

CFR 351.310(d). Parties who submit case briefs or rebuttal briefs in this review are requested to submit with each argument a statement of the issue, a summary of the arguments not exceeding five pages, and a table of statutes, regulations, and cases cited. See 19 CFR 351.309(c)(2).

The Department intends to issue the final results of this administrative review, including the results of its analysis of issues raised in any such written briefs or at the hearing, if held, not later than 120 days after the date of publication of this notice. See section 751(a)(3)(A) of the Act.

#### Assessment Rates

The Department shall determine, and CBP shall assess, antidumping duties on all appropriate entries. In accordance with 19 CFR 351.212(b)(1), we have calculated importer-specific (or customer-specific) assessment rates for merchandise subject to this review. Based on these preliminary results, we will direct CBP to assess no dumping duties on each entry made by the sole importer Xiping Opeck reported as its customer.

For China Kingdom, we will instruct CBP to apply the rate listed above to all entries of subject merchandise exported by this company.

We intend to issue assessment instructions to CBP 15 days after the date of publication of the final results of review.

#### Cash-Deposit Requirements

The following cash-deposit requirements will be effective upon publication of the final results of review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date as provided by section 751(a)(2)(C) of the Act: (1) For subject merchandise exported by Xiping Opeck and China Kingdom, the cash-deposit rate will be that established in the final results of review; (2) for previously reviewed or investigated companies not listed above that have separate rates, the cash-deposit rate will continue to be the company-specific rate published for the most recent period; (3) for all other PRC exporters of subject merchandise which have not been found to be entitled to a separate rate, the cash-deposit rate will be PRC-wide rate of 223.01 percent; (4) for all non-PRC exporters of subject merchandise the cash-deposit rate will be the rate applicable to the PRC entity that supplied that exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

#### Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

This review and notice are in accordance with sections 751(a)(1), 751(a)(2)(B)(iv), 751(a)(3), and 777(i) of the Act.

Dated: September 30, 2011.

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

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#### DEPARTMENT OF COMMERCE

#### International Trade Administration

[A-570-912]

#### Certain New Pneumatic Off-the-Road Tires From the People's Republic of China: Preliminary Results of the 2009–2010 Antidumping Duty Administrative Review and Intent To Rescind, in Part

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

**SUMMARY:** The Department of Commerce ("the Department") is conducting an administrative review of the antidumping duty order on certain new pneumatic off-the-road tires ("OTR tires") from the People's Republic of China ("PRC") covering the period September 1, 2009, through August 31, 2010. We have preliminarily determined that the mandatory respondent, Tianjin United Tire & Rubber International Co., Ltd. ("TUTRIC"), made sales of subject merchandise to the United States at prices below normal value ("NV"). Additionally, we also preliminarily determine that Weihai Zhongwei Rubber Co., Ltd. ("Weihai") had no shipments during the POR, and therefore we intend to rescind the review with respect to Weihai. If these preliminary results are adopted in our final results of review, we will instruct U.S. Customs and Border Protection ("CBP") to assess antidumping duties on entries of subject merchandise during the POR for which the importer

specific assessment rates are above *de minimis*.

We invite interested parties to comment on these preliminary results. We intend to issue the final results no later than 120 days from the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Tariff Act of 1930, as amended ("the Act").

**DATES:** *Effective Date:* October 7, 2011.

**FOR FURTHER INFORMATION CONTACT:** Raquel Silva or Erin Begnal, AD/CVD Operations, Office 8, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-6475 or (202) 482-1442, respectively.

#### SUPPLEMENTARY INFORMATION:

#### Background

On September 4, 2008, the Department published the antidumping duty order on OTR tires from the PRC.<sup>1</sup> On September 1, 2010, the Department published a notice of opportunity to request an administrative review of the order for the period of review ("POR") September 1, 2009, through August 31, 2010.<sup>2</sup> Interested parties made requests for review between September 17, 2010, and September 30, 2010, on certain exporters. On October 28, 2010, the Department initiated the administrative review of the antidumping duty order on OTR tires from the PRC for the 2009–2010 POR.<sup>3</sup> On January 18, 2011, the Department exercised its authority to limit the number of respondents selected for individual examination pursuant to section 777A(c)(2) of the Act. The Department selected the three largest exporters by volume as our mandatory respondents for this review: Qingdao Free Trade Zone Full World International Trading Co., Ltd. ("Full World"), Hebei Starbright Tire Co., Ltd. ("Starbright"), and TUTRIC. On January 19, 2011, the Department issued its antidumping duty questionnaire to the three mandatory respondents. On March 18, 2011, the Department published in the *Federal Register* a partial rescission of review for eight exporters, including Full World and Starbright.<sup>4</sup> Two

<sup>1</sup> See *Certain New Pneumatic Off-the-Road Tires From the People's Republic of China: Notice of Amended Final Affirmative Determination of Sales at Less Than Fair Value and Antidumping Duty Order*, 73 FR 51624 (September 4, 2008).

<sup>2</sup> See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation: Opportunity to Request Administrative Review*, 75 FR 53635 (September 1, 2010).

<sup>3</sup> See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 75 FR 66349 (October 28, 2010).

<sup>4</sup> The other companies for which the review was rescinded in addition to Full World and Starbright

companies remain under review: TUTRIC and Weihai.

On June 1, 2011, the Department published in the **Federal Register** a notice extending the time limit for the preliminary results of review by the full 120 days allowed under section 751(a)(3)(A) of the Act, to September 30, 2011.<sup>5</sup> Between February 17, 2011, and September 2, 2011, TUTRIC responded to the Department's original and supplemental questionnaires. Between August 31, 2011, and September 12, 2011, Titan Tire Corporation ("Petitioner") and Bridgestone Americas, Inc. and Bridgestone Americas Tire Operations, LLC (collectively, "Bridgestone"), a domestic interested party, submitted pre-preliminary comments.

#### Period of Review

The POR is September 1, 2009, through August 31, 2010.

#### Scope of Order

The products covered by the order are new pneumatic tires designed for off-the-road and off-highway use, subject to exceptions identified below. Certain OTR tires are generally designed, manufactured and offered for sale for use on off-road or off-highway surfaces, including but not limited to, agricultural fields, forests, construction sites, factory and warehouse interiors, airport tarmacs, ports and harbors, mines, quarries, gravel yards, and steel mills. The vehicles and equipment for which certain OTR tires are designed for use include, but are not limited to: (1) Agricultural and forestry vehicles and equipment, including agricultural tractors,<sup>6</sup> combine harvesters,<sup>7</sup> agricultural high clearance sprayers,<sup>8</sup>

include: Guizhou Tyre Co., Ltd., Guizhou Advance Rubber Co., Ltd. and Guizhou Tyre Import and Export Corporation; Hangzhou Zhongce Rubber Co., Ltd.; KS Holding Limited/KS Resources Limited; Laizhou Xiongying Rubber Industry Co., Ltd.; Qingdao Taifa Group Co., Ltd.; and Mai Shandong Radial Tyre Co., Ltd. *See Certain New Pneumatic Off-the-Road Tires from the People's Republic of China: Notice of Partial Rescission of Antidumping Duty Administrative Review*, 76 FR 14919 (March 18, 2011).

<sup>5</sup> See *Certain New Pneumatic Off-the-Road Tires from the People's Republic of China: Extension of Preliminary Results of Antidumping Duty Administrative Review*, 76 FR 31584 (June 1, 2011).

