Year Review Determination at 11-13.

⁶³ As indicated above, we view the available import data with caution because three of the subject product categories are covered by basket categories.

⁶⁴ According to the Global Trade Atlas data, which we also view with caution because they are over-inclusive, substantial volumes of all categories of heavy forged hand tools from China are being exported to the United States. CR/PR at Tables I-6-I-9.

⁶⁵ CR/PR at Table I-5 and Appendix C at Tables I-16 and I-17. As discussed earlier, our volume data in the original investigations were based on import shipment data reported in Commission questionnaires, whereas our volume data in these third reviews were based on import data from official Commerce import statistics. We also recognize that the official Commerce import data are over-inclusive for all categories except hammers and sledges. We note that the record of the second reviews did not contain subject import data by quantity.

million unit in 2010.⁶⁶ Shipments of subject imports of hammers and sledges were *** units in 1989, and subject imports were 695,000 in 2010.⁶⁷

Despite an initial decline in subject import volumes for all four products immediately after the orders were put in place, subject import volumes have increased for all four products since the first reviews, even with the orders in place.⁶⁸ Subject imports, except for bars and wedges, have also increased their market shares since the first reviews.⁶⁹ Thus, it is evident that subject imports have once again increased their presence in the U.S. market and Chinese exporters have been able to increase their exports to the United States even with the antidumping duty orders in place.

Because of the lack of participation by Chinese producers and importers of subject merchandise, the Commission has limited information on the Chinese industries producing hand tools in these reviews. There is no information indicating that the total number of producers in China or that Chinese capacity to produce hand tools has decreased since the last reviews. Domestic producer Ames identified 87 firms that it believes produced heavy forged hand tools in China since 2004, and domestic producer Council reported eight firms that it believes are major exporters of hand tools from China since 2004.⁷⁰

The record of these reviews also indicates that the Chinese industries producing hand tools remain export-oriented. In the second reviews, the Commission noted that the United States was the most important export market for China.⁷¹ The United States remains the most important export market for each product category in these current reviews except for axes and adzes. For hammers and sledges, 17.1 percent of China's exports went to the United States in 2010; for bars and wedges, 29.9 percent; for picks and mattocks, 18.7 percent; and for axes and adzes, 4.0 percent.⁷² In light of the size of the Chinese industries and the importance of the U.S. market for Chinese producers even with the orders in place, it is likely that, upon revocation of the orders, Chinese producers and exporters would ship even greater volumes to the United States.⁷³

Based on subject imports' volume and market share, the subject imports' increasing presence in the U.S. market even with the orders in place, the reported size of the industries and available capacity in

⁶⁶ CR/PR at Table I-5 and Appendix C at Table I-17. Shipments of subject imports of picks and mattocks were *** units in 1989, and subject imports were 204,000 units in 2010. CR/PR at Table I-5 and Appendix C at Table I-18. Shipments of subject imports of axes and adzes were *** units in 1989, and subject imports were 184,000 units in 2010. CR/PR at Table I-5 and Appendix C at Table I-18.

⁶⁷ CR/PR at Table I-16.

⁶⁸ CR/PR at Table I-5 and Appendix C at Tables I-16 and I-17. Shipments of subject imports of bars and wedges were *** units in 1999, and subject imports were 2.0 million units in 2010. CR/PR at Table I-5 and Appendix C at Table I-17. Shipments of subject imports of hammers and sledges were *** units in 1999, and subject imports were 695,000 in 2010. CR/PR at Table I-5 and Appendix C at Table I-16. Shipments of subject imports of picks and mattocks were *** units in 1999, and subject imports were 204,000 units in 2010. CR/PR at Table I-5 and Appendix C at Table I-18. Shipments of subject imports of axes and adzes were *** units in 1999, and subject imports were 184,000 units in 2010. CR/PR at Table I-5 and Appendix C at Table I-18.

⁶⁹ Subject imports' share of apparent U.S. consumption on a quantity basis of bar and wedges was *** percent in 1999 and *** percent in 2010; for subject imports of hammer and sledges it was *** percent in 1999 and *** percent in 2010; for subject imports of picks and mattocks it was *** percent in 1999 and *** percent in 2010; and for subject imports of axes and adzes it was *** percent in 1999 and *** percent in 2010. CR/PR at Table I-5 and Appendix C at Tables I-16, I-17, I-18, and I-19.

⁷⁰ CR at I-19, PR at I-16; Ames' Response to Notice of Institution at p. 23 and Ex. 5; Council's Response to the Notice of Institution at Ex. 3.

⁷¹ Second Five-Year Review Determination at 19.

⁷² CR/PR at Tables I-6-I-9.

⁷³ Based on the available record, we note that hand tools from China are not subject to import investigations in any third country markets. CR at I-19, PR at I-16.

China, and the demonstrated continued importance of the U.S. market to Chinese producers, we find that Chinese producers would likely significantly increase their exports to the United States if the antidumping duty orders were revoked. Thus, we find that the likely volume of subject imports, both in absolute terms and as a share of the U.S. market, would be significant if the orders were revoked.

D. Likely Price Effects of Subject Imports

In evaluating the likely price effects of subject imports if the antidumping duty orders are revoked, the Commission is directed to consider whether there is likely to be significant underselling by the subject imports as compared to the domestic like product and whether the subject imports are likely to enter the United States at prices that otherwise would have a significant depressing or suppressing effect on prices for the domestic like product.⁷⁴

1. The Original Determinations

The Commission found that persistent or sustained underselling occurred with subject imports of picks and mattocks and axes and adzes. The Commission found evidence of underselling of subject imports of hammers and sledges and bars and wedges, although the patterns of underselling were less consistent than those exhibited by the two other products. During the years 1987-1989, average unit values (“AUVs”) for subject imports from China were below both the AUVs for the domestic like product and for nonsubject imports for each of the four products.⁷⁵

2. The Prior Reviews

In the first five-year reviews, the Commission was unable to gather complete pricing data.⁷⁶ However, the pricing data available showed significant underselling by subject imports ***. Pricing data on hammers and sledges showed mixed patterns of overselling and underselling, with *** on some products and mixed *** for others. The Commission noted that, despite the imposition of the antidumping duties, AUVs for two of the four products, bars and wedges and picks and mattocks, remained *** AUVs for the domestic like products. The AUV for subject imports of axes and adzes in 1999 was *** to the AUV of domestic shipments of axes and adzes. In light of this evidence, the Commission found that the likely significantly increased volumes of lower-priced subject imports would adversely and significantly affect prices for the domestic like products upon revocation, and that revocation of the antidumping duty orders would be likely to lead to significant price suppression or depression by the subject imports of the domestic like product in the reasonably foreseeable future.⁷⁷

In the second five-year reviews, the Commission noted that it had no public sources of price data. The Commission found that price remained a key element in sales, as the record indicated that Chinese producers continue to compete in the U.S. market on the basis of price.⁷⁸ The Commission noted that at the time of the first five-year reviews, nonsubject imports played an important role in the market making gains in volume and market share, but mainly at the expense of subject imports, and that nonsubject

⁷⁴ 19 U.S.C. § 1675a(a)(3). The SAA states that, “[c]onsistent with its practice in investigations, in considering the likely price effects of imports in the event of revocation and termination, the Commission may rely on circumstantial, as well as direct, evidence of the adverse effects of unfairly traded imports on domestic prices.” SAA at 886.

⁷⁵ Original Determination at 40-44.

⁷⁶ First Five-Year Review Determination at 13-14.

⁷⁷ First Five-Year Review Determination at 15-16.

⁷⁸ Second Five-Year Review Determination at 14-15.

import gains in volume and market share gave the Chinese producers and exporters a strong incentive to price even more aggressively in order to expand their market share in the United States.⁷⁹ The Commission stated that the record in the second five-year reviews indicated that nonsubject imports continue to play a large role in the market.⁸⁰ Moreover, the Commission found that “the record indicates that even in the face of increased material input costs, the majority of Chinese producers and exporters do not intend to raise prices, making it likely that subject import prices will undercut domestic product prices.”⁸¹ Accordingly, the Commission determined that likely significant increased volumes of lower-priced subject imports would adversely and significantly affect prices for the domestic like products upon revocation of the antidumping duty orders.

3. The Current Reviews

We note that we have no public sources of price data in these reviews. As noted above, the record continues to indicate that hand tools are highly substitutable and price remains a key element in sales, as Chinese producers continue to compete in the U.S. market on the basis of price.⁸²

At the time of the first reviews, producers aggressively pursued sales in a very competitive market.⁸³ There is no indication in the record that the current market is any less competitive. Nonsubject imports played an important role in the market at that time, making gains in volume and market share, but mainly at the expense of subject imports.⁸⁴ The Commission found that nonsubject import gains in volume and market share gave the Chinese producers and exporters a strong incentive to price even more aggressively in order to expand their market share in the United States.⁸⁵ The record in these current reviews indicates that nonsubject imports continue to play a large role in the market.⁸⁶

Thus, if the orders were revoked, we find that the likely significantly increasing subject imports from China would enter the U.S. market at aggressive prices in an effort to further increase subject import market share. In response, domestic producers would either have to reduce their prices or relinquish market share.

For the reasons stated above, we find that upon revocation of the orders, subject imports from China would be likely to enter the United States at prices that would likely undersell the domestic like products and that would likely have significant suppressing or depressing effects on U.S. producers’ prices (and/or would lead to significant lost market share for U.S. producers).

⁷⁹ Second Five-Year Review Determination at 14.

⁸⁰ Second Five-Year Review Determination at 14.

⁸¹ Second Five-Year Review Determination at 15.

⁸² Ames’ Response to Notice of Institution at 20-21; Council’s Response to Notice of Institution at 5.

⁸³ First Five-Year Review Determination at 15-16. In the second five-year review, the Commission stated that there was no indication in the record that the current market is any less competitive. Second Five-Year Review Determination at 22.

⁸⁴ First Five-Year Review Determination at 16.

⁸⁵ First Five-Year Review Determination at 16. In the second five-year review, the Commission found that nonsubject imports continued to play a large role in the market. Second Five-Year Review Determination at 22.

⁸⁶ CR/PR at Table I-5.

E. Likely Impact of Subject Imports⁸⁷

In evaluating the likely impact of imports of subject merchandise if the antidumping duty orders under review were revoked, the Commission is directed to consider all relevant economic factors that are likely to have a bearing on the state of the industries in the United States, including, but not limited to the following: (1) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity; (2) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment; and (3) likely negative effects on the existing development and production efforts of the industries, including efforts to develop a derivative or more advanced version of the domestic like product.⁸⁸ All relevant economic factors are to be considered within the context of the business cycle and the conditions of competition that are distinctive to the industries.⁸⁹ As instructed by the statute, we have considered the extent to which any improvement in the state of the domestic industries is related to the order at issue and whether the industry is vulnerable to material injury if the orders were revoked.

1. The Original Determinations

The Commission found that subject imports had a detrimental impact on each of the domestic industries producing heavy forged hand tools. One producer, the original petitioner, was forced into bankruptcy in 1991, and the domestic producers believe that imposition of the orders was crucial to the industries' survival after the injury suffered due to the subject imports in the 1980s.⁹⁰

2. The Prior Reviews

In the first five-year reviews, the Commission found that, if the antidumping duty orders were revoked, subject imports would be likely to have a significant adverse impact on the domestic industries within a reasonably foreseeable time. Even with the orders in place, subject imports had successfully competed for contracts with some of the largest and most important mass market retailers in the U.S. markets. Given the likely significant increase in volume of subject imports and the resultant intense price competition in a market with sluggish demand growth, the domestic industries would likely experience significant declines in output, sales, and income, with eventual losses in employment and capital and research and development expenditures similar to those experienced in the years of the original investigation.⁹¹

In the second five-year reviews, the Commission found that subject import volumes were likely to be significant if the orders were revoked, resulting in significant price effects, which would lead to a

⁸⁷ Section 752(a)(6) of the Act states that “the Commission may consider the magnitude of the margin of dumping” in making its determination in a five-year review. 19 U.S.C. § 1675a(a)(6). The statute defines the “magnitude of the margin of dumping” to be used by the Commission in five-year reviews as “the dumping margin or margins determined by the administering authority under section 1675a(c)(3) of this title.” 19 U.S.C. § 1677(35)(C)(iv). See also SAA at 887. In the final results of its expedited sunset reviews of the antidumping orders, Commerce published likely dumping margins of 50.81 percent for picks and mattocks; 15.02 percent for axes and adzes; 45.42 percent for hammers and sledges; and 31.76 percent for bars and wedges. CR/PR at Table I-2.

⁸⁸ 19 U.S.C. § 1675a(a)(4).

⁸⁹ 19 U.S.C. § 1675a(a)(4).

⁹⁰ Original Determination at 26-30.

⁹¹ First Five-Year Review Determination at 17-18.

significant adverse impact on the domestic industries.⁹² The Commission found that revocation of the orders would likely lead to significant declines in output, sales and income, with eventual losses in employment and capital and research and development expenditures. Accordingly, the Commission concluded that, if the antidumping duty orders were revoked, subject imports would be likely to have a significant adverse impact on the domestic industries within a reasonably foreseeable time.⁹³

3. The Current Reviews

In these expedited reviews, the record includes limited information on the condition of the domestic industries. We collected 2010 data for several performance indicators, but we have no data on the performance of the domestic industries from 2005 to 2009. The limited evidence is insufficient for us to determine whether the domestic industries are vulnerable to the continuation or recurrence of material injury in the event of revocation of the orders.⁹⁴

Domestic producers contend in these reviews that material injury is likely to recur were the antidumping duty orders to be revoked, given the likely resumption of large volumes of low-priced subject imports of hand tools from China. They argue that the high degree of substitutability between the subject imports and the domestic like products, the importance of price in the market, and the overlapping channels of distribution make the domestic market for hand tools “sensitive to fluctuations in the volume of subject imports, and consequently to subject imports’ price pressure.”⁹⁵ Were the orders to be revoked, domestic producers assert that “the fluctuations in volume and price resulting from a surge in dumped Chinese HFHTs would result in material injury to the domestic industries.”⁹⁶

Based on the information available in these reviews, including information in the record of the original investigations and prior reviews, we find that revocation of the antidumping duty orders on hand tools from China would likely lead to a significant increase in the volume of subject imports. In addition, subject imports would significantly undersell the domestic products, resulting in significant depression and/or suppression of U.S. producers’ prices for the domestic like products. We find that the intensified price competition with subject imports that would likely occur after revocation of the orders would likely have a significant adverse impact on the domestic industries. Specifically, the domestic industries would likely lose market share to low-priced subject imports and would likely obtain lower prices because of competition from subject imports, which would adversely impact their production, shipments, sales, and revenues. These reductions would likely have a direct adverse impact on the industries’ profitability and employment levels, as well as their ability to raise capital and make and maintain necessary capital investments.

We also have considered the role of factors other than the subject imports so as not to attribute injury from such factors to subject imports. In 2010, the share of the U.S. market held by nonsubject imports of each of the four products has remained large; *** percent for bars and wedges, *** percent for

⁹² Second Five-Year Review Determination at 25. The Commission noted that the evidence in the record was insufficient to enable it to determine that the domestic industries producing hand tools were vulnerable. It also noted that Ames maintained that the industries were vulnerable, based upon the plant closures and decline in production regarding three of the four products (all excepting picks and mattocks). Id. at 24.

⁹³ Second Five-Year Review Determination at 25.

⁹⁴ Commissioners Lane and Pinkert agree with their colleagues that the available information regarding the vulnerability of the four domestic industries is insufficient to make definitive determinations on that issue. They nevertheless find that three of the industries -- axes and adzes, bars and wedges, and hammers and sledges -- appear to be in a significantly weakened state. According to record data, in 2010, those industries had a much smaller share of apparent U.S. consumption than in previous years (with nonsubject imports in a dominant position). Capacity and production were much lower as well. On the other hand, the available information for the picks and mattocks industry does not suggest such a weakened state.

⁹⁵ Ames’ Response to Notice of Institution at 13; see also Council’s Response to Notice of Institution at 6.

⁹⁶ Ames’ Response to Notice of Institution at 13; see also Council’s Response to Notice of Institution at 6.

hammers and sledges, *** percent for picks and mattocks, and *** percent for axes and adzes.⁹⁷ We nevertheless find that a significant portion of the expected increase in subject imports would continue to be at the expense of the domestic industry given the likelihood of subject import underselling and adverse price effects.⁹⁸

CONCLUSION

For the foregoing reasons, we determine that revocation of the antidumping duty orders on hand tools from China would be likely to lead to continuation or recurrence of material injury to the respective domestic industries within a reasonably foreseeable time.

⁹⁷ CR/PR at Table I-5.

⁹⁸ Although at the time of the first reviews nonsubject imports increased significantly in three of the four product categories, the Commission did not find that the impact of increased volumes of subject imports would fall on nonsubject imports. First Five-Year Review Determination at 25. Rather, it found that all suppliers compete and were likely to compete intensely in the retail market. Id. There is no indication in the record of these reviews that this has changed.

INTRODUCTION

Background

On January 3, 2011, in accordance with section 751(c) of the Tariff Act of 1930, as amended,¹ the U.S. International Trade Commission (“Commission”) gave notice that it had instituted reviews to determine whether revocation of the antidumping duty orders on heavy forged hand tools (“HFHTs”) from China would be likely to lead to a continuation or recurrence of material injury within a reasonably foreseeable time.² On April 4, 2011, the Commission determined that the domestic interested party group response to its notice of institution was adequate.³ The Commission also determined that the respondent interested party group response was inadequate.⁴ The Commission found no other circumstances that would warrant conducting full reviews.⁵ Accordingly, the Commission determined that it would conduct expedited reviews pursuant to section 751(c)(3) of the Tariff Act of 1930.⁶ The Commission is tentatively scheduled to vote on these reviews on July 27, 2011, and will notify the U.S. Department of Commerce (“Commerce”) of its determinations on August 10, 2011. Information relating to the background of the reviews is presented below:⁷

¹ 19 U.S.C. 1675(c).

² *Heavy Forged Hand Tools from China*, 76 FR 168, January 3, 2011. All interested parties were requested to respond to this notice by submitting the information requested by the Commission. The Commission’s notice of institution is presented in app. A.

³ The Commission received two submissions in response to its notice of institution for the subject reviews. The first submission was filed on behalf of Ames True Temper (“Ames”). Ames, a U.S. producer of all four domestic like products, is believed to account for the majority of U.S. production, with the exception of picks and mattocks, for which it accounted for approximately *** percent of total U.S. production. The second submission was filed on behalf of Council Tool Co., Inc. (“Council”), a U.S. producer of all four domestic like products. *See also* the Commission’s memorandum of March 29, 2011, INV-JJ-024–*Recommendation on Adequacy of Responses to Notice of Institution*.

⁴ Fiskars, a U.S. importer of HFHTs during the period of review, submitted a response to the Commission’s notice of institution. On February 28, 2011, after given an opportunity to remedy deficiencies in its response to the notice of institution, counsel to Fiskars submitted a letter stating that it no longer intended to participate in these reviews and requested that its response be withdrawn. Fiskars reported that ***. The Commission did not receive a response from any other respondent interested party.

⁵ The Commission’s statement on adequacy is presented in app. B.

⁶ 19 U.S.C. § 1675(c)(3).

⁷ Cited *Federal Register* notices beginning with the Commission’s institution of third five-year reviews are presented in app. A.

Effective date	Action	Federal Register citation
February 19, 1991	Commerce's original antidumping duty orders issued	56 FR 6622
February 16, 2006	Commerce's continuation of antidumping duty orders after second five-year reviews	71 FR 8276
January 3, 2011	Commission's institution of third five-year reviews	76 FR 168
April 8, 2011	Commission's determinations to conduct expedited third five-year reviews and scheduling of such reviews	76 FR 31631, June 1, 2011
May 3, 2011	Commerce's final results of expedited third five-year reviews	76 FR 24856
July 27, 2011	Commission's vote	Not applicable
August 10, 2011	Commission's determinations to Commerce	Not applicable

The Original Investigation and Subsequent Five-Year Reviews

These investigations resulted from a petition filed on April 4, 1990 by Woodings-Verona Toolworks, Verona, PA⁸ in which it alleged injury to a U.S. industry from U.S. imports from China of HFHTs.⁹ The Commission completed the original investigation in February 1991 and determined that industries in the United States were threatened with material injury by reason of imports of HFHTs from China.¹⁰ Subsequently, Commerce issued antidumping duty orders on imports of HFHTs from China.¹¹

In June 2000, the Commission completed full five-year reviews of the antidumping duty orders, and determined that revocation of the orders on HFHTs from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.¹² On February 4, 2000, Commerce found that revocation of the antidumping duty orders on picks and mattocks and axes and adzes from China would likely lead to continuation or recurrence of dumping.¹³ On June 2, 2000, Commerce found that revocation of the antidumping duty

⁸ Ames is the successor company to Woodings-Verona Tool Works, Inc.

⁹ *Heavy Forged Hand Tools from the People's Republic of China: Inv. No. 731-TA-457 (Final)*, USITC Publication 2357, February 1991, p. A-1.

¹⁰ *Heavy Forged Hand Tools from the People's Republic of China: Inv. No. 731-TA-457 (Final)*, USITC Publication 2357, February 1991, p. 1. The Commission stated that its affirmative determinations included the industries producing striking tools (or "hammers and sledges" with heads over 1.5 kg. or 3.3 lbs.), bar tools (bars over 18 inches in length, track tools, and wedges, or "bars and wedges"), digging tools (or "picks and mattocks"), and hewing tools (or "axes and adzes").

¹¹ *Heavy Forged Hand Tools from the People's Republic of China*, 56 FR 6622, February 19, 1991.

¹² *Heavy Forged Hand Tools from China: Invs. Nos. 731-TA-457 (A-D) (Review)*, USITC Publication 3322, July 2000, p. 1.

¹³ *Heavy Forged Hand Tools from the People's Republic of China*, 65 FR 5497, February 4, 2000.

orders on hammers and sledges and bars and wedges from China would likely lead to continuation or recurrence of dumping.¹⁴

In January 2006, the Commission completed expedited five-year reviews of the antidumping duty orders on HFHTs from China and determined that revocation of the orders would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.¹⁵ On November 7, 2005, in its expedited second five-year reviews, Commerce found that revocation of the antidumping duty orders on all four domestic like products from China would likely lead to continuation or recurrence of dumping.¹⁶

Commerce's Administrative Reviews

Since 2006, when the antidumping duty orders were last continued, Commerce conducted two administrative reviews with respect to imports of HFHTs from China. No producers of HFHTs in China have been excluded from the antidumping orders. Table I-1 shows these administrative reviews, their period of review, and resulting margins.

¹⁴ *Heavy Forged Hand Tools from the People's Republic of China*, 65 FR 35321, June 2, 2000.

¹⁵ *Heavy Forged Hand Tools from China: Invs. Nos. 731-TA-457 (A-D) (Second Review)*, USITC Publication 3836, January 2006, p. 1.

¹⁶ *Heavy Forged Hand Tools from the People's Republic of China*, 70 FR 67451, November 7, 2005.

Table I-1
Commerce's administrative reviews, 2006-2011

Period of review	Exporter	Margin (percent ad valorem)	<i>Federal Register</i> citation
Axes and Adzes			
2004-2005	TMC	189.37	71 FR 54269
	Haurong	189.37	
	SMC	189.37	
	All others	189.37	
2005-2006	China-wide	189.37	72 FR 51787
Bar and Wedges			
2004-2005	TMC	139.31	71 FR 54269
	Huarong	139.31	
	SMC	104.54	
	Iron Bull	139.31	
	All others	139.31	
2005-2006	China-wide	139.31	72 FR 51787
Hammers and Sledges			
2004-2005	TMC	45.42	71 FR 54269
	SMC	34.56	
	All others	45.42	
2005-2006	China-wide	45.42	72 FR 51787
Picks and Mattocks			
2004-2005	TMC	53.04	71 FR 54269
	SMC	98.77	
	All others	98.77	
2005-2006	China-wide	98.77	72 FR 51787

Commerce's Final Results of Its Expedited Third Five-Year Reviews

On May 3, 2011, Commerce found that revocation of the antidumping duty orders on HFHTs from China would likely lead to continuation or recurrence of dumping.¹⁷ The weighted-average dumping margins (in percent *ad valorem*), as reported by Commerce, for the original investigations and subsequent five-year reviews are presented in Table I-2.