<sup>6</sup> Agricultural tractors are dual-axle vehicles that typically are designed to pull farming equipment in the field and that may have front tires of a different size than the rear tires.

<sup>7</sup> Combine harvesters are used to harvest crops such as corn or wheat.

<sup>8</sup> Agricultural sprayers are used to irrigate agricultural fields.

industrial tractors,<sup>9</sup> log-skidders,<sup>10</sup> agricultural implements, highway-towed implements, agricultural logging, and agricultural, industrial, skid-steers/mini-loaders,<sup>11</sup> (2) construction vehicles and equipment, including earthmover articulated dump products, rigid frame haul trucks,<sup>12</sup> front end loaders,<sup>13</sup> dozers,<sup>14</sup> lift trucks, straddle carriers,<sup>15</sup> graders,<sup>16</sup> mobile cranes,<sup>17</sup> compactors; and (3) industrial vehicles and equipment, including smooth floor, industrial, mining, counterbalanced lift trucks, industrial and mining vehicles other than smooth floor, skid-steers/mini-loaders, and smooth floor off-the-road counterbalanced lift trucks. The foregoing list of vehicles and equipment generally have in common that they are used for hauling, towing, lifting, and/or loading a wide variety of equipment and materials in agricultural, construction and industrial settings. Such vehicles and equipment, and the descriptions contained in the footnotes are illustrative of the types of vehicles and equipment that use certain OTR tires, but are not necessarily all-inclusive. While the physical characteristics of certain OTR tires will vary depending on the specific applications and conditions for which the tires are designed (e.g., tread pattern and depth), all of the tires within the scope have in common that they are designed for off-

<sup>9</sup> Industrial tractors are dual-axle vehicles that typically are designed to pull industrial equipment and that may have front tires of a different size than the rear tires.

<sup>10</sup> A log-skidder has a grapping lift arm that is used to grasp, lift and move trees that have been cut down to a truck or trailer for transport to a mill or other destination.

<sup>11</sup> Skid-steer loaders are four-wheel drive vehicles with the left-side drive wheels independent of the right-side drive wheels and lift arms that lie alongside the driver with the major pivot points behind the driver's shoulders. Skid-steer loaders are used in agricultural, construction and industrial settings.

<sup>12</sup> Haul trucks, which may be either rigid frame or articulated (i.e., able to bend in the middle) are typically used in mines, quarries and construction sites to haul soil, aggregate, mined ore, or debris.

<sup>13</sup> Front loaders have lift arms in front of the vehicle. They can scrape material from one location to another, carry material in their buckets, or load material into a truck or trailer.

<sup>14</sup> A dozer is a large four-wheeled vehicle with a dozer blade that is used to push large quantities of soil, sand, rubble, etc., typically around construction sites. They can also be used to perform "rough grading" in road construction.

<sup>15</sup> A straddle carrier is a rigid frame, engine-powered machine that is used to load and offload containers from container vessels and load them onto (or off of) tractor trailers.

<sup>16</sup> A grader is a vehicle with a large blade used to create a flat surface. Graders are typically used to perform "finish grading." Graders are commonly used in maintenance of unpaved roads and road construction to prepare the base course on to which asphalt or other paving material will be laid.

<sup>17</sup> I.e., "on-site" mobile cranes designed for off-highway use.

road and off-highway use. Except as discussed below, OTR tires included in the scope of the order range in size (rim diameter) generally but not exclusively from 8 inches to 54 inches. The tires may be either tube-type<sup>18</sup> or tubeless, radial or non-radial, and intended for sale either to original equipment manufacturers or the replacement market. The subject merchandise is currently classifiable under Harmonized Tariff Schedule of the United States ("HTSUS") subheadings: 4011.20.10.25, 4011.20.10.35, 4011.20.50.30, 4011.20.50.50, 4011.61.00.00, 4011.62.00.00, 4011.63.00.00, 4011.69.00.00, 4011.92.00.00, 4011.93.40.00, 4011.93.80.00, 4011.94.40.00, and 4011.94.80.00. While HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope is dispositive.

Specifically excluded from the scope are new pneumatic tires designed, manufactured and offered for sale primarily for on-highway or on-road use, including passenger cars, race cars, station wagons, sport utility vehicles, minivans, mobile homes, motorcycles, bicycles, on-road or on-highway trailers, light trucks, and trucks and buses. Such tires generally have in common that the symbol "DOT" must appear on the sidewall, certifying that the tire conforms to applicable motor vehicle safety standards. Such excluded tires may also have the following designations that are used by the Tire and Rim Association:

#### Prefix Letter Designations

- P—Identifies a tire intended primarily for service on passenger cars;
- LT—Identifies a tire intended primarily for service on light trucks; and,
- ST—Identifies a special tire for trailers in highway service.

#### Suffix letter designations

- TR—Identifies a tire for service on trucks, buses, and other vehicles with rims having specified rim diameter of nominal plus 0.156" or plus 0.250";
- MH—Identifies tires for Mobile Homes;
- HC—Identifies a heavy duty tire designated for use on "HC" 15" tapered rims used on trucks, buses, and other vehicles. This suffix is intended to differentiate among tires for light trucks,

<sup>18</sup> While tube-type tires are subject to the scope of this proceeding, tubes and flaps are not subject merchandise and therefore are not covered by the scope of this proceeding, regardless of the manner in which they are sold (e.g., sold with or separately from subject merchandise).

and other vehicles or other services, which use a similar designation.

- *Example: 8R17.5 LT, 8R17.5 HC;*
- **LT**—Identifies light truck tires for service on trucks, buses, trailers, and multipurpose passenger vehicles used in nominal highway service; and
- **MC**—Identifies tires and rims for motorcycles.

The following types of tires are also excluded from the scope: pneumatic tires that are not new, including recycled or retreaded tires and used tires; non-pneumatic tires, including solid rubber tires; tires of a kind designed for use on aircraft, all-terrain vehicles, and vehicles for turf, lawn and garden, golf and trailer applications. Also excluded from the scope are radial and bias tires of a kind designed for use in mining and construction vehicles and equipment that have a rim diameter equal to or exceeding 39 inches. Such tires may be distinguished from other tires of similar size by the number of plies that the construction and mining tires contain (minimum of 16) and the weight of such tires (minimum 1500 pounds).

#### Intent To Rescind, in Part, the Administrative Review

On January 10, 2011, Weihai submitted a letter stating that it had no shipments of OTR tires during the POR.<sup>19</sup> The Department reviewed the CBP data it had obtained for respondent selection purposes, and found that Weihai was not listed as having entered subject merchandise during the POR.<sup>20</sup> On February 7, 2011, the Department sent an inquiry to CBP regarding whether Weihai had any shipments of subject merchandise that entered during the POR and requesting that CBP inform the Department within ten days if Weihai had shipments of subject merchandise that entered during the POR.<sup>21</sup> We did not receive a response from CBP within the allotted ten days. Therefore, in accordance with 19 CFR 351.213(d)(3), we intend to rescind the review with respect to Weihai because there is no evidence on the record to indicate that Weihai had sales of subject merchandise to the United States during the POR.

<sup>19</sup> See Letter from Weihai, “Certification of no exports, sales or entries of the subject merchandise,” dated January 10, 2011.

<sup>20</sup> See Letter to All Interested Parties, “2009–2010 Administrative Review of the Antidumping Duty Order on Certain New Pneumatic Off-the-Road Tires From the People’s Republic of China: CBP Data for Respondent Selection,” dated November 12, 2010, at attachment 1.

<sup>21</sup> See CBP message number 1038304, dated February 7, 2011.

#### Non-Market Economy Country Status

No party contested the Department’s treatment of the PRC as a non-market economy (“NME”) country, and the Department has treated the PRC as an NME country in all past antidumping duty investigations and administrative reviews.<sup>22</sup> No interested party in this case has argued that we should do otherwise. Pursuant to section 771(18)(C)(i) of the Act, designation as an NME country remains in effect until it is revoked by the Department. As such, we continue to treat the PRC as an NME in this segment of the proceeding.

#### Surrogate Country

Section 773(c)(1) of the Act directs the Department to base NV on the NME producer’s factors of production (“FOPs”), valued in a surrogate market economy (“ME”) country or countries considered to be appropriate by the Department. In accordance with section 773(c)(4) of the Act, in valuing the FOPs, the Department shall use, to the extent possible, the prices or costs of the FOPs in one or more ME countries that are: (1) At a level of economic development comparable to that of the NME country; and (2) significant producers of comparable merchandise. The sources of the surrogate factor values are discussed under the “Factor Valuations” section below.<sup>23</sup>

The Department determined that India, the Philippines, Indonesia, Thailand, Ukraine, and Peru are countries comparable to the PRC in terms of economic development.<sup>24</sup> Once we have identified the countries that are economically comparable to the PRC, we select an appropriate surrogate country by determining whether an economically comparable country is a significant producer of comparable merchandise and whether the data for valuing FOPs are both available and reliable.

The Department has determined that India is the appropriate surrogate

<sup>22</sup> See, e.g., *Chlorinated Isocyanurates from the People’s Republic of China: Final Results of Antidumping Duty Administrative Review*, 73 FR 52645 (September 10, 2008); and *Folding Metal Tables and Chairs from the People’s Republic of China: Final Results of Antidumping Duty Administrative Review*, 74 FR 3560 (January 21, 2009).

<sup>23</sup> See the Department’s Memorandum, “Preliminary Results of the 2009–2010 Administrative Review of Certain New Pneumatic Off-the-Road Tires From the People’s Republic of China: Surrogate Value Memorandum,” dated concurrently with this notice (“Surrogate Value Memorandum”).

<sup>24</sup> See the Department’s Memorandum, “Request for a List of Surrogate Countries for an Administrative Review of the Antidumping Duty Order on Certain Pneumatic Off-the-Road Tires (“Tires”) From the People’s Republic of China (“China”),” dated February 24, 2011.

country for use in this review. The Department based its decision on the following facts: (1) India is at a level of economic development comparable to that of the PRC; (2) India is a significant producer of comparable merchandise; and (3) India provides the best opportunity to use quality, publicly available data to value the FOPs. Bridgestone provided comments on March 15, 2011, arguing that India is the appropriate surrogate country for use in this review. Additionally, the data submitted by Titan, Bridgestone and TUTRIC for our consideration as potential surrogate values are sourced from India. For these reasons, and because no party has argued for a different country, we have selected India as the surrogate country and, accordingly, have calculated NV using Indian prices to value the respondent’s FOPs, when available and appropriate. See *Surrogate Value Memorandum*. We have obtained and relied upon publicly available information wherever possible.

#### Separate Rates

In the *Initiation Notice*, the Department explained the process by which exporters and producers not being individually reviewed may obtain separate-rate status in NME reviews. The process requires exporters and producers to submit a separate-rate status application or separate-rate status certification (“SRC”).<sup>25</sup> However, the standard for eligibility for a separate rate (which is whether a firm can demonstrate an absence of both *de jure* and *de facto* government control over its export activities) has not changed. On December 27, 2011, TUTRIC filed a timely response to the Department’s SRC.<sup>26</sup>

In proceedings involving NME countries, the Department has a rebuttable presumption that all companies within the country are subject to government control and, thus, should be assessed a single antidumping duty rate.<sup>27</sup> It is the Department’s policy

<sup>25</sup> See Policy Bulletin 05.1: Separate-Rates Practice and Application of Combination Rates in Antidumping Investigations involving Non-Market Economy Countries (April 5, 2005), available at <http://ia.ita.doc.gov/policy/bull05-1.pdf>.

<sup>26</sup> See Letter from TUTRIC, “Separate Rate Certification in the Administrative Review of the Antidumping Duty Order on New Pneumatic Off-the-Road Tires from the People’s Republic of China,” dated December 27, 2010 (“TUTRIC’s SRC”) at 5.

<sup>27</sup> See, e.g., *Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses From the People’s Republic of China: Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination*, 75 FR 24892, 24899 (May 6, 2010) (unchanged in *Certain Coated Paper Suitable for*

to assign all exporters of merchandise subject to review in an NME country this single rate unless an exporter can demonstrate that it is sufficiently independent so as to be entitled to a separate rate.<sup>28</sup> Exporters can demonstrate this independence through the absence of both *de jure* and *de facto* government control over export activities. The Department analyzes each entity exporting the subject merchandise under a test arising from the *Notice of Final Determination of Sales at Less Than Fair Value: Sparklers From the People's Republic of China*, 56 FR 20588, at Comment 1 (May 6, 1991) ("Sparklers"), as further developed in *Notice of Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the People's Republic of China*, 59 FR 22585, 22587 (May 2, 1994) ("Silicon Carbide"). However, if the Department determines that a company is wholly foreign-owned or located in an ME, then a further separate rate analysis is not necessary to determine whether it is independent from government control.<sup>29</sup>

TUTRIC submitted information indicating that it is partly owned by a PRC company. Therefore, the Department must analyze whether TUTRIC can demonstrate the absence of both *de jure* and *de facto* governmental control over export activities.

#### a. Absence of De Jure Control

The Department considers the following *de jure* criteria in determining whether an individual company may be granted a separate rate: (1) An absence of restrictive stipulations associated with an individual exporter's business and export licenses; (2) any legislative enactments decentralizing control of companies; and (3) other formal measures by the government decentralizing control of companies.<sup>30</sup>

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

government decentralizing control of companies.<sup>31</sup>

#### b. Absence of De Facto Control

Typically, the Department considers four factors in evaluating whether each respondent is subject to *de facto* governmental control of its export functions: (1) Whether the export prices are set by or are subject to the approval of a governmental agency; (2) whether the respondent has authority to negotiate and sign contracts and other agreements; (3) whether the respondent has autonomy from the government in making decisions regarding the selection of management; and (4) whether the respondent retains the proceeds of its export sales and makes independent decisions regarding disposition of profits or financing of losses.<sup>32</sup> The Department has determined that an analysis of *de facto* control is critical in determining whether respondents are, in fact, subject to a degree of governmental control which would preclude the Department from assigning separate rates. For TUTRIC, we determine that the evidence on the record supports a preliminary finding of *de facto* absence of government control based on record statements and supporting documentation showing the following: (1) TUTRIC sets its own export prices independent of the government authority; (2) TUTRIC retains the proceeds from its sales and makes independent decisions regarding disposition of profits or financing of losses; (3) TUTRIC has the authority to negotiate and sign contracts and other agreements; and (4) TUTRIC has autonomy from the government regarding the selection of management.<sup>33</sup>

The evidence placed on the record of this review by TUTRIC demonstrates an absence of *de jure* and *de facto* government control with respect to its exports of the merchandise under review, in accordance with the criteria identified in *Sparklers* and *Silicon Carbide*. Therefore, we are preliminarily granting TUTRIC separate-rate status.