Table I-2

Commerce's weight-average dumping margins for the original investigations and subsequent five-year reviews

Country and firm	Original	First reviews	Second reviews	Third reviews
	Margin (percent)			
Axes and Adzes				
All exporters	15.02	15.02	15.02	15.02
Bars and Wedges				
All exporters	31.76	31.76	31.76	31.76
Hammers and Sledges				
All exporters	45.42	45.42	45.42	45.42
Picks and Mattocks				
All exporters	50.81	50.81	50.81	50.81
Source: Heavy Forged Hand Tools (i.e. Axes & Adzes, Bars & Wedges, Hammers & Sledges, and Picks & Mattocks) From the People's Republic of China: Final Results of the Expedited Sunset Review of the Antidumping Duty Orders, 76 FR 24856, May 3, 2011.				

SUMMARY DATA

Appendix C presents selected data from all investigations and reviews that the Commission has compiled regarding HFHTs since the original investigations. Appendix C(a) presents selected data for axes and adzes. Appendix C(b) presents selected data for bars and wedges. Appendix C(c) presents selected data for hammers and sledges. Appendix C(d) presents selected data for picks and mattocks.

¹⁷ *Heavy Forged Hand Tools (i.e. Axes & Adzes, Bars & Wedges, Hammers & Sledges, and Picks & Mattocks) From the People's Republic of China: Final Results of the Expedited Sunset Review of the Antidumping Duty Orders*, 76 FR 24856, May 3, 2011.

THE SUBJECT PRODUCT

Commerce's Scope

Commerce defined the scope of these reviews in its notice of its final results of the expedited reviews as follows:

The products covered by these orders are hand tools ("HFHTs") comprising the following classes or kinds of merchandise: (1) hammers and sledges with heads over 1.5 kg (3.33 pounds); (2) bars over 18 inches in length, track tools, and wedges; (3) picks and mattocks; and (4) axes, adzes, and similar hewing tools. HFHTs include heads for drilling, hammers, sledges, axes, mauls, picks, and mattocks, which may or may not be painted, which may or may not be finished, or which may or may not be imported with handles; assorted bar products and track tools including wrecking bars, digging bars, and tampers; and steel woodsplitting wedges. HFHTs are manufactured through a hot forge operation in which steel is sheared to required length, heated to forging temperature, and formed to final shape on forging equipment using dies specific to the desired product shape and size. Depending on the product, finishing operations may include shot blasting, grinding, polishing and painting, and the insertion of handles for handled product. HFHTs are currently provided for under the following Harmonized Tariff Schedule of the United States ("HTS") subheadings 8201.30.00, 8201.40.60, 8205.20.60, and 8205.59.30. Specifically excluded from these reviews are hammers and sledges with heads 1.5 kilograms (3.33 pounds) in weight and under, hoes and rakes, and bars 18 inches in length and under.¹⁸

¹⁸ *Heavy Forged Hand Tools (i.e. Axes & Adzes, Bars & Wedges, Hammers & Sledges, and Picks & Mattocks) From the People's Republic of China: Final Results of the Expedited Sunset Review of the Antidumping Duty Orders*, 76 FR 24856, May 3, 2011.

Since the original investigations, Commerce has issued ten conclusive scope rulings regarding the merchandise covered by these orders: (1) On August 16, 1993, the Commerce found the "Max Multi-Purpose Axe," imported by the Forrest Tool Co., to be within the scope of the axes/adzes order; (2) on March 8, 2001, Commerce found "18-inch" and "24-inch" pry bars, produced without dies, imported by Olympia Industrial, Inc. and SMC Pacific Tools, Inc., to be within the scope of the bars/wedges order; (3) on March 8, 2001, Commerce found the "Pulaski" tool, produced without dies by TMC, to be within the scope of the axes/adzes order; (4) on March 8, 2001, Commerce found the "skinning axe," imported by Import Traders, Inc., to be within the scope of the axes/adzes order; (5) on December 9, 2004, Commerce found the "Scrapek MUTT," imported by Olympia Industrial, Inc., under HTS 8205.59.5510, to be within the scope of the axes/adzes order; (6) on May 23, 2005, Commerce found 8 inch by 8 inch and 10 inch by 10 inch cast tampers, imported by Olympia Industrial, Inc. to be outside the scope of the orders; (7) on October 14, 2005, Commerce found the "Mean Green Splitting Machine" imported by Avalanche Industries to be within the scope of the bars/wedges order; (8) on February 20, 2008, Commerce found that "stamped machetes, gator machetes, and brush axes" imported by Fiskars are not within the scope of the orders; (9) on December 1, 2008, Commerce found that New Buffalo Corp.'s "4 Ton Electric Log Splitter" was not within the scope of the orders; and (10) on February 25, 2011, Commerce found that "stubby bar" imported by Olympia Tools was not within the scope of the orders. *Ibid*; *Notice of Scope Rulings*, 73 FR 9293, February 20, 2008; *Notice of Scope Rulings*, 73 FR 72771, December 1, 2008; *Notice of Scope Rulings*, 76 FR 10558, February 25, 2011.

U.S. Tariff Treatment¹⁹

Merchandise classified under the following HTS subheadings have a tariff rate of free: (1) HTS subheading 8205.20.60—(hammers/sledges) hammers and sledge hammers, and parts thereof, with heads over 1.5 kg each; (2) HTS subheading 8205.59.30—(bars/wedges) crowbars, track tools, and wedges, and parts thereof; and (3) HTS subheading 8201.30.00—(mattocks/picks) mattocks, picks, hoes and rakes, and parts thereof. Merchandise under HTS subheading 8201.40.60—(axes/adzes), axes, bill hooks, and similar hewing tools, and parts thereof, other than machetes and parts thereof, are dutiable at a general tariff rate of 6.2 percent *ad valorem*.²⁰

Domestic Like Products and Domestic Industry

In its original determinations, the first full five-year reviews, and the second expedited five-year reviews, the Commission found four domestic like products: (1) axes, adzes, and hewing tools, other than machetes, with or without handles; (2) bar tools, track tools, and wedges; (3) hammers and sledges, with heads weighing two pounds or more, with or without handles; and (4) picks and mattocks, with or without handles.²¹ Ames and Council indicated in their responses to the Commission's notice of institution in these third reviews that it agrees with the Commission's definition of the four domestic like products.²²

In its original determinations, the full first review, and second expedited review, the Commission found four domestic industries corresponding with the four separate domestic like product definitions. In the original investigations, the Commission excluded from the domestic industries companies that did no more than assemble imported heads with handles purchased from a domestic manufacturer. The Commission also excluded one domestic producer, Madison Mill, from the domestic industries under the related parties provision.²³ In the first review determinations, the Commission found that Madison Mill did not engage in sufficient production-related activity to be considered a domestic producer.²⁴ In the second expedited review, the Commission did not exclude any company as a related party. Ames and Council indicated in their responses to the Commission's notice of institution in these third reviews that it

¹⁹ Effective July 1, 2005, in Supplement I of the Harmonized Tariff Schedule of the United States (2005), statistical annotations were provided for: (1) mattocks and picks, and parts thereof, HTS statistical reporting number 8201.30.00.10; (2) axes and adzes, and parts thereof, statistical reporting number HTS 8201.40.6010; and (3) crowbars, HTS statistical reporting number 8205.59.3010.

²⁰ Harmonized Tariff Schedule of the United States (2011). Imports of these products are eligible for duty-free entry under a number of trade preference and free trade agreements between the United States and other countries listed under the Special sub-column in column 1 of the Harmonized Tariff Schedule. The 2011 column 2 rate of duty, applicable to countries listed in HTS general note 3(b), is 45 percent *ad valorem* for 8201.30.00 and 8201.40.60; 20 percent for 8205.20.60; 3 cents per kilogram for 8205.59.30.

²¹ *Heavy Forged Hand Tools from the People's Republic of China Invs. Nos. 731-TA-457 (Final)*, USITC Publication 2357, February 1991, p. 15.

²² *Ames' Response to Notice of Institution*, February 2, 2011, p. 25; *Council's Response to Notice of Institution*, February 2, 2011, p. 9. Council stated that it wished to reserve the right to comment on the appropriate definitions during the course of the proceeding.

²³ *Heavy Forged Hand Tools from the People's Republic of China Invs. Nos. 731-TA-457 (Final)*, USITC Publication 2357, February 1991, p. 19.

²⁴ *Heavy Forged Hand Tools from China Invs. Nos. 731-TA-457 (Review)*, USITC Publication 3322, July 2000, p. 7, fn. 24.

agrees with the Commission's definition of the domestic industries and does not advocate excluding any U.S. producer from the domestic industry as a related party.²⁵

Description and Uses²⁶

Axes and Adzes

Axes and adzes are hewing tools. Axes are generally grouped into two categories: large axes and special-purpose axes. Large axes are intended primarily for chopping wood. They are manufactured with either two cutting edges (double-bit) or a single cutting edge (single-bit). The single-bit axe has on the opposite side of the axe head a hammer face that can be used for pounding. Special-purpose axes are designed to function as two tools. For example, the mattock axe is a single-bit axe with an adze-shaped grubbing blade on the back and is designed for digging, prying, or chopping. Adzes are used in shaping wood, and may have either a flat or curved blade at a right angle to the handle.

Bars and Wedges

The principal product of bars and wedges is the crowbar. This tool typically has a gooseneck-like shape to the bar at the claw end for pulling nails and spikes, and a chisel blade at the other end of the bar for prying. Other bars, such as wrecking bars, may be flattened. Various configurations of curves allow for differing degrees of leverage in prying operations. Included in bars and wedges are digging bars and tampers. Bars are used for demolition, scraping, lifting, or prying apart floor tile, wood paneling, nailed wood items, wood molding, and/or removing nails and spikes from wood. Digging bars are used to break up hardened soil and tampers are used to compact loose soil or asphalt. Wedges are used in splitting wood.

Hammers and Sledges

Heavy hammers and sledges with heads over 1.5 kg (3.33 pounds) have heads that are heavier than claw-type (carpenters') hammers or ball peen type (machinists') hammers. Heavy hammer and sledge heads included in the scope of the investigation are over 1.5 kg (3.33 pounds) in weight, and may weigh as much as 9.1 kg (20 pounds). Sledge hammers are heavy hammers used for driving stakes, wedges, or other objects. Woodsplitting mauls resemble sledge hammers except that they have one axe-like edge. Primarily, they are intended to split wood without the use of wedges, but the blunt end may be used for striking stakes, wedges, or other objects as one would with a sledge hammer. Hammers and sledges, including mauls, within the scope of the antidumping duty order typically have handles made of wood or fiberglass.

²⁵ Neither Ames nor Council is related to a producer of HFHTs from China. Neither firm reported importing HFHTs from China during the period of review. Ames reported that it is related to Garant, a Canadian importer of HFHTs from China, which does not import subject product into the United States. *Ames' Response to Notice of Institution*, February 2, 2011, pp. 22-25; *Council's Response to Notice of Institution*, February 2, 2011, p. 7.

²⁶ All of the discussion in this section is from the original investigation, unless otherwise noted. *Heavy Forged Hand Tools from China: Inv. Nos. 731-TA-457 (A-D) (Second Review)*, USITC Publication 3836, January 2006, p. I-13.

Picks and Mattocks

Picks and mattocks are produced in a number of styles and sizes, and differ principally in the weight of the head, the angle and size of the prongs, and the shape of the pick points. Picks are generally used for digging in relatively hard soil, striking the soil with the point of the pick head, whereas the mattock has one side of the head being a broad blade and is used in relatively soft soil. Both mattocks and picks are produced with either wood or fiberglass handles.

Manufacturing Process²⁷

Heavy forged hand tools are manufactured through a hot forge operation in which steel is sheared to the required length, heated to forging temperature, and formed to final shape on forging equipment using dies specific to the desired product shape and size. Depending upon the product, finishing operations may include shot blasting, grinding, polishing and painting, and insertion of the handles for handled products. Handles are made of wood or molded fiberglass. The manufacturing of wood handles involves cutting, drying, sanding, and finishing.

Marketing²⁸

Little public information is available about the HFHT market in 2011. The most recent data available are from the first full reviews completed in 2000 (with data from 1998 and 1999). Four channels of distribution exist in the HFHT market: (1) sales to distributors; (2) sales to retailers; (3) sales to large end users; and (4) sales to OEMs.²⁹ Based on information obtained in the original investigations, both producers and importers predominantly sell in the spot market and both reported selling nationwide.