#### Date of Sale

Section 401(i) of the Department's regulations states that:

In identifying the date of sale of the subject merchandise or foreign like product, the Secretary normally will use the date of

invoice, as recorded in the exporter or producer's records kept in the ordinary course of business. However, the Secretary may use a date other than the date of invoice if the Secretary is satisfied that a different date better reflects the date on which the exporter or producer establishes the material terms of sale.<sup>34</sup>

After examining the questionnaire responses and the sales documentation placed on the record by TUTRIC, we preliminarily determine that invoice date is the most appropriate date of sale for TUTRIC. Nothing on the record rebuts the presumption that invoice date should be the date of sale.

#### Fair Value Comparisons

To determine whether TUTRIC's sales of OTR tires to the United States were made at less than fair value, we compared export price ("EP") to NV, as described in the "U.S. Price" and "Normal Value" sections of this notice, below, pursuant to section 771(35) of the Act.

#### U.S. Price

The Department considers the U.S. prices of sales by TUTRIC to be EPs in accordance with section 772(a) of the Act because they were the prices at which the subject merchandise was first sold before the date of importation by the producer/exporter of the subject merchandise outside of the United States to an unaffiliated purchaser in the United States. We calculated EPs based on prices to unaffiliated purchaser(s) in the United States. In accordance with section 772(c)(2)(A) of the Act, where appropriate, we made deductions from the starting price (gross unit price) for foreign inland freight and brokerage and handling.

We valued foreign brokerage and handling using a price list of export procedures necessary to export a standardized cargo of goods from India where foreign brokerage and handling were provided by PRC service providers or paid for in renminbi. The price list is compiled based on a survey case study of the procedural requirements for trading a standard shipment of goods by truck in India as reported in "Doing Business 2010: India" published by the World Bank.<sup>35</sup> Where foreign inland truck freight was provided by PRC service providers or paid for in renminbi, we also based those charges on surrogate rates from India. See "Factor Valuations" section below for

<sup>31</sup> See TUTRIC's SRC at 5.

<sup>32</sup> See *Silicon Carbide*, 59 FR at 22586–87; see also *Notice of Final Determination of Sales at Less Than Fair Value: Furfuryl Alcohol From the People's Republic of China*, 60 FR 22544, 22545 (May 8, 1995).

<sup>33</sup> See TUTRIC's SRC at 5–7.

<sup>34</sup> See also *Allied Tube and Conduit Corp. v. United States*, 132 F. Supp. 2d 1087, 1090–1092 (CIT 2001) (upholding the Department's rebuttable presumption that invoice date is the appropriate date of sale).

<sup>35</sup> See Surrogate Value Memorandum.

*High-Quality Print Graphics Using Sheet-Fed Presses From the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 75 FR 59217 (September 27, 2010).

<sup>28</sup> *Id.*

<sup>29</sup> See, e.g., *Final Results of Antidumping Duty Administrative Review: Petroleum Wax Candles From the People's Republic of China*, 72 FR 52355, 52356 (September 13, 2007).

<sup>30</sup> See *Sparklers*, 56 FR at 20589.

further discussion of these surrogate values.

#### Normal Value

We compared NV to individual EP transactions in accordance with section 777A(d)(2) of the Act, as appropriate. Section 773(c)(1) of the Act provides that the Department shall determine NV using an FOP methodology if: (1) The merchandise is exported from an NME country; and (2) the information does not permit the calculation of NV using home market prices, third country prices, or constructed value under section 773(a) of the Act. When determining NV in an NME context, the Department will base NV on FOPs because the presence of government controls on various aspects of these economies renders price comparisons and the calculation of production costs invalid under our normal methodologies.<sup>36</sup> Under section 773(c)(3) of the Act, FOPs include but are not limited to: (1) Hours of labor required; (2) quantities of raw materials employed; (3) amounts of energy and other utilities consumed; and (4) representative capital costs. The Department used FOPs reported by TUTRIC for materials, energy and labor.

#### Factor Valuations

In accordance with section 773(c) of the Act, we calculated NV based on FOPs reported by TUTRIC for the POR. In accordance with 19 CFR 351.408(c)(1), the Department will normally use publicly available information to find an appropriate surrogate value ("SV") to value FOPs, but when a producer sources an input from a market economy and pays for it in market economy currency, the Department normally will value the factor using the actual price paid for the input if the quantities were meaningful and where the prices have not been distorted by dumping or subsidies.<sup>37</sup> To calculate NV, we multiplied the reported per-unit factor-consumption rates by publicly available SVs (except as discussed below). In selecting the best available information for valuing

<sup>36</sup> See, e.g., *Preliminary Determination of Sales at Less Than Fair Value, Affirmative Critical Circumstances, In Part, and Postponement of Final Determination: Certain Lined Paper Products From the People's Republic of China*, 71 FR 19695, 19703 (April 17, 2006) (unchanged in *Notice of Final Determination of Sales at Less Than Fair Value, and Affirmative Critical Circumstances, In Part: Certain Lined Paper Products From the People's Republic of China*, 71 FR 53079 (September 8, 2006)).

<sup>37</sup> See *Shakeproof Assembly Components Div of Ill Tool Works v. United States*, 268 F. 3d 1376, 1382–83 (Fed. Cir. 2001) (affirming the Department's use of market-based prices to value certain FOPs).

FOPs in accordance with section 773(c)(1) of the Act, the Department's practice is to select, to the extent practicable, SVs which are non-export average values, contemporaneous with the POR, represent a broad-market average, are product-specific, and tax-exclusive.<sup>38</sup> We therefore consider SVs based on the quality, specificity, and contemporaneity of the data.<sup>39</sup> As appropriate, we adjusted input prices by including freight costs to make them delivered prices. Specifically, we added to import SVs a surrogate freight cost using the shorter of the reported distance from the domestic supplier to the factory or the distance from the nearest seaport to the factory where appropriate. This adjustment is in accordance with the Court of Appeals for the Federal Circuit's decision in *Sigma Corp. v. United States*, 117 F.3d 1401, 1407–08 (Fed. Cir. 1997).

On March 1, 2011, the Department invited all interested parties to submit publicly available information to value FOPs for consideration in the Department's preliminary results of review.<sup>40</sup> Petitioner, Bridgestone and TUTRIC each submitted publicly available information to value FOPs for the preliminary results between February 17, 2011, and September 8, 2011. A detailed description of all surrogate values used for TUTRIC can be found in the Surrogate Value Memorandum.

For the preliminary results, in accordance with the Department's practice, except where noted below, we used data from the Indian import statistics in the Global Trade Atlas ("GTA"), published by Global Trade Information Services, Inc. ("GTIS") and other publicly available Indian sources to calculate SVs for TUTRIC's FOPs (i.e., direct materials, energy, and scrap

<sup>38</sup> See, e.g., *Notice of Preliminary Determination of Sales at Less Than Fair Value, Negative Preliminary Determination of Critical Circumstances and Postponement of Final Determination: Certain Frozen and Canned Warmwater Shrimp From the Socialist Republic of Vietnam*, 69 FR 42672, 42682 (July 16, 2004) (unchanged in *Final Determination of Sales at Less Than Fair Value: Certain Frozen and Canned Warmwater Shrimp From the Socialist Republic of Vietnam*, 69 FR 71005 (December 8, 2004)).