With regard to current retail sales in 2011, there appears to be significant sales at Internet retail sites. In some instances, the companies using this method do not have physical retail locations.³⁰ Other retailers using the Internet will sometimes list for sale products that can be purchased only through the Internet or their catalog, and will not stock those products at their retail locations.³¹

Axes and Adzes

In 1999, over *** percent of U.S. shipments of axes and adzes included handles. Approximately *** percent of such shipments went to the hardware segment of the market, with the majority going to hardware wholesalers (*** percent) and the remainder going to the hardware retailers (*** percent).

²⁷ See *Heavy Forged Handtools From the People's Republic of China: Inv. No. 731-TA-457 (Final)*, USITC Publication 2357, February 1991, pp. A-3 and A-4 and Commerce's notice of final results of expedited review, 70 FR 67451, November 7, 2005.

²⁸ All of the discussion in this section is from the second full five-year reviews, unless otherwise noted. *Heavy Forged Hand Tools from China: Inv. Nos. 731-TA-457 (A-D) (Second Review)*, USITC Publication 3836, January 2006, pp. I-16-I-18.

²⁹ Most OEMs manufacture handles, purchase heads, and assemble the finished tool which they sell under their own name.

³⁰ For example, see Internet retailer Doityourself.com, found at <http://www.doityourself.com>.

³¹ For example, see Home Depot, Inc. Internet site, <http://www.homedepot.com>, for product category wrecking, nail pullers, and pry bars.

About *** percent were sold to the industrial segment, *** percent were shipped to OEMs, and approximately *** percent was sold to the government sector in 1999.

Bars and Wedges

Approximately *** percent of 1999 shipments of bars and wedges went to the hardware segment of the market, with a small percentage going to hardware wholesalers (*** percent) and the majority going to hardware retailers (*** percent). About *** percent were sold to the industrial segment, about *** percent were shipped to OEMs, and approximately *** percent were sold to the government sector in 1999.

Hammers and Sledges

In 1999, over *** percent of U.S. shipments of hammers and sledges included handles. Over *** percent of such shipments went to the hardware segment of the market, with slightly more going to hardware wholesalers (*** percent) than hardware retailers (*** percent). About *** percent were sold to the industrial segment, about *** percent were shipped to OEMs, and less than *** percent were sold to the government sector in 1999.

Picks and Mattocks

Approximately *** percent of 1999 shipments of picks and mattocks went to the hardware segment of the market, with *** hardware wholesalers and hardware retailers. About *** percent were sold to the industrial segment, about *** percent were shipped to OEMs, and approximately *** percent was sold to the government sector in 1999.

Changes in the market reported in 1999 (compared with 1990, the time of the original investigation) were the growth of large retailers such as Wal-Mart, Home Depot, and Lowe's, which lengthened the time frame of sales agreements and increased the importance of price competition. Also reported by U.S. producers was an increase in production for private label use and specialty customers.

THE INDUSTRY IN THE UNITED STATES

U.S. Producers

The original investigations resulted from a petition filed on behalf of Woodings-Verona Tool Works, Inc. (Woodings-Verona) on April 4, 1990. At that time, there were essentially four U.S. producers of heavy forged hand tools ("HFHTs"): Council Tool Co., Inc. (Council); Mann Edge Tool Co. (Mann Edge); Warwood Tool Co. (Warwood); and Woodings-Verona.³² Only two, Warwood and Woodings-Verona, produced all four domestic like products. Council and Mann Edge produced all domestic like products except picks and mattocks. During the original investigation, Woodings-Verona accounted for *** percent of all HFHT subject imports from China in 1989. Mann Edge accounted for *** percent of all subject imports in that year.

³² *Heavy Forged Hand Tools from the People's Republic of China Invs. Nos. 731-TA-457 (Final)*, USITC Publication 2357, February 1991, p. A-6. In 1989, there was an insignificant number of other firms that also produced some or all of the four domestic like products; however, their production capability was believed to be minuscule.

Subsequent to the original investigations, Woodings-Verona filed for protection under Chapter 11 of the Bankruptcy Code. Woodings-Verona emerged from bankruptcy and was purchased by O. Ames in 1997. J&H Manufacturing (J&H) entered the industry in 1997, founded by former employees of Woodings-Verona after the 1997 acquisition by O. Ames. It produced only bars and wedges. At the time of the first five-year reviews in 1999, there were five major U.S. producers of HFHTs: Ames, Council, Mann Edge, J&H, and Warwood. *** accounted for *** percent of all subject imports of HFHTs in 1999. *** accounted for *** percent of subject imports in that year.³³

In March 1999, O. Ames merged with True Temper Companies, a hardware firm. In January 2002, Ames True Temper was purchased by Wind Point Partners, a private equity investment firm in conjunction with current officers of Ames, from Ames' parent, U.S. Industries, Inc. In June 2004, Ames was purchased by Castle Harlan, a private equity firm and certain current employees. As a result of increased imports, workers at Mann Edge Tool Co. were certified for eligibility to apply for Trade Adjustment Assistance provided by the U.S. Department of Labor in April 2001 (for the period January 5, 2000 to April 5, 2003) and in September 2003 (for the period September 15, 2003 to September 15, 2005).³⁴ Warwood is still producing HFHTs according to the response by Council to the notice of institution. In these third five-year reviews, Ames and Council stated in their responses to the Commission's notice of institution that they and Warwood are the only remaining U.S. producers of HFHTs.³⁵ Ames estimated that in 2010, it accounted for *** percent of U.S. production of axes and adzes, *** percent of U.S. production of bars and wedges, *** percent of U.S. production of hammers and sledges, and *** percent of U.S. production of picks and mattocks.³⁶

U.S. Producers' Trade and Financial Data

Domestic interested parties were requested by the Commission to present certain data in their response to the notice of institution.³⁷ Table I-3 presents U.S. producers' 2010 data on its operations for all four domestic like products.³⁸

Table I-3
HFHTs: U.S. producers' trade and financial data, 2010

* * * * * * *

³³ *Heavy Forged Hand Tools from China Invs. Nos. 731-TA-457 (Review)*, USITC Publication 3322, July 2000, pp. I-9-10.

³⁴ *Heavy Forged Hand Tools from China Invs. Nos. 731-TA-457 A-D (Second Review)*, USITC Publication 3836, January 2006, pp. I-15-16.

³⁵ *Ames' Response to Notice of Institution*, February 2, 2011, p. 22, exh. 3; *Council's Response to Notice of Institution*, February 2, 2011, pp. 6-7.

³⁶ *Ames' Response to Notice of Institution*, February 2, 2011, p. 22, exh. 3; *Council's Response to Notice of Institution*, February 2, 2011, exh. 3. Council estimated that it accounted for approximately *** percent of U.S. production of all four domestic like products. *Council's Response to Notice of Institution*, February 2, 2011, p. 7.

³⁷ Total U.S. industry data for 2010, the only year for which data were collected, is compiled from Ames' and Council's responses to the Commission's notice of institution.

³⁸ Data from the original investigations and subsequent five-year reviews are presented in Appendix C.

U.S. IMPORTS AND APPARENT U.S. CONSUMPTION

U.S. Importers

During the original investigation, the Commission identified approximately 16 firms that imported HFHTs from China, including the Atlas Group; Hickory Forge; Kulkoni, Inc.; Madison Mill; Olympia, Tools, Inc.; and Woodings-Verona.³⁹ During the first sunset reviews, there were five firms that imported HFHTs from China, including American Presto Corp.; Home Depot, Inc.; Madison Mill, Inc.; ***; and Olympia Group, Inc.⁴⁰

In its response to the Commission's notice of institution for these reviews, Ames listed two U.S. firms that it believes imported HFHTs from China: ***.⁴¹ Council listed 9 U.S. firms that it believed imported HFHTs from China.⁴² These firms include: ***⁴³***.

U.S. Imports

The quantity, value, and unit value of U.S. imports of HFHTs from 2005 to 2010 are shown in table I-4. U.S. imports from China and nonsubject countries are based on official Commerce statistics: Axes and adzes (HTS 8201.40.6010); Bars and wedges (HTS 8205.59.30); Hammers and sledges (HTS 8205.20.60); Picks and mattocks (HTS 8201.30.0010). All of these HTS subheadings, with the exception of 8205.20.60, which refers to hammers and sledges, are broader product categories that include not only subject merchandise, but also may include nonsubject merchandise, such as rakes, bill hooks, hoes, machetes, and track tools among other nonsubject items.

³⁹ *Staff Report of January 28, 1991*, pp. A-13-14.

⁴⁰ *Staff Report of June 16, 2000*, p. I-18.

⁴¹ Ames' Response to Notice of Institution, February 2, 2011, p. 23, exh. 5.

⁴² Council's Response to Notice of Institution, February 2, 2011, exh. 3.

⁴³ Ames reported that ***. Ames' Response to Notice of Institution, February 2, 2011, p. 15.

Table I-4
HFHTs: U.S. imports from all sources, 2005-2010

Item	2005	2006	2007	2008	2009	2010
Quantity (1,000 units)						
Axes and adzes:						
China	433	311	215	172	132	184
All other	604	1,939	1,972	2,187	1,711	2,152
Total	1,037	2,250	2,187	2,359	1,843	2,336
Bars and wedges:						
China	1,008	1,857	1,837	1,547	1,446	2,001
All other	2,174	5,654	4,070	4,195	3,622	6,144
Total	3,182	7,511	5,907	5,742	5,068	8,145
Hammers and sledges:						
China	80	80	67	62	215	695
All other	163	207	165	198	789	2,067
Total	243	287	232	260	1,004	2,762
Picks and mattocks:						
China	1,756	4,622	1,860	328	132	204
All other	1,425	3,375	1,947	2,527	950	1,466
Total	3,181	7,997	3,806	2,855	1,082	1,670
Value (\$1,000)						
Axes and adzes:						
China	1,366	1,279	1,455	1,505	899	1,068
All other	4,456	11,798	11,341	14,194	12,572	15,612
Total	5,822	13,077	12,796	15,699	13,471	16,680
Bars and wedges:						
China	2,600	4,330	4,637	4,547	3,365	3,787
All other	7,888	28,765	21,363	24,609	18,526	24,422
Total	10,488	33,095	26,000	29,156	21,891	28,209
<i>Table continued on next page.</i>						

Table I-4--Continued
HFHTs: U.S. imports from all sources, 2005-2010

Item	2005	2006	2007	2008	2009	2010
Value (\$1,000)						
Hammers and sledges:						
China	3,637	3,703	2,654	3,551	2,134	3,145
All other	11,248	13,984	12,815	14,622	13,240	17,607
Total	14,885	17,687	15,469	18,173	15,374	20,752
Picks and mattocks:						
China	3,842	9,629	2,908	870	302	316
All other	4,508	9,701	6,460	8,076	4,273	8,131
Total	8,350	19,330	9,368	8,946	4,575	8,447
Unit value (dollars per unit)						
Axes and adzes:						
China	\$3.16	\$4.11	\$6.77	\$8.75	\$6.81	\$5.80
All other	7.38	6.08	5.75	6.49	7.35	7.25
Total	5.61	5.81	5.85	6.65	7.31	7.14
Bars and wedges:						
China	\$2.58	\$2.33	\$2.52	\$2.94	\$2.33	\$1.89
All other	3.63	5.09	5.25	5.87	5.11	3.98
Total	3.30	4.41	4.40	5.08	4.32	3.46
Hammers and sledges:						
China	\$45.28	\$46.03	\$39.61	\$57.26	\$9.91	\$4.53
All other	69.11	67.53	77.61	73.75	16.79	8.52
Total	61.24	61.52	66.64	69.82	15.31	7.51
Picks and mattocks:						
China	\$2.19	\$2.08	\$1.56	\$2.66	\$2.28	\$1.55
All other	3.16	2.87	3.32	3.20	4.50	5.54
Total	2.63	2.42	2.46	3.13	4.23	5.06
Source: Official statistics of the Department of Commerce.						

Apparent U.S. Consumption and Market Shares

Apparent U.S. consumption and U.S. market shares of HFHTs for 2010 is shown in table I-5.