<sup>39</sup> See, e.g., *Fresh Garlic From the People's Republic of China: Final Results of Antidumping Duty New Shipper Review*, 67 FR 72139 (December 4, 2002), and accompanying Issues and Decision Memorandum at Comment 6; and *Final Results of First New Shipper Review and First Antidumping Duty Administrative Review: Certain Preserved Mushrooms From the People's Republic of China*, 66 FR 31204 (June 11, 2001), and accompanying Issues and Decision Memorandum at Comment 5.

<sup>40</sup> See Letter to Interested Parties, "2009–2010 Administrative Review of the Antidumping Duty Order on Certain New Pneumatic Off-the-Road Tires from the People's Republic of China," dated March 1, 2011.

materials) and certain movement expenses. The GTA reports import statistics, such as from India, in the original reporting currency and thus this data corresponds to the original currency value reported by each country. The record shows that data in the Indian import statistics, as well as those from the other Indian sources, are contemporaneous with the POR, product-specific, and tax-exclusive.<sup>41</sup> In those instances where we could not obtain publicly available information contemporaneous to the POR with which to value factors, we adjusted the SVs using, where appropriate, the Indian Wholesale Price Index ("WPI") as published in the International Monetary Fund's *International Financial Statistics*.<sup>42</sup>

As explained in the legislative history of the Omnibus Trade and Competitiveness Act of 1988, the Department continues to apply its long-standing practice of disregarding SVs if it has a reason to believe or suspect the source data may reflect subsidized prices.<sup>43</sup> In this regard, the Department has previously found that it is appropriate to disregard such prices from India, Indonesia, South Korea and Thailand because we have determined that these countries maintain broadly available, non-industry specific export subsidies.<sup>44</sup> Based on the existence of these subsidy programs that were generally available to all exporters and producers in these countries at the time of the POR, the Department finds that it is reasonable to infer that all exporters from India, Indonesia, South Korea and

<sup>41</sup> See Surrogate Value Memorandum.

<sup>42</sup> See, e.g., *Certain Kitchen Appliance Shelving and Racks From the People's Republic of China: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination*, 74 FR 9591, 9600 (March 5, 2009) (unchanged in *Certain Kitchen Appliance Shelving and Racks From the People's Republic of China: Final Determination of Sales at Less than Fair Value*, 74 FR 36656 (July 24, 2009)).

<sup>43</sup> See Omnibus Trade and Competitiveness Act of 1988, Conf. Report to Accompany H.R. 3, H.R. Rep. No. 576, 100th Cong., 2nd Sess. (1988) ("OTCA 1988") at 590, reprinted in 1988 U.S.C.C.A.N. 1547, 1623–24.

<sup>44</sup> See, e.g., *Expedited Sunset Review of the Countervailing Duty Order on Carbazole Violet Pigment 23 from India*, 75 FR 13257 (March 19, 2010), and accompanying Issues and Decision Memorandum at 4–5; *Expedited Sunset Review of the Countervailing Duty Order on Certain Cut-to-Length Carbon Quality Steel Plate from Indonesia*, 70 FR 45692 (August 8, 2005), and accompanying Issues and Decision Memorandum at 4; *Corrosion-Resistant Carbon Steel Flat Products from the Republic of Korea: Final Results of Countervailing Duty Administrative Review*, 74 FR 2512 (January 15, 2009), and accompanying Issues and Decision Memorandum at 17, 19–20; *Final Results of Countervailing Duty Determination: Certain Hot-Rolled Carbon Steel Flat Products from Thailand*, 66 FR 50410 (October 3, 2001), and accompanying Issues and Decision Memorandum at 23.

Thailand may have benefitted from these subsidies. Accordingly, we disregarded GTA import data from Indonesia, South Korea and Thailand. Additionally, we disregarded prices from NME countries.<sup>45</sup> Finally, imports that were labeled as originating from an “unspecified” country were excluded from the average value, because the Department could not be certain that they were not from either an NME country or a country with generally available export subsidies.<sup>46</sup>

TUTRIC claimed that certain of its reported raw material inputs were sourced from an ME country and paid for in ME currencies. When a respondent sources inputs from an ME supplier in meaningful quantities, we use the actual price paid by respondent for those inputs, except when prices may have been distorted by dumping or subsidies.<sup>47</sup> Where we found ME purchases to be of significant quantities (*i.e.*, 33 percent or more), in accordance with our statement of policy as outlined in *Antidumping Methodologies: Market Economy Inputs*,<sup>48</sup> we used the actual purchase prices of these inputs to value the full input.

Accordingly, we valued certain of TUTRIC’s inputs using the ME currency prices paid where the total volume of the input purchased from all ME sources during the POR exceeds or is equal to 33 percent of the total volume of the input purchased from all sources during the period. Where the quantity of the reported input purchased from ME suppliers was below 33 percent of the total volume of the input purchased from all sources during the POR, and were otherwise valid, we weight-averaged the ME input’s purchase price with the appropriate surrogate value for the input according to their respective shares of the reported total volume of purchases.<sup>49</sup> Where appropriate, we added freight to the ME prices of inputs. For a detailed description of the actual values used for the ME inputs reported,

<sup>45</sup> See, *e.g.*, *Tapered Roller Bearings and Parts Thereof, Finished or Unfinished, From the People’s Republic of China: Preliminary Results of the 2008–2009 Administrative Review of the Antidumping Duty Order*, 75 FR 41148, 41154 (July 15, 2010) (unchanged in *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From the People’s Republic of China: Final Results of the 2008–2009 Antidumping Duty Administrative Review*, 76 FR 3086 (January 19, 2011)).

<sup>46</sup> See *id.*

<sup>47</sup> See *Antidumping Duties; Countervailing Duties*, 62 FR 27296, 27366 (May 19, 1997).

<sup>48</sup> See *Antidumping Methodologies: Market Economy Inputs, Expected Non-Market Economy Wages, Duty Drawback; and Request for Comments*, 71 FR 61716, 61717–18 (October 19, 2006) (“*Antidumping Methodologies: Market Economy Inputs*”).

<sup>49</sup> See *id.* at 61718.

see “*Analysis Memorandum for the Preliminary Results: Tianjin United Tire & Rubber International Co., Ltd. (“TUTRIC”)*”, dated concurrently with this notice (“*Prelim Analysis Memorandum*”).

With respect to the valuation of technically specified natural rubber (“TSNR”), Bridgestone suggested the Department use prices reported by the Indian Rubber Board (“IRB”), stating that the IRB reports prices for the specific type of TSNR used by TUTRIC and meets all of the Department’s SV criteria in that the prices are period-wide, specific to the input, net of taxes and import duties, contemporaneous, and publicly available. Bridgestone further noted that the HTS categories for TSNR import data are basket categories that do not distinguish between grades, and therefore are not as specific to TUTRIC’s input as the IRB’s data.<sup>50</sup> TUTRIC submitted sections from the IRB’s Web site showing that the IRB issued subsidies and other benefits to domestic rubber growers covering the period of 2000 through 2007.<sup>51</sup> Bridgestone countered by asserting that the subsidies do not cover the POR, and that subsidies would affect domestic and imported rubber prices equally, as imports seek to compete in the domestic market.<sup>52</sup>

For the preliminary results, we have determined to use Indian import data to value TUTRIC’s TSNR, as we did in the previous two segments of the proceeding.<sup>53</sup> Although the IRB

<sup>50</sup> See Letter from Bridgestone, “*Administrative Review of the Antidumping Duty Order on New Pneumatic Off-The-Road Tires From China: Bridgestone’s Initial Submission of Surrogate Values*”, dated April 18, 2011. See also Letter from Bridgestone, “*Administrative Review of the Antidumping Duty Order on Off-The-Road Tires From The People’s Republic of China: Bridgestone’s Initial Pre-Preliminary Comments*”, dated August 31, 2011 (“*Bridgestone’s Initial Pre-Prelim Comments*”).