Table I-5

HFHTs: U.S. producers' U.S. shipments, U.S. shipments of imports, apparent U.S. consumption, and U.S. market shares, 2010

Item	Axes and Adzes	Bars and Wedges	Hammers and Sledges	Picks and Mattocks
Quantity (1,000 units)				
U.S. producers' U.S. shipments	***	***	***	***
U.S. imports from—				
China	184	2,001	695	204
Other sources	2,152	6,144	2,067	1,466
Total U.S. imports	2,336	8,145	2,762	1,670
Apparent U.S. consumption	***	***	***	***
Share of quantity (percent)				
U.S. producers' U.S. shipments	***	***	***	***
U.S. imports from—				
China	***	***	***	***
Other sources	***	***	***	***
Total U.S. imports	***	***	***	***
Value (\$1,000 dollars)				
U.S. producers' U.S. shipments	***	***	***	***
U.S. imports from—				
China	1,068	3,787	3,145	316
Other sources	15,612	24,422	17,607	8,131
Total U.S. imports	16,680	28,209	20,752	8,447
Apparent U.S. consumption	***	***	***	***
Share of value (percent)				
U.S. producers' U.S. shipments	***	***	***	***
U.S. imports from—				
China	***	***	***	***
Other sources	***	***	***	***
Total U.S. imports	***	***	***	***
Source: Ames' Response to Notice of Institution, February 2, 2011 as amended by supplemental information, March 10, 2011; Council's Response to Notice of Institution, February 2, 2011 as amended by supplemental information, March 10, 2011 and Official statistics of the Department of Commerce.				

ANTIDUMPING ACTIONS OUTSIDE THE UNITED STATES

Based on available information, HFHTs have not been subject to any other import relief investigations in any other countries.

THE INDUSTRY IN CHINA

There are no public sources, either domestic or foreign, that compile specific data for the total capacity or production of HFHTs in China.⁴⁴ At the time of the original investigation there were an estimated 500 producers of HFHTs in China and 130 importers. During the first sunset reviews there were estimated to be 12 major producers in China. In February 2004, Ames requested that Commerce conduct administrative reviews on 302 companies in China, covering all four antidumping duty orders. In March 2004, Commerce initiated reviews of 194 companies. Of the 194 firms, 187 did not respond to Commerce's shortened Section A questionnaire. In its response to the Commission's notice of institution for these reviews, Ames listed 87 firms that it believes produced HFHTs in China since 2004.⁴⁵ Council listed 8 firms, which it believes are major firms that have exported HFHTs to the United States. These firms include:⁴⁶ ***.

Tables I-6 through I-9 present Chinese export data for the four corresponding domestic like products from 2005 to 2010. The data are compiled using the Global Trade Atlas which provides data only to a 6-digit classification level and therefore, may also include products that are not within the scope of these reviews.

⁴⁴ Ames, however, provided anecdotal evidence that a number of Chinese producers of HFHTs may have increased production during the period of review and remained export oriented. *Ames' Response to Notice of Institution*, February 2, 2011, pp. 17-19.

⁴⁵ *Ames' Response to Notice of Institution*, February 2, 2011, p. 23, exh. 5.

⁴⁶ *Council's Response to Notice of Institution*, February 2, 2011, exh. 3. These are also the larger firms that have requested administrative reviews from Commerce since 1999.

Table I-6
Axes and adzes:¹ Chinese exports, 2005-2010

Export market	Calendar year					
	2005	2006	2007	2008	2009	2010
Value (1,000 dollars)						
United States	3,379	2,495	2,032	2,011	1,666	1,971
Nigeria	573	328	250	139	1,737	3,484
Kenya	1,107	1,829	3,790	2,771	2,682	3,424
Germany	1,497	1,750	2,729	3,443	2,823	3,243
Netherlands	3,292	5,088	4,723	3,962	3,837	3,207
All other	21,097	23,128	28,294	37,505	27,453	34,430
Total	30,945	34,618	41,819	49,831	40,197	49,759
Share of value (percent)						
United States	10.9	7.2	4.9	4.0	4.1	4.0
Nigeria	1.9	0.9	0.6	0.3	4.3	7.0
Kenya	3.6	5.3	9.1	5.6	6.7	6.9
Germany	4.8	5.1	6.5	6.9	7.0	6.5
Netherlands	10.6	14.7	11.3	8.0	9.5	6.4
All other	68.2	66.8	67.7	75.3	68.3	69.2
Total	100.0	100.0	100.0	100.0	100.0	100.0
¹ Chinese tariff number 8201.40, includes other hewing tools, such as machetes, bill hooks, and parts thereof.						
Source: Global Trade Atlas.						

Table I-7
Bars and wedges:¹ Chinese exports, 2005-2010

Export market	Calendar year					
	2005	2006	2007	2008	2009	2010
Value (1,000 dollars)						
United States	134,934	171,018	161,920	133,955	105,088	131,876
Germany	17,495	22,615	24,115	23,213	14,365	21,265
United Kingdom	17,690	21,034	24,131	20,337	14,311	21,264
Netherlands	15,314	16,549	20,902	17,410	11,514	16,589
Russia	7,024	10,065	14,914	17,108	9,008	16,223
All other	162,117	189,903	223,223	225,043	167,320	233,107
Total	354,574	431,184	469,204	437,066	321,606	440,325
Ratios and shares (percent)						
United States	38.1	39.7	34.5	30.6	32.7	29.9
Germany	4.9	5.2	5.1	5.3	4.5	4.8
United Kingdom	5.0	4.9	5.1	4.7	4.4	4.8
Netherlands	4.3	3.8	4.5	4.0	3.6	3.8
Russia	2.0	2.3	3.2	3.9	2.8	3.7
All other	45.7	44.0	47.6	51.5	52.0	52.9
Total	100.0	100.0	100.0	100.0	100.0	100.0
¹ Data are for Chinese tariff number 8205.59, which includes data on a wide variety of miscellaneous hand tools such as crowbars, track tools, and wedges; powder-actuated tools; pipe tools; caulking guns; single edge razor blades other than for shaving; agricultural, horticultural, or forestry tools; other hand tools; and parts thereof. Many of these tools are not covered by Commerce's product scope.						
Source: Global Trade Atlas.						

Table I-8
Hammers and sledges:¹ Chinese exports, 2005-2010

Export market	Calendar year					
	2005	2006	2007	2008	2009	2010
Value (1,000 dollars)						
United States	27,057	28,526	29,541	31,232	24,400	30,481
United Kingdom	5,956	7,228	8,075	8,336	4,648	7,638
Indonesia	3,954	5,531	4,695	5,186	5,252	7,353
United Arab Emirates	5,799	7,593	7,811	9,420	6,194	6,516
Germany	3,596	4,158	4,489	7,568	5,187	6,509
All other	71,881	81,334	98,804	119,340	91,455	120,254
Total	118,243	134,370	153,416	181,082	137,137	178,752
Ratios and shares (percent)						
United States	22.9	21.2	19.3	17.2	17.8	17.1
United Kingdom	5.0	5.4	5.3	4.6	3.4	4.3
Indonesia	3.3	4.1	3.1	2.9	3.8	4.1
United Arab Emirates	4.9	5.7	5.1	5.2	4.5	3.6
Germany	3.0	3.1	2.9	4.2	3.8	3.6
All other	60.8	60.5	64.4	65.9	66.7	67.3
Total	100.0	100.0	100.0	100.0	100.0	100.0
¹ Chinese tariff number 8205.20, includes other hammers and sledge hammers with a head of 1.5 kg or less, and parts thereof, which are not covered by Commerce's product scope. Source: Global Trade Atlas						

Table I-9
Picks and mattocks:¹ Chinese exports, 2005-2010

Export market	Calendar year					
	2005	2006	2007	2008	2009	2010
Value (1,000 dollars)						
United States	15,243	16,490	13,612	17,147	16,755	21,489
Kenya	5,015	5,961	8,097	10,482	11,022	9,925
Tanzania	5,596	3,755	4,875	9,017	8,643	9,234
Japan	4,483	4,002	4,347	4,940	6,770	5,961
Malaysia	4,583	3,440	3,105	2,254	4,976	4,726
All other	29,198	36,007	41,242	51,241	46,643	63,389
Total	64,118	69,657	75,278	95,081	94,809	114,724
Ratios and shares (percent)						
United States	23.8	23.7	18.1	18.0	17.7	18.7
Kenya	7.8	8.6	10.8	11.0	11.6	8.7
Tanzania	8.7	5.4	6.5	9.5	9.1	8.0
Japan	7.0	5.7	5.8	5.2	7.1	5.2
Malaysia	7.1	4.9	4.1	2.4	5.2	4.1
All other	45.5	51.7	54.8	53.9	49.2	55.3
Total	100.0	100.0	100.0	100.0	100.0	100.0
¹ Chinese tariff number 8201.30, includes hoes and rakes, and parts thereof.						
Source: Global Trade Atlas.						

APPENDIX A
***FEDERAL REGISTER* NOTICES**

(9) If you are a U.S. producer of the *Domestic Like Product*, provide the following information on your firm's operations on that product during calendar year 2010, except as noted (report quantity data in pounds and value data in U.S. dollars, f.o.b. plant). If you are a union/worker group or trade/business association, provide the information, on an aggregate basis, for the firms in which your workers are employed/which are members of your association.

(a) Production (quantity) and, if known, an estimate of the percentage of total U.S. production of the *Domestic Like Product* accounted for by your firm's(s') production;

(b) Capacity (quantity) of your firm to produce the *Domestic Like Product* (i.e., the level of production that your establishment(s) could reasonably have expected to attain during the year, assuming normal operating conditions (using equipment and machinery in place and ready to operate), normal operating levels (hours per week/weeks per year), time for downtime, maintenance, repair, and cleanup, and a typical or representative product mix);

(c) the quantity and value of U.S. commercial shipments of the *Domestic Like Product* produced in your U.S. plant(s);

(d) the quantity and value of U.S. internal consumption/company transfers of the *Domestic Like Product* produced in your U.S. plant(s); and

(e) the value of (i) net sales, (ii) cost of goods sold (COGS), (iii) gross profit, (iv) selling, general and administrative (SG&A) expenses, and (v) operating income of the *Domestic Like Product* produced in your U.S. plant(s) (include both U.S. and export commercial sales, internal consumption, and company transfers) for your most recently completed fiscal year (identify the date on which your fiscal year ends).

(10) If you are a U.S. importer or a trade/business association of U.S. importers of the *Subject Merchandise* from the *Subject Country*, provide the following information on your firm's(s') operations on that product during calendar year 2010 (report quantity data in pounds and value data in U.S. dollars). If you are a trade/business association, provide the information, on an aggregate basis, for the firms which are members of your association.

(a) The quantity and value (landed, duty-paid but not including antidumping or countervailing duties) of U.S. imports and, if known, an estimate of the percentage of total U.S. imports of *Subject Merchandise* from the *Subject Country* accounted for by your firm's(s') imports;

(b) the quantity and value (f.o.b. U.S. port, including antidumping and/or countervailing duties) of U.S. commercial shipments of *Subject Merchandise* imported from the *Subject Country*; and

(c) the quantity and value (f.o.b. U.S. port, including antidumping and/or countervailing duties) of U.S. internal consumption/company transfers of *Subject Merchandise* imported from the *Subject Country*.

(11) If you are a producer, an exporter, or a trade/business association of producers or exporters of the *Subject Merchandise* in the *Subject Country*, provide the following information on your firm's(s') operations on that product during calendar year 2010 (report quantity data in pounds and value data in U.S. dollars, landed and duty-paid at the U.S. port but not including antidumping or countervailing duties). If you are a trade/business association, provide the information, on an aggregate basis, for the firms which are members of your association.

(a) Production (quantity) and, if known, an estimate of the percentage of total production of *Subject Merchandise* in the *Subject Country* accounted for by your firm's(s') production;

(b) Capacity (quantity) of your firm to produce the *Subject Merchandise* in the *Subject Country* (i.e., the level of production that your establishment(s) could reasonably have expected to attain during the year, assuming normal operating conditions (using equipment and machinery in place and ready to operate), normal operating levels (hours per week/weeks per year), time for downtime, maintenance, repair, and cleanup, and a typical or representative product mix); and

(c) the quantity and value of your firm's(s') exports to the United States of *Subject Merchandise* and, if known, an estimate of the percentage of total exports to the United States of *Subject Merchandise* from the *Subject Country* accounted for by your firm's(s') exports.

(12) Identify significant changes, if any, in the supply and demand conditions or business cycle for the *Domestic Like Product* that have occurred in the United States or in the market for the *Subject Merchandise* in the *Subject Country* after 2004, and significant changes, if any, that are likely to occur within a reasonably foreseeable time. Supply conditions to consider include technology; production methods; development efforts; ability to increase production (including the shift of production facilities used for other products and the use, cost, or availability of major inputs

into production); and factors related to the ability to shift supply among different national markets (including barriers to importation in foreign markets or changes in market demand abroad). Demand conditions to consider include end uses and applications; the existence and availability of substitute products; and the level of competition among the *Domestic Like Product* produced in the United States, *Subject Merchandise* produced in the *Subject Country*, and such merchandise from other countries.

(13) (Optional) A statement of whether you agree with the above definitions of the *Domestic Like Product* and *Domestic Industry*; if you disagree with either or both of these definitions, please explain why and provide alternative definitions.

Authority: These reviews are being conducted under authority of title VII of the Tariff Act of 1930; this notice is published pursuant to section 207.61 of the Commission's rules.

By order of the Commission.

Issued: December 22, 2010.

Marilyn R. Abbott,

Secretary to the Commission.

[FR Doc. 2010-32697 Filed 12-30-10; 8:45 am]

BILLING CODE 7020-02-P

INTERNATIONAL TRADE COMMISSION

[Investigation Nos. 731-TA-457-A-D (Third Review)]

Heavy Forged Hand Tools From China

AGENCY: United States International Trade Commission.

ACTION: Institution of five-year reviews concerning the antidumping duty orders on heavy forged hand tools from China.

SUMMARY: The Commission hereby gives notice that it has instituted reviews pursuant to section 751(c) of the Tariff Act of 1930 (19 U.S.C. 1675(c)) (the Act) to determine whether revocation of the antidumping duty orders on heavy forged hand tools from China would be likely to lead to continuation or recurrence of material injury. Pursuant to section 751(c)(2) of the Act, interested parties are requested to respond to this notice by submitting the information specified below to the Commission;¹ to

¹ No response to this request for information is required if a currently valid Office of Management and Budget (OMB) number is not displayed; the OMB number is 3117-0016/USITC No. 11-5-235, expiration date June 30, 2011. Public reporting burden for the request is estimated to average 15 hours per response. Please send comments regarding the accuracy of this burden estimate to the Office of Investigations, U.S. International Trade

be assured of consideration, the deadline for responses is February 2, 2011. Comments on the adequacy of responses may be filed with the Commission by March 18, 2011. For further information concerning the conduct of these reviews and rules of general application, consult the Commission's Rules of Practice and Procedure, part 201, subparts A through E (19 CFR part 201), and part 207, subparts A, D, E, and F (19 CFR part 207), as most recently amended at 74 FR 2847 (January 16, 2009).

DATES: *Effective Date:* January 3, 2011.

FOR FURTHER INFORMATION CONTACT:

Mary Messer (202–205–3193), Office of Investigations, U.S. International Trade Commission, 500 E Street, SW., Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting the Commission's TDD terminal on 202–205–1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202–205–2000. General information concerning the Commission may also be obtained by accessing its Internet server (<http://www.usitc.gov>). The public record for these reviews may be viewed on the Commission's electronic docket (EDIS) at <http://edis.usitc.gov>.

SUPPLEMENTARY INFORMATION:

Background.—On February 19, 1991, the Department of Commerce ("Commerce") issued antidumping duty orders on imports of the following classes or kinds of heavy forged hand tools from China: (1) Axes and adzes, (2) bars and wedges, (3) hammers and sledges, and (4) picks and mattocks (56 FR 6622). Following the first five-year reviews by Commerce and the Commission, effective August 10, 2000, Commerce issued a continuation of the antidumping duty order on imports of heavy forged hand tools from China (65 FR 48962). Following second five-year reviews by Commerce and the Commission, effective February 16, 2006, Commerce issued a continuation of the antidumping duty orders on imports of heavy forged hand tools from China (71 FR 8276). The Commission is now conducting third reviews to determine whether revocation of the orders would be likely to lead to continuation or recurrence of material injury to the domestic industry within a reasonably foreseeable time. It will assess the adequacy of interested party responses to this notice of institution to

determine whether to conduct full reviews or expedited reviews. The Commission's determinations in any expedited reviews will be based on the facts available, which may include information provided in response to this notice.

Definitions.—The following definitions apply to these reviews:

(1) *Subject Merchandise* is the class or kind of merchandise that is within the scope of the five-year reviews, as defined by Commerce.

(2) The *Subject Country* in these reviews is China.

(3) The *Domestic Like Product* is the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the *Subject Merchandise*. In its original determinations, its full first five-year review determinations, and its expedited second five-year review determinations, the Commission found four *Domestic Like Products*: (1) Axes, adzes, and hewing tools, other than machetes, with or without handles; (2) bar tools, track tools, and wedges; (3) hammers and sledges, with heads weighing two pounds or more, with or without handles; and (4) picks and mattocks, with or without handles.

(4) The *Domestic Industry* is the U.S. producers as a whole of the *Domestic Like Product*, or those producers whose collective output of the *Domestic Like Product* constitutes a major proportion of the total domestic production of the product. In its original determinations, its full first five-year review determinations, and its expedited second five-year review determinations, the Commission found four *Domestic Industries*: (1) Domestic producers of axes, adzes and hewing tools, other than machetes, with or without handles; (2) domestic producers of bar tools, track tools, and wedges; (3) domestic producers of hammers and sledges, with heads weighing two pounds or more, with or without handles; and (4) domestic producers of picks and mattocks, with or without handles. The Commission excluded from the *Domestic Industries* companies that do no more than assemble imported heads with handles purchased from a domestic manufacturer. In the original determinations, the Commission also excluded one domestic producer, Madison Mill, from the *Domestic Industries* under the related parties provision. In the first reviews, the Commission did not find that Madison Mill engaged in sufficient production-related activity to be considered a domestic producer.

(5) An *Importer* is any person or firm engaged, either directly or through a parent company or subsidiary, in importing the *Subject Merchandise* into the United States from a foreign manufacturer or through its selling agent.

Participation in the reviews and public service list.—Persons, including industrial users of the *Subject Merchandise* and, if the merchandise is sold at the retail level, representative consumer organizations, wishing to participate in the reviews as parties must file an entry of appearance with the Secretary to the Commission, as provided in section 201.11(b)(4) of the Commission's rules, no later than 21 days after publication of this notice in the **Federal Register**. The Secretary will maintain a public service list containing the names and addresses of all persons, or their representatives, who are parties to the reviews.

Former Commission employees who are seeking to appear in Commission five-year reviews are advised that they may appear in a review even if they participated personally and substantially in the corresponding underlying original investigation. The Commission's designated agency ethics official has advised that a five-year review is not considered the "same particular matter" as the corresponding underlying original investigation for purposes of 18 U.S.C. 207, the post employment statute for Federal employees, and Commission rule 201.15(b) (19 CFR 201.15(b)), 73 FR 24609 (May 5, 2008). This advice was developed in consultation with the Office of Government Ethics. Consequently, former employees are not required to seek Commission approval to appear in a review under Commission rule 19 CFR 201.15, even if the corresponding underlying original investigation was pending when they were Commission employees. For further ethics advice on this matter, contact Carol McCue Verratti, Deputy Agency Ethics Official, at 202–205–3088.

Limited disclosure of business proprietary information (BPI) under an administrative protective order (APO) and APO service list.—Pursuant to section 207.7(a) of the Commission's rules, the Secretary will make BPI submitted in these reviews available to authorized applicants under the APO issued in the reviews, provided that the application is made no later than 21 days after publication of this notice in the **Federal Register**. Authorized applicants must represent interested parties, as defined in 19 U.S.C. 1677(9), who are parties to the reviews. A

separate service list will be maintained by the Secretary for those parties authorized to receive BPI under the APO.

Certification.—Pursuant to section 207.3 of the Commission's rules, any person submitting information to the Commission in connection with these reviews must certify that the information is accurate and complete to the best of the submitter's knowledge. In making the certification, the submitter will be deemed to consent, unless otherwise specified, for the Commission, its employees, and contract personnel to use the information provided in any other reviews or investigations of the same or comparable products which the Commission conducts under Title VII of the Act, or in internal audits and investigations relating to the programs and operations of the Commission pursuant to 5 U.S.C. Appendix 3.

Written submissions.—Pursuant to section 207.61 of the Commission's rules, each interested party response to this notice must provide the information specified below. The deadline for filing such responses is February 2, 2011. Pursuant to section 207.62(b) of the Commission's rules, eligible parties (as specified in Commission rule 207.62(b)(1)) may also file comments concerning the adequacy of responses to the notice of institution and whether the Commission should conduct expedited or full reviews. The deadline for filing such comments is March 18, 2011. All written submissions must conform with the provisions of sections 201.8 and 207.3 of the Commission's rules and any submissions that contain BPI must also conform with the requirements of sections 201.6 and 207.7 of the Commission's rules. The Commission's rules do not authorize filing of submissions with the Secretary by facsimile or electronic means, except to the extent permitted by section 201.8 of the Commission's rules, as amended, 67 FR 68036 (November 8, 2002). Also, in accordance with sections 201.16(c) and 207.3 of the Commission's rules, each document filed by a party to the reviews must be served on all other parties to the reviews (as identified by either the public or APO service list as appropriate), and a certificate of service must accompany the document (if you are not a party to the reviews you do not need to serve your response).

Inability to provide requested information.—Pursuant to section 207.61(c) of the Commission's rules, any interested party that cannot furnish the information requested by this notice in the requested form and manner shall notify the Commission at the earliest

possible time, provide a full explanation of why it cannot provide the requested information, and indicate alternative forms in which it can provide equivalent information. If an interested party does not provide this notification (or the Commission finds the explanation provided in the notification inadequate) and fails to provide a complete response to this notice, the Commission may take an adverse inference against the party pursuant to section 776(b) of the Act in making its determinations in the reviews.

Information to be Provided in Response to this Notice of Institution: Please provide the requested information separately for each *Domestic Like Product*, as defined by the Commission in its determinations, and for each of the products identified by Commerce as *Subject Merchandise*. As used below, the term "firm" includes any related firms.

(1) The name and address of your firm or entity (including World Wide Web address) and name, telephone number, fax number, and e-mail address of the certifying official.

(2) A statement indicating whether your firm/entity is a U.S. producer of the *Domestic Like Products*, a U.S. union or worker group, a U.S. importer of the *Subject Merchandise*, a foreign producer or exporter of the *Subject Merchandise*, a U.S. or foreign trade or business association, or another interested party (including an explanation). If you are a union/worker group or trade/business association, identify the firms in which your workers are employed or which are members of your association.

(3) A statement indicating whether your firm/entity is willing to participate in these reviews by providing information requested by the Commission.

(4) A statement of the likely effects of the revocation of the antidumping duty orders on the *Domestic Industries* in general and/or your firm/entity specifically. In your response, please discuss the various factors specified in section 752(a) of the Act (19 U.S.C. 1675a(a)) including the likely volume of subject imports, likely price effects of subject imports, and likely impact of imports of *Subject Merchandise* on the *Domestic Industries*.

(5) A list of all known and currently operating U.S. producers of the *Domestic Like Products*. Identify any known related parties and the nature of the relationship as defined in section 771(4)(B) of the Act (19 U.S.C. 1677(4)(B)).

(6) A list of all known and currently operating U.S. importers of the *Subject*

Merchandise and producers of the *Subject Merchandise* in the *Subject Country* that currently export or have exported *Subject Merchandise* to the United States or other countries after 2004.

(7) A list of 3–5 leading purchasers in the U.S. market for the *Domestic Like Products* and the *Subject Merchandise* (including street address, World Wide Web address, and the name, telephone number, fax number, and e-mail address of a responsible official at each firm).

(8) A list of known sources of information on national or regional prices for the *Domestic Like Products* or the *Subject Merchandise* in the U.S. or other markets.

(9) If you are a U.S. producer of the *Domestic Like Products*, provide the following information on your firm's operations on that product during calendar year 2010, except as noted (report quantity data in units and value data in U.S. dollars, f.o.b. plant). If you are a union/worker group or trade/business association, provide the information, on an aggregate basis, for the firms in which your workers are employed/which are members of your association.