<sup>51</sup> Letter from TUTRIC, “*First Surrogate Value Rebuttal Submission for TUTRIC in the Second Administrative Review of the Antidumping Duty Order on New Pneumatic Off-the-Road Tires from the People’s Republic of China*”, dated April 28, 2011.

<sup>52</sup> See Bridgestone’s Initial Pre-Prelim Comments.

<sup>53</sup> See *Certain New Pneumatic Off-the-Road Tires From the People’s Republic of China: Preliminary Results of Antidumping Duty Administrative Review*, 75 FR 64259 (October 19, 2010) (unchanged in *Certain New Pneumatic Off-the-Road Tires From the People’s Republic of China: Final Results of the 2008–2009 Antidumping Duty Administrative Review*, 76 FR 22871 (April 25, 2011) (“*Tires AR1 Final*”)); *Certain New Pneumatic Off-the-Road Tires From the People’s Republic of China: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination*, 73 FR 9278 (February 20, 2008) (unchanged in *Certain New Pneumatic Off-The-Road Tires from the People’s Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value and Partial Affirmative Determination of Critical*

provides data more specific to the type of TSNR TUTRIC uses in production, we are unable to identify the source of the prices listed on the IRB’s Web site.<sup>54</sup> Moreover, during the investigation, we rejected the IRB’s data because we found the data to be “quoted/indicative prices published on a particular day and do not necessarily reflect an actual sale of natural rubber.”<sup>55</sup> Because the Indian import data are known to be based on actual sales that are contemporaneous with the POR, tax-exclusive, and cover the input at issue, we find that they represent the best available information with which to value TSNR in this administrative review.

With respect to the valuation of Tyre cord B fabric (“NYCHFR”) and harness cloth (“HCLOTH”), TUTRIC submitted descriptions of NYCHFR as “*Nylon Tire Cord Fabric of High Tenacity Yarn*;” and of HCLOTH as “*Nylon Tire Cord Fabric of High Tenacity Yarn made of nylon 6*.” TUTRIC reported both FOPs in kilograms. Bridgestone proposed using Indian import data corresponding to HTS category 56049000<sup>56</sup> to value both of these FOPs, which was also used in both previous segments of the proceeding and is reported in Rs/kg.<sup>57</sup> TUTRIC proposed HTS categories 59021090<sup>58</sup> and 59021010,<sup>59</sup> which are reported in square meters, but TUTRIC did not provide a conversion formula from kilograms to square meters.

For the preliminary results, we have determined to use Indian import data corresponding to HTS category 56049000, which is not as specific to the input in question, but in the correct unit of measure. However, we intend to request that TUTRIC report a conversion factor for its NYCHFR and HCLOTH (from kg to square meters) subsequent to the issuance of these preliminary results in the event we determine a different HTS category (or categories) to be more representative of the input.

We valued truck freight expenses using a per-unit average rate calculated from data on the infobanc Web site: <http://www.infobanc.com/logistics/logtruck.htm>. The logistics section of this Web site contains inland freight truck rates between many large Indian cities. We valued coal using data

<sup>56</sup> See *Circumstances*, 73 FR 40485 (July 15, 2008) (“*Tires LTFV Final*”).

<sup>57</sup> See Surrogate Value Memorandum.

<sup>58</sup> See *Tires LTFV Final*, accompanying Issues and Decision Memorandum at Comment 12.

<sup>59</sup> “Textile yarn, thread or cord covered or impregnated with rubber or plastic: Other Rubber Thread or Cord.”

<sup>57</sup> See *Tires AR1 Final* and *Tires LTFV Final*.

<sup>58</sup> “Tire Cord Fabric of High Tenacity Yarn of Nylon, Polyamides, Polyesters or Viscose Rayon.”

<sup>59</sup> “Tire Cord Fabric of High Tenacity Yarn of Nylon, Polyamides, Polyesters or Viscose Rayon.”

obtained for grade E coal reported in the 2007 edition of the Indian Minerals Yearbook published by the Indian Bureau of Mines. We valued water using the revised Maharashtra Industrial Development Corporation water rates available at <http://www.midcindia.com/water-supply>. We calculated the SV for steam based upon the 2009–2010 financial statement of Hindalco Industries Limited. See Surrogate Value Memorandum.

We valued electricity using the updated electricity price data for small, medium, and large industries, as published by the Central Electricity Authority, an administrative body of the Government of India, in its publication titled “Electricity Tariff & Duty and Average Rates of Electricity Supply in India,” dated March 2008. These electricity rates represent actual country-wide, publicly-available information on tax-exclusive electricity rates charged to small, medium, and large industries in India. Because the rates listed in this source became effective on a variety of different dates, we are not adjusting the average value for inflation. In other words, the Department did not inflate this value to the POR because the utility rates represent current rates, as indicated by the effective date listed for each of the rates provided.<sup>60</sup>

Section 733(c) of the Act, provides that the Department will value the FOPs in NME cases using the best available information regarding the value of such factors in a ME country or countries considered to be appropriate by the administering authority. The Act requires that when valuing FOPs, the Department utilizes, to the extent possible, the prices or costs of FOPs in one or more ME countries that are: (1) At a comparable level of economic development and (2) significant producers of comparable merchandise.<sup>61</sup>

Previously, the Department used regression-based wages that captured the worldwide relationship between *per capita* GNI and hourly manufacturing wages, pursuant to 19 CFR 351.408(c)(3), to value the respondent's cost of labor in NME cases. However, on May 14, 2010, the Court of Appeals for the Federal Circuit (“CAFC”), in *Dorbest Ltd. v. United States*, 604 F.3d 1363, 1372 (Fed. Cir. 2010) (“Dorbest”), invalidated 19 CFR 351.408(c)(3). As a consequence of the CAFC's ruling in

*Dorbest*, the Department no longer relies on the regression-based wage rate methodology described in its regulations.

On June 21, 2011, the Department revised its methodology for valuing the labor input in NME antidumping proceedings.<sup>62</sup> In *Labor Methodologies*, the Department determined that the best methodology to value the labor input is to use industry-specific labor rates from the primary surrogate country. Additionally, the Department determined that the best data source for industry-specific labor rates is Chapter 6A: Labor Cost in Manufacturing, from the International Labor Organization (ILO) Yearbook of Labor Statistics (“Yearbook”).