(a) Production (quantity) and, if known, an estimate of the percentage of total U.S. production of the *Domestic Like Products* accounted for by your firm's(s') production;

(b) Capacity (quantity) of your firm to produce the *Domestic Like Products* (i.e., the level of production that your establishment(s) could reasonably have expected to attain during the year, assuming normal operating conditions (using equipment and machinery in place and ready to operate), normal operating levels (hours per week/weeks per year), time for downtime, maintenance, repair, and cleanup, and a typical or representative product mix);

(c) The quantity and value of U.S. commercial shipments of the *Domestic Like Products* produced in your U.S. plant(s);

(d) The quantity and value of U.S. internal consumption/company transfers of the *Domestic Like Products* produced in your U.S. plant(s); and

(e) The value of (i) net sales, (ii) cost of goods sold (COGS), (iii) gross profit, (iv) selling, general and administrative (SG&A) expenses, and (v) operating income of the *Domestic Like Products* produced in your U.S. plant(s) (include both U.S. and export commercial sales, internal consumption, and company transfers) for your most recently completed fiscal year (identify the date on which your fiscal year ends).

(10) If you are a U.S. importer or a trade/business association of U.S.

importers of the *Subject Merchandise* from the *Subject Country*, provide the following information on your firm's(s') operations on that product during calendar year 2010 (report quantity data in units and value data in U.S. dollars). If you are a trade/business association, provide the information, on an aggregate basis, for the firms which are members of your association.

(a) The quantity and value (landed, duty-paid but not including antidumping duties) of U.S. imports and, if known, an estimate of the percentage of total U.S. imports of *Subject Merchandise* from the *Subject Country* accounted for by your firm's(s') imports;

(b) The quantity and value (f.o.b. U.S. port, including antidumping duties) of U.S. commercial shipments of *Subject Merchandise* imported from the *Subject Country*; and

(c) The quantity and value (f.o.b. U.S. port, including antidumping duties) of U.S. internal consumption/company transfers of *Subject Merchandise* imported from the *Subject Country*.

(11) If you are a producer, an exporter, or a trade/business association of producers or exporters of the *Subject Merchandise* in the *Subject Country*, provide the following information on your firm's(s') operations on that product during calendar year 2010 (report quantity data in units and value data in U.S. dollars, landed and duty-paid at the U.S. port but not including antidumping duties). If you are a trade/business association, provide the information, on an aggregate basis, for the firms which are members of your association.

(a) Production (quantity) and, if known, an estimate of the percentage of total production of *Subject Merchandise* in the *Subject Country* accounted for by your firm's(s') production;

(b) Capacity (quantity) of your firm to produce the *Subject Merchandise* in the *Subject Country* (i.e., the level of production that your establishment(s) could reasonably have expected to attain during the year, assuming normal operating conditions (using equipment and machinery in place and ready to operate), normal operating levels (hours per week/weeks per year), time for downtime, maintenance, repair, and cleanup, and a typical or representative product mix); and

(c) The quantity and value of your firm's(s') exports to the United States of *Subject Merchandise* and, if known, an estimate of the percentage of total exports to the United States of *Subject Merchandise* from the *Subject Country* accounted for by your firm's(s') exports.

(12) Identify significant changes, if any, in the supply and demand conditions or business cycle for the *Domestic Like Products* that have occurred in the United States or in the market for the *Subject Merchandise* in the *Subject Country* after 2004, and significant changes, if any, that are likely to occur within a reasonably foreseeable time. Supply conditions to consider include technology; production methods; development efforts; ability to increase production (including the shift of production facilities used for other products and the use, cost, or availability of major inputs into production); and factors related to the ability to shift supply among different national markets (including barriers to importation in foreign markets or changes in market demand abroad). Demand conditions to consider include end uses and applications; the existence and availability of substitute products; and the level of competition among the *Domestic Like Products* produced in the United States, *Subject Merchandise* produced in the *Subject Country*, and such merchandise from other countries.

(13) (Optional) A statement of whether you agree with the above definitions of the *Domestic Like Products* and *Domestic Industries*; if you disagree with either or both of these definitions, please explain why and provide alternative definitions.

Authority: These reviews are being conducted under authority of title VII of the Tariff Act of 1930; this notice is published pursuant to section 207.61 of the Commission's rules.

By order of the Commission.

Issued: December 22, 2010.

Marilyn R. Abbott,

Secretary to the Commission.

[FR Doc. 2010-32699 Filed 12-30-10; 8:45 am]

BILLING CODE 7020-02-P

INTERNATIONAL TRADE COMMISSION

[Investigation No. 731-TA-663 (Third Review)]

Paper Clips From China

AGENCY: United States International Trade Commission.

ACTION: Institution of a five-year review concerning the antidumping duty order on paper clips from China.

SUMMARY: The Commission hereby gives notice that it has instituted a review pursuant to section 751(c) of the Tariff Act of 1930 (19 U.S.C. 1675(c)) (the Act) to determine whether revocation of the

antidumping duty order on paper clips from China would be likely to lead to continuation or recurrence of material injury. Pursuant to section 751(c)(2) of the Act, interested parties are requested to respond to this notice by submitting the information specified below to the Commission;¹ to be assured of consideration, the deadline for responses is February 2, 2011.

Comments on the adequacy of responses may be filed with the Commission by March 18, 2011. For further information concerning the conduct of this review and rules of general application, consult the Commission's Rules of Practice and Procedure, part 201, subparts A through E (19 CFR part 201), and part 207, subparts A, D, E, and F (19 CFR part 207), as most recently amended at 74 FR 2847 (January 16, 2009).

DATES: *Effective Date:* January 3, 2011.

FOR FURTHER INFORMATION CONTACT: Mary Messer (202-205-3193), Office of Investigations, U.S. International Trade Commission, 500 E Street, SW., Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting the Commission's TDD terminal on 202-205-1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202-205-2000. General information concerning the Commission may also be obtained by accessing its Internet server (<http://www.usitc.gov>). The public record for this review may be viewed on the Commission's electronic docket (EDIS) at <http://edis.usitc.gov>.

SUPPLEMENTARY INFORMATION:

Background.—On November 25, 1994, the Department of Commerce ("Commerce") issued an antidumping duty order on imports of paper clips from China (59 FR 60606). Following five-year reviews by Commerce and the Commission, effective August 15, 2000, Commerce issued a continuation of the antidumping duty order on imports of paper clips from China (65 FR 49784). Following second five-year reviews by Commerce and the Commission, effective February 7, 2006, Commerce issued a continuation of the antidumping duty order on imports of

¹ No response to this request for information is required if a currently valid Office of Management and Budget (OMB) number is not displayed; the OMB number is 3117-0016/USITC No. 11-5-237, expiration date June 30, 2011. Public reporting burden for the request is estimated to average 15 hours per response. Please send comments regarding the accuracy of this burden estimate to the Office of Investigations, U.S. International Trade Commission, 500 E Street, SW., Washington, DC 20436.

(c) the quantity and value of U.S. commercial shipments of the Domestic Like Product produced in your U.S. plant(s);

(d) the quantity and value of U.S. internal consumption/company transfers of the Domestic Like Product produced in your U.S. plant(s); and

(e) the value of (i) net sales, (ii) cost of goods sold (COGS), (iii) gross profit, (iv) selling, general and administrative (SG&A) expenses, and (v) operating income of the Domestic Like Product produced in your U.S. plant(s) (include both U.S. and export commercial sales, internal consumption, and company transfers) for your most recently completed fiscal year (identify the date on which your fiscal year ends).

(10) If you are a U.S. importer or a trade/business association of U.S. importers of the Subject Merchandise from the Subject Country(ies), provide the following information on your firm's(s') operations on that product during calendar year 2010 (report quantity data in pounds and value data in U.S. dollars). If you are a trade/business association, provide the information, on an aggregate basis, for the firms which are members of your association.

(a) The quantity and value (landed, duty-paid but not including antidumping duties) of U.S. imports and, if known, an estimate of the percentage of total U.S. imports of Subject Merchandise from each Subject Country accounted for by your firm's(s') imports;

(b) the quantity and value (f.o.b. U.S. port, including antidumping duties) of U.S. commercial shipments of Subject Merchandise imported from each Subject Country; and

(c) the quantity and value (f.o.b. U.S. port, including antidumping duties) of U.S. internal consumption/company transfers of Subject Merchandise imported from each Subject Country.

(11) If you are a producer, an exporter, or a trade/business association of producers or exporters of the Subject Merchandise in the Subject Country(ies), provide the following information on your firm's(s') operations on that product during calendar year 2010 (report quantity data in pounds and value data in U.S. dollars, landed and duty-paid at the U.S. port but not including antidumping duties). If you are a trade/business association, provide the information, on an aggregate basis, for the firms which are members of your association.

(a) Production (quantity) and, if known, an estimate of the percentage of total production of Subject Merchandise

in each Subject Country accounted for by your firm's(s') production;

(b) Capacity (quantity) of your firm to produce the Subject Merchandise in each Subject Country (*i.e.*, the level of production that your establishment(s) could reasonably have expected to attain during the year, assuming normal operating conditions (using equipment and machinery in place and ready to operate), normal operating levels (hours per week/weeks per year), time for downtime, maintenance, repair, and cleanup, and a typical or representative product mix); and

(c) the quantity and value of your firm's(s') exports to the United States of Subject Merchandise and, if known, an estimate of the percentage of total exports to the United States of Subject Merchandise from each Subject Country accounted for by your firm's(s') exports.

(12) Identify significant changes, if any, in the supply and demand conditions or business cycle for the Domestic Like Product that have occurred in the United States or in the market for the Subject Merchandise in the Subject Country(ies) after 2005, and significant changes, if any, that are likely to occur within a reasonably foreseeable time. Supply conditions to consider include technology; production methods; development efforts; ability to increase production (including the shift of production facilities used for other products and the use, cost, or availability of major inputs into production); and factors related to the ability to shift supply among different national markets (including barriers to importation in foreign markets or changes in market demand abroad). Demand conditions to consider include end uses and applications; the existence and availability of substitute products; and the level of competition among the Domestic Like Product produced in the United States, Subject Merchandise produced in the Subject Country(ies), and such merchandise from other countries.

(13) (OPTIONAL) A statement of whether you agree with the above definitions of the Domestic Like Product and Domestic Industry; if you disagree with either or both of these definitions, please explain why and provide alternative definitions.

Authority: These reviews are being conducted under authority of title VII of the Tariff Act of 1930; this notice is published pursuant to section 207.61 of the Commission's rules.

By order of the Commission.

Issued: May 25, 2011.

James R. Holbein,

Secretary to the Commission.

[FR Doc. 2011-13445 Filed 5-31-11; 8:45 am]

BILLING CODE 7020-02-P

INTERNATIONAL TRADE COMMISSION

[Investigation Nos. 731-TA-457-A-D Third Review]

Heavy Forged Hand Tools From China; Scheduling of Expedited Five-Year Reviews Concerning the Antidumping Duty Orders on Heavy Forged Hand Tools From China.

AGENCY: United States International Trade Commission.

ACTION: Notice.

SUMMARY: The Commission hereby gives notice of the scheduling of expedited reviews pursuant to section 751(c)(3) of the Tariff Act of 1930 (19 U.S.C. 1675(c)(3)) (the Act) to determine whether revocation of the antidumping duty orders on heavy forged hand tools from China would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time. For further information concerning the conduct of these reviews and rules of general application, consult the Commission's Rules of Practice and Procedure, part 201, subparts A through E (19 CFR part 201), and part 207, subparts A, D, E, and F (19 CFR part 207).

DATES: *Effective Date:* April 8, 2011.

FOR FURTHER INFORMATION CONTACT: Christopher Cassise (202-708-5408), Office of Investigations, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting the Commission's TDD terminal on 202-205-1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202-205-2000. General information concerning the Commission may also be obtained by accessing its Internet server (<http://www.usitc.gov>). The public record for these reviews may be viewed on the Commission's electronic docket (EDIS) at <http://edis.usitc.gov>.

SUPPLEMENTARY INFORMATION:

Background.—On April 8, 2011, the Commission determined that the domestic interested party group response to its notice of institution (76 FR 168, January 3, 2011) of the subject five-year reviews was adequate and that

the respondent interested party group response was inadequate. The Commission did not find any other circumstances that would warrant conducting full reviews.¹ Accordingly, the Commission determined that it would conduct expedited reviews pursuant to section 751(c)(3) of the Act.

Staff report.—A staff report containing information concerning the subject matter of the reviews will be placed in the nonpublic record on July 7, 2011, and made available to persons on the Administrative Protective Order service list for these reviews. A public version will be issued thereafter, pursuant to section 207.62(d)(4) of the Commission's rules.

Written submissions.—As provided in section 207.62(d) of the Commission's rules, interested parties that are parties to the reviews and that have provided individually adequate responses to the notice of institution,² and any party other than an interested party to the reviews may file written comments with the Secretary on what determination the Commission should reach in the reviews. Comments are due on or before July 13, 2011 and may not contain new factual information. Any person that is neither a party to the five-year reviews nor an interested party may submit a brief written statement (which shall not contain any new factual information) pertinent to the reviews by July 13, 2011. However, should the Department of Commerce extend the time limit for its completion of the final results of its reviews, the deadline for comments (which may not contain new factual information) on Commerce's final results is three business days after the issuance of Commerce's results. If comments contain business proprietary information (BPI), they must conform with the requirements of sections 201.6, 207.3, and 207.7 of the Commission's rules. The Commission's rules do not authorize filing of submissions with the Secretary by facsimile or electronic means, except to the extent permitted by section 201.8 of the Commission's rules, as amended, 67 Fed. Reg. 68036 (November 8, 2002). Even where electronic filing of a document is permitted, certain documents must also be filed in paper form, as specified in II (C) of the Commission's Handbook on

Electronic Filing Procedures, 67 Fed. Reg. 68168, 68173 (November 8, 2002).

In accordance with sections 201.16(c) and 207.3 of the rules, each document filed by a party to the review must be served on all other parties to the reviews (as identified by either the public or BPI service list), and a certificate of service must be timely filed. The Secretary will not accept a document for filing without a certificate of service.

Determination.—The Commission has determined to exercise its authority to extend the review period by up to 90 days pursuant to 19 U.S.C. 1675(c)(5)(B).

Authority: These reviews are being conducted under authority of title VII of the Tariff Act of 1930; this notice is published pursuant to section 207.62 of the Commission's rules.

By order of the Commission.
Issued: May 25, 2011.

James R. Holbein,

Secretary to the Commission.

[FR Doc. 2011-13450 Filed 5-31-11; 8:45 am]

BILLING CODE 7020-02-P

INTERNATIONAL TRADE COMMISSION

Notice of Receipt of Complaint; Solicitation of Comments Relating to the Public Interest

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has received a complaint entitled *In Re Certain Protective Cases and Components thereof*, DN 2809; the Commission is soliciting comments on any public interest issues raised by the complaint.

FOR FURTHER INFORMATION CONTACT:

James R. Holbein, Acting Secretary to the Commission, U.S. International Trade Commission, 500 E Street, SW., Washington, DC 20436, telephone (202) 205-2000. The public version of the complaint can be accessed on the Commission's electronic docket (EDIS) at <http://edis.usitc.gov>, and will be available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street, SW., Washington, DC 20436, telephone (202) 205-2000.

General information concerning the Commission may also be obtained by accessing its Internet server (<http://www.usitc.gov>). The public record for this investigation may be viewed on the Commission's electronic docket (EDIS)

at <http://edis.usitc.gov>. Hearing-impaired persons are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on (202) 205-1810.

SUPPLEMENTARY INFORMATION: The Commission has received a complaint filed on Otter Products LLC on May 25, 2011. The complaint alleges violations of section 337 of the Tariff Act of 1930 (19 U.S.C. 1337) in the importation into the United States, the sale for importation, and the sale within the United States after importation of certain protective cases and components thereof. The complaint names as respondents A.G. Findings and Mfg. Co., Inc. of Sunrise, FL; AFC Trident Inc. of Chino, CA; Alibaba.com Hong Kong Ltd. of Hangzhou, China; Anbess Electronics Co. Ltd. of Shenzhen, China; Cellairis Franchise, Inc. of Alpharetta, GA; Cellet Products of Santa Fe Springs, CA; DHgate.com of Beijing, China; Griffin Technology, Inc. of Nashville, TN; Guangzhou Evotech Industry Co., Ltd., of Guangdong, China; Hardcandy Cases LLC, of Sacramento, CA; Hoffco Brands Inc. of Wheat Ridge, CO; Hong Kong Better Technology Group Ltd. of Shenzhen, China; Hong Kong HJJ Co., Ltd. of Shenzhen, China; Hypercel Corporation of Valencia, CA; InMotion Entertainment of Jacksonville, FL; Mega Watts Computers LLC of Tulsa, OK; National Cellular of Brooklyn, NY; OEMBargain.com of Wantagh, NY; One Step Up Ltd. of New York, NY; Papaya Holdings Ltd. of Central, Hong Kong; Quanyun Electronics Co., Ltd. of Shenzhen, China; ShenZhen Star & Way Trade Co., Ltd. of Guangzhou City, China; Sinatech Industrial Co., Ltd. of Guangzhou, China; Smilecase of Windsor Mill, MD; Suntel Global Investment Ltd. of Guangzhou, China; TheCaseInPoint.com of Titusville, FL; TheCaseSpace of Fort Collins, CO; Topter Technology Co. Ltd. of Shenzhen China and Trait Technology (Shenzhen) Co., Ltd. of Shenzhen, China

The complainant, proposed respondents, other interested parties, and members of the public are invited to file comments, not to exceed five pages in length, on any public interest issues raised by the complaint. Comments should address whether issuance of an exclusion order and/or a cease and desist order in this investigation would negatively affect the public health and welfare in the United States, competitive conditions in the United States economy, the production of like or directly competitive articles in the United States, or United States consumers.

¹ A record of the Commissioners' votes, the Commission's statement on adequacy, and any individual Commissioner's statements will be available from the Office of the Secretary and at the Commission's Web site.

² The Commission has found the responses submitted by Ames True Temper and Council Tool Co., Inc. to be individually adequate. Comments from other interested parties will not be accepted (see 19 CFR 207.62(d)(2)).

DEPARTMENT OF COMMERCE**International Trade Administration**

[A-570-803]

Heavy Forged Hand Tools (i.e., Axes & Adzes, Bars & Wedges, Hammers & Sledges, and Picks & Mattocks) From the People's Republic of China: Final Results of the Expedited Sunset Review of the Antidumping Duty Orders

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

SUMMARY: On January 3, 2011, the Department of Commerce ("Department") initiated a sunset review of the antidumping duty orders on heavy forged hand tools ("Hand Tools") (i.e., Axes & Adzes, Bars & Wedges, Hammers & Sledges, and Picks & Mattocks) from the People's Republic of China ("PRC") pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"). Based on the notices of intent to participate and adequate responses filed by the domestic interested parties, and the lack of response from any respondent interested party, the Department conducted an expedited sunset review of the orders pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2). As a result of this sunset review, the Department finds that revocation of the orders would likely lead to continuation or recurrence of dumping, at the levels indicated in the "Final Results of Review" section of this notice.

DATES: Effective Date: May 3, 2011.

FOR FURTHER INFORMATION CONTACT: Emeka Chukwudebe, AD/CVD Operations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; *telephone:* (202) 482-0219.

SUPPLEMENTARY INFORMATION:**Background**

On January 3, 2011, the Department initiated the third sunset review of the orders on Hand Tools pursuant to section 751(c) of the Act. *See Initiation of Five-Year ("Sunset") Review*, 76 FR 89 (January 3, 2011) ("Initiation"); *see also Antidumping Duty Orders: Heavy Forged Hand Tools, Finished or Unfinished, With or Without Handles From the People's Republic of China*, 56 FR 6622 (February 19, 1991) ("Orders"). On January 12, 2011, the Department received notices of intent to participate from two domestic parties

within the deadline specified in 19 CFR 351.218(d)(1)(i): (1) Ames True Temper ("Ames")¹ and (2) Council Tool Company, Inc. ("Council Tool"). These two parties claimed interested party status under section 771(9)(C) of the Act and 19 CFR 351.102(b), as domestic manufacturers and producers of the domestic like product. On February 2, 2011, Ames and Council Tool both filed timely and adequate substantive responses within 30 days after the date of publication of the *Initiation*. The Department did not receive a substantive response from any respondent interested party in the sunset review. As a result, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), the Department conducted an expedited sunset review of the *Orders*.

Scope of the Orders

The products covered by these orders are Hand Tools comprising the following classes or kinds of merchandise: (1) Hammers and sledges with heads over 1.5 kg (3.33 pounds); (2) bars over 18 inches in length, track tools and wedges; (3) picks and mattocks; and (4) axes, adzes and similar hewing tools. Hand Tools include heads for drilling hammers, sledges, axes, mauls, picks and mattocks, which may or may not be painted, which may or may not be finished, or which may or may not be imported with handles; assorted bar products and track tools including wrecking bars, digging bars, and tampers; and steel wood splitting wedges. Hand Tools are manufactured through a hot forge operation in which steel is sheared to required length, heated to forging temperature, and formed to final shape on forging equipment using dies specific to the desired product shape and size. Depending on the product, finishing operations may include shot blasting, grinding, polishing and painting, and the insertion of handles for handled products. Hand Tools are currently provided for under the following Harmonized Tariff Schedule of the United States ("HTSUS") subheadings: 8205.20.60, 8205.59.30, 8201.30.00, and 8201.40.60. Specifically excluded from these orders are hammers and sledges with heads 1.5 kg. (3.33 pounds) in weight and under, hoes and rakes, and bars 18 inches in length and under. The tariff classifications are provided for convenience and customs purposes;

¹ Ames is the successor company to Woodings-Verona Tools Works, the petitioner in the original investigation.

however, the written description of the scope of the orders is dispositive.

Analysis of Comments Received

All issues raised in this review are addressed in the "Issues and Decision Memorandum" ("Decision Memorandum") dated concurrently with this notice. The issues discussed in the Decision Memorandum include the likelihood of continuation or recurrence of dumping and the magnitude of the dumping margin likely to prevail if the *Orders* were revoked. Parties can obtain a public copy of the Decision Memorandum on file in the Central Records Unit, room 7046, of the main Commerce building.

In addition, a complete public version of the Decision Memorandum can be accessed directly on the Web at <http://ia.ita.doc.gov/frn>. The paper copy and electronic version of the Decision Memorandum are identical in content.

Final Results of Review

The Department determines that revocation of the *Orders* on Hand Tools would likely lead to continuation or recurrence of dumping at the rates listed below.

PRC-wide (all manufacturers/ producers/exporters)	Margin (percent)
Axes/Adzes	15.02
Picks/Mattocks	50.81
Bars/Wedges	31.76
Hammers/Sledges	45.42

Notification Regarding Administrative Protective Order

This notice also serves as the only reminder to parties subject to administrative protective order ("APO") of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely notification of the return or 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.

We are issuing and publishing these results and notice in accordance with sections 751(c), 752, and 777(i)(1) of the Act.

Dated: April 26, 2011.

Paul Piquado,

Acting Deputy Assistant Secretary for Import Administration.

[FR Doc. 2011-10768 Filed 5-2-11; 8:45 am]

BILLING CODE 3510-DS-P

APPENDIX B

STATEMENT ON ADEQUACY

EXPLANATION OF COMMISSION DETERMINATION ON ADEQUACY
in
Heavy Forged Hand Tools from China, Inv. Nos. 731-TA-457-A-D (Third Review)

On April 8, 2011, the Commission determined that it should proceed to expedited reviews in the subject five-year reviews pursuant to section 751(c)(3)(B) of the Tariff Act of 1930, as amended, 19 U.S.C. § 1675(c)(3)(B).

The Commission determined that the domestic producer responses filed by Ames True Temper and Council Tool Co., Inc. were individually adequate. Because these two domestic producers together accounted for a substantial proportion of domestic production of each of the four domestic like products the Commission defined in the original investigations and prior reviews, the Commission further determined that the domestic interested party group response was adequate.

The Commission also received a response from Fiskars Brands, Inc. (“Fiskars”), an importer of subject axes and adzes, but Fiskars subsequently filed a letter indicating that it no longer intended to participate in the reviews, and requesting that its response be withdrawn. In light of this, and having received no response from any other respondent interested party, the Commission determined that the respondent interested party group response was inadequate.

Given the absence of an adequate respondent interested party group response, and any other circumstances that would warrant proceeding to full reviews, the Commission determined to conduct expedited reviews. A record of the Commissioners’ votes is available from the Office of the Secretary and the Commission’s website (<http://www.usitc.gov>).

APPENDIX C
SUMMARY DATA

A. AXES & ADZES

* * * * *

B. BARS & WEDGES

* * * * *

C. HAMMERS & SLEDGES

* * * * *

D. PICKS & MATTOCKS

* * * * *