In these preliminary results, the Department calculated the labor input using the wage method described in *Labor Methodologies*. To value TUTRIC's labor input, the Department relied on data reported by India to the ILO in Chapter 6A of the Yearbook. The Department further finds the two-digit description under ISIC–Revision 3 (“25—Manufacture of Rubber and Plastics Products”) to be the best available information on the record because it is specific to the industry being examined, and is therefore derived from industries that produce comparable merchandise. Accordingly, relying on Chapter 6A of the Yearbook, the Department calculated the labor input using labor data reported by India to the ILO under Sub-Classification 25 of the ISIC–Revision 3 standard, in accordance with Section 773(c)(4) of the Act. For these preliminary results, the calculated industry-specific wage rate is 49.49 Rs per hour. Because this wage rate does not separate the labor rates into different skill levels or types of labor, the Department has applied the same wage rate to all skill levels and types of labor reported by TUTRIC.<sup>63</sup> A more detailed description of the wage rate calculation methodology is provided in the Surrogate Value Memorandum.

As stated above, the Department used India's ILO data reported under Chapter 6A of Yearbook, which reflects all costs related to labor, including wages, benefits, housing, training, *etc.* Because the financial statements used to calculate the surrogate financial ratios include itemized detail of indirect labor costs, the Department made adjustments

to the surrogate financial ratios as contemplated by *Labor Methodologies*.<sup>64</sup>

Pursuant to 19 CFR 351.408(c)(4), the Department valued factory overhead, selling, general and administrative expenses and profit using non-proprietary information gathered from producers of identical or comparable merchandise in the surrogate country. The Department's practice is to disregard financial statements containing evidence that the company received subsidies that the Department has previously found to be countervailable, and where there are other reliable data on the record for purposes of calculating the surrogate financial ratios.<sup>65</sup> For these preliminary results, we used the average of the ratios derived from the financial statements of two Indian producers of OTR tires: Falcon Tyres Ltd. (for the year ending on September 30, 2010) and TVS Srichakra Ltd. (for the year ending on March 31, 2010). We did not use financial statements from two other Indian producers, MRF Limited and JK Tyre and Industries Ltd., because they each contained evidence of receipt of a subsidy which the Department has found to be countervailable.<sup>66</sup> Specifically, these two Indian producers received benefits under the Export Promotion Capital Goods Scheme and the Sales Tax Deferred from Government of Karnataka program, respectively, both programs that the Department has previously determined to be countervailable.<sup>67</sup>

TUTRIC reported that scrap compound, scrap bead, scrap cloth and scrap tire were recovered as by-products of the production of subject merchandise and successfully demonstrated that the scrap materials have commercial value. Therefore, we have granted a by-product offset for the quantities of the reported by-product, valued using Indian import data.<sup>68</sup>

<sup>60</sup> See Surrogate Value Memorandum and *Labor Methodologies*, 76 FR at 36094.

<sup>61</sup> See *First Administrative Review of Steel Wire Garment Hangers From the People's Republic of China: Final Results and Final Partial Rescission of Antidumping Duty Administrative Review*, 76 FR 27994 (May 13, 2011), and accompanying Issues and Decision Memorandum at Comment 2.

<sup>62</sup> See Surrogate Value Memorandum.

<sup>63</sup> See, e.g., *Commodity Matchbooks From India: Final Affirmative Countervailing Duty Determination*, 74 FR 54547 (October 22, 2009) (finding the Export Promotion Capital Goods Scheme to be countervailable); *Notice of Preliminary Results and Rescission, in Part, of Countervailing Duty Administrative Review: Polyethylene Terephthalate Film, Sheet, and Strip from India*, 71 FR 45037, 45043 (August 8, 2006) (unchanged in *Polyethylene Terephthalate Film, Sheet, and Strip from India: Final Results of Countervailing Duty Administrative Review*, 72 FR 6530 (February 12, 2007)).

<sup>64</sup> See Surrogate Value Memorandum.

<sup>65</sup> See, e.g., *Wire Decking from the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 75 FR 32905 (June 10, 2010), and accompanying Issues and Decision Memorandum at Comment 3.

<sup>66</sup> See section 773(c)(4) of the Act.

<sup>67</sup> See *Antidumping Methodologies in Proceedings Involving Non-Market Economies: Valuing the Factor of Production: Labor*, 76 FR 36092 (June 21, 2011) (“*Labor Methodologies*”).

<sup>68</sup> See Surrogate Value Memorandum.

## Currency Conversion

Where appropriate, we made currency conversions into U.S. dollars, in accordance with section 773A(a) of the Act, based on the exchange rates in effect on the dates of the U.S. sales, as certified by the Federal Reserve Bank.

## Preliminary Results of Review

We preliminarily find that the following weighted-average dumping margin exists for the period September 1, 2009, through August 31, 2010:

Exporter	Percent margin
Tianjin United Tire & Rubber International Co., Ltd. ....	7.35

## Disclosure and Public Comment

The Department will disclose calculations performed for these preliminary results to the parties within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). Interested parties may submit written comments no later than 30 days after the date of publication of these preliminary results of review.<sup>69</sup> Rebuttals to written comments may be filed no later than five days after the written comments are filed.<sup>70</sup>

Any interested party may request a hearing within 30 days of publication of this notice.<sup>71</sup> Hearing requests should contain the following information: (1) The party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Oral presentations will be limited to issues raised in the briefs. If a request for a hearing is made, parties will be notified of the time and date for the hearing to be held at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230.<sup>72</sup>

The Department will issue the final results of this administrative review, which will include the results of its analysis of issues raised in any such comments, within 120 days of publication of these preliminary results, pursuant to section 751(a)(3)(A) of the Act.

## Deadline for Submission of Publicly Available Surrogate Value Information

In accordance with 19 CFR 351.301(c)(3)(ii), the deadline for submission of publicly available information to value FOPs under 19 CFR 351.408(c) is 20 days after the date

of publication of the preliminary results. In accordance with 19 CFR 351.301(c)(1), if an interested party submits factual information less than ten days before, on, or after (if the Department has extended the deadline), the applicable deadline for submission of such factual information, an interested party may submit factual information to rebut, clarify, or correct the factual information no later than ten days after such factual information is served on the interested party. However, the Department generally will not accept in the rebuttal submission additional or alternative surrogate value information not previously on the record, if the deadline for submission of surrogate value information has passed.<sup>73</sup> Furthermore, the Department generally will not accept business proprietary information in either the surrogate value submissions or the rebuttals thereto, as the regulation regarding the submission of surrogate values allows only for the submission of publicly available information.<sup>74</sup>

## Assessment Rates

The Department will determine, and CBP shall assess, antidumping duties on all appropriate entries of subject merchandise in accordance with the final results of this review. For assessment purposes, we calculated exporter/importer- (or customer) -specific assessment rates for merchandise subject to this review. Where appropriate, we calculated an *ad valorem* rate for each importer (or customer) by dividing the total dumping margins for reviewed sales to that party by the total entered values associated with those transactions. For duty-assessment rates calculated on this basis, we will direct CBP to assess the resulting *ad valorem* rate against the entered customs values for the subject merchandise.

Where appropriate, we calculated a per-unit rate for each importer (or customer) by dividing the total dumping margins for reviewed sales to that party by the total sales quantity associated with those transactions. For duty-assessment rates calculated on this basis, we will direct CBP to assess the resulting per-unit rate against the entered quantity of the subject merchandise. Where an importer- (or customer) -specific assessment rate is *de minimis* (i.e., less than 0.50 percent), the

Department will instruct CBP to assess that importer (or customer's) entries of subject merchandise without regard to antidumping duties. The Department intends to issue appropriate assessment instructions directly to CBP 15 days after publication of the final results of this review.

## Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(2)(C) of the Act: (1) For TUTRIC, the cash deposit rate will be the company-specific rate established in the final results of this review, except if the rate is zero or *de minimis* no cash deposit will be required; (2) for previously investigated or reviewed PRC and non-PRC exporters not listed above that have separate rates, the cash deposit rate will continue to be the exporter-specific or exporter/producer-specific rate published for the most recent period; (3) for all PRC exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be the PRC-wide rate of 210.48 percent established in the *Tires LTFV Final*; and (4) for all non-PRC exporters of subject merchandise that have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporters that supplied that non-PRC exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

## Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

We are issuing and publishing these preliminary results of review in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.213.

<sup>69</sup> See 19 CFR 351.309(c).

<sup>70</sup> See 19 CFR 351.309(d).

<sup>71</sup> See 19 CFR 351.310(c).

<sup>72</sup> See 19 CFR 351.310(d).

<sup>73</sup> See, e.g., *Glycine from the People's Republic of China: Final Results of Antidumping Duty Administrative Review and Final Rescission, in Part*, 72 FR 58809 (October 17, 2007), and accompanying Issues and Decision Memorandum at Comment 2.

<sup>74</sup> See 19 CFR 351.301(c)(3).

Dated: September 30, 2011.

**Ronald K. Lorentzen,**

*Deputy Assistant Secretary for Import Administration.*

[FR Doc. 2011-26016 Filed 10-6-11; 8:45 am]

**BILLING CODE 3510-DS-P**

**DEPARTMENT OF COMMERCE**

**International Trade Administration**

**North American Free Trade Agreement (NAFTA), Article 1904 Binational Panel Reviews; Notice of Completion of Panel Review**

**AGENCY:** NAFTA Secretariat, United States Section, International Trade Administration, Department of Commerce.

**ACTION:** Notice of Completion of Panel Review of the International Trade Commission's final determination of Certain Welded Large Diameter Line Pipe from Mexico (Secretariat File No. USA-MEX-2007-1904-03).

**SUMMARY:** Pursuant to the Decision of the Binational Panel dated August 29, 2011, affirming the International Trade Commission's final determination on remand described above, the panel review was completed on September 29, 2011.

**FOR FURTHER INFORMATION CONTACT:** Ellen Bohon, United States Secretary, NAFTA Secretariat, Suite 2061, 14th and Constitution Avenue, Washington, DC 20230, (202) 482-5438.

**SUPPLEMENTARY INFORMATION:** On August 29, 2011, the Binational Panel issued a Decision of the Panel affirming the International Trade Commission's remand determination concerning Certain Welded Large Diameter Line Pipe from Mexico (Secretariat File No. USA-MEX-2007-1904-03). The Secretariat was instructed to issue a Notice of Completion of Panel Review on the 31st day following the issuance of the Notice of Final Panel Action, if no request for an Extraordinary Challenge Committee was filed. No such request was filed. Therefore, on the basis of the Panel Order and Rule 80 of the *Article 1904 Panel Rules*, the Panel Review was completed and the panelists were discharged from their duties effective September 29, 2011.

Dated: October 3, 2011.

**Ellen Bohon,**

*United States Secretary, NAFTA Secretariat.*

[FR Doc. 2011-25952 Filed 10-6-11; 8:45 am]

**BILLING CODE 3510-GT-P**

**DEPARTMENT OF COMMERCE**

**International Trade Administration**

**[C-570-942]**

**Certain Kitchen Appliance Shelving and Racks From the People's Republic of China: Preliminary Results of the Countervailing Duty Administrative Review**

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

**SUMMARY:** The Department of Commerce ("the Department") is conducting an administrative review of the countervailable duty order on certain kitchen appliance shelving and racks ("Kitchen Racks") from the People's Republic of China ("PRC"). The period of review ("POR") is January 7, 2009, through December 31, 2009 (see further explanation in the "Period of Review" section of this notice). This review covers multiple exporters/producers, two of which are being individually reviewed as mandatory respondents. We preliminarily find that the mandatory respondents, Guangdong Wireking Housewares & Hardware Co., Ltd. ("Wireking") and New King Shan (Zhu Hai) Co., Ltd. ("NKS"), received countervailable subsidies during the POR. Their countervailing duty ("CVD") rates have been used to calculate the rate applied to the other firms subject to this review. If these preliminary results are adopted in our final results of review, we will instruct U.S. Customs and Border Protection ("CBP") to assess countervailing duties as detailed in the "Preliminary Results of Review" section of this notice. Interested parties are invited to comment on these preliminary results.

**DATES: Effective Date:** October 7, 2011.

**FOR FURTHER INFORMATION CONTACT:** Alexander Montoro or Jennifer Meek, Office of AD/CVD Operations, Office 1, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; **telephone:** (202) 482-0238 and (202) 482-2778, respectively.

**SUPPLEMENTARY INFORMATION:**

**Background**

On July 27, 2009, the Department published a CVD order on Kitchen Racks from the PRC. See *Certain Kitchen Appliance Shelving and Racks From the People's Republic of China: Countervailing Duty Order*, 74 FR 46973 (September 14, 2009) ("CVD Order"). On September 1, 2010, we published a notice of "Opportunity to Request

"Administrative Review" for this CVD order. See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity To Request Administrative Review*, 75 FR 53635, 53636 (September 1, 2010). On September 30, 2010, Nashville Wire Products Inc. and SSW Holding Company, Inc. (collectively "Petitioners") requested a review of ten companies. On October 28, 2010, we initiated a review of five of the companies: Wireking; NKS; Leader Metal Industry Co., Ltd. (aka Marmon Retail Services Asia) ("Leader Metal"); Hangzhou Dunli Import and Export Co., Ltd./Hangzhou Dunli Industry Co., Ltd. ("Dunli"); and Jiangsu Weixi Group Co. ("Jiangsu Weixi"). See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 75 FR 66349, 66351 (October 28, 2010), as corrected by *Initiation of Antidumping and Countervailing Duty Administrative Reviews; Correction*, 75 FR 69054 (November 10, 2010) ("Initiation Correction").<sup>1</sup> On November 29, 2010, after receiving further information from Petitioners, we initiated reviews of two additional companies requested by Petitioners: Asia Pacific CIS (Wuxi) Co., Ltd. ("Asia Pacific CIS") and Hengtong Hardware Manufacturing (Huizhou) Co., Ltd. ("Hengtong"). See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 75 FR 73036, 73038 (November 29, 2010).

In order to select mandatory respondents for this review, we issued questionnaires on December 3, 2010, to the seven companies covered by the review, requesting information about the quantity and value ("Q&V") of subject merchandise exports made to the United States during the POR ("Q&V questionnaires"). As in the underlying investigation, we did not rely on CBP data for respondent selection because the Harmonized Tariff Schedule of the United States ("HTSUS") categories that include subject merchandise are broad and contain products other than the subject merchandise. See Memorandum to Susan H. Kuhbach from Joseph Shuler, regarding "Selection of Respondents for the Countervailing Duty Administrative Review of Certain Kitchen Appliance Shelving and Racks from the People's Republic of China"

<sup>1</sup> The Department notes that only the POR for the antidumping duty administrative review was included in the November 10, 2010 notice. See *Initiation Correction*, 75 FR at 69059. All notices concerning the administrative review of the countervailing duty order apply to the POR referenced in the initiation notices and this notice, generally January 7, 2009, through December 31, 2009 (see "Period of Review" section below for further discussion).