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March 14, 2011

MEMORANDUM TO: Kim Glas
Acting Deputy Assistant Secretary
for Import Administration

FROM: Gary Taverman
Acting Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations

SUBJECT: Certain Steel Nails from the People's Republic of China: Issues and Decision Memorandum for the Final Results of the First Antidumping Duty Administrative Review

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SUMMARY

We have analyzed the case and rebuttal briefs received from Petitioner,[1] one mandatory respondent,[2] and other interested parties[3] for the first administrative review of the antidumping

[1] Mid Continent Nail Corporation.

[2] The Stanley Works (Langfang) Fastening Systems Co., Ltd. ("Stanley Langfang"), the Stanley Works/Stanley Fastening Systems LP ("Stanley Works"), and an unaffiliated wire drawing subcontractor are collectively referred to as "Stanley" in this administrative review.

[3] The following parties submitted a combined case brief: Itochu Building Products Co., Inc.; Chiieh Yung Metal Ind. Corp. ("Chiieh Yung"); Certified Products International Inc. ("CPI"); Huanghua Jinhai Hardware Products Co., Ltd.; Tianjin Jinghai County Hongli Industry & Business Co., Ltd.; Tianjin Jinchi Metal Products Co., Ltd. ("Tianjin Jinchi"); Shandong Dinglong Import & Export Co., Ltd.; Tianjin Zhonglian Metals Ware Co., Ltd.; Beijing Daruixing Nail Products Co., Ltd.; Hengshui Mingyao Hardware & Mesh Products Huanghua Xionghua Hardware Products Co., Ltd; Wintime Import & Export Corporation Limited of Zhongshan; Shanghai Jade Shuttle Hardware Tools Co., Ltd.; Romp (Tianjin) Hardware Co., Ltd.; China Staple Enterprise (Tianjin) Co., Ltd.; Tianjin Jurun Metal Products Co., Ltd.; Wuhu Shijie Hardware Co., Ltd.; Yitian (Nanjing) Hardware Co., Ltd. ("Yitian Nanjing"); Shanghai Chengkai Hardware Products Co., Ltd.; Tianjin Port Free Trade Zone Xiangtong International Industry & Trade Corp.; Tianjin Longxing (Group) Huanyu IMP. & EXP. Co., Ltd.; Dagang Zhitong Metal Products Co., Ltd.; Tianjin Shenyuan Steel Producting Group Co., Ltd.; Hebei Super Star Pneumatic Nails Co., Ltd.; Shaoxing Chengye Metal Producting Group Co., Ltd.; Tianjin Chentai International Trading Co., Ltd.; Qidong Liang Chyuan Metal Industry Co., Ltd.; CYM (Nanjing) Ningquan Nail Manufacture Co., Ltd., a.k.a. CYM (Nanjing) Nail Manufacture Co., Ltd.; and Shanghai Yueda Nails Industry Co., Ltd. a.k.a. Shanghai Yueda Nails Co., Ltd. (collectively, "Itochu et al."); Shanghai Tengyu Hardware Tools Co., Ltd. and Shanghai Curvet Hardware Products Co. Ltd. (collectively, "Tengyu and Curvet"); Nanjing Yuechang Hardware Co., Ltd. ("Nanjing Yuechang"); and Shandong Oriental Cherry Hardware Group Co., Ltd., Shandong Oriental Cherry Hardware Import and Export Co., Ltd., and Jining Huarong Hardware Products Co., Ltd. (collectively, "Oriental Cherry Group").

duty order on certain steel nails from the People's Republic of China ("PRC").[4] In addition to Stanley, there are 22 other companies receiving a separate rate for the final results of this review.[5] As a result of our analysis, we have made changes to the Preliminary Results.[6] The period of review ("POR") is January 23, 2008, through July 31, 2009.

The Department of Commerce ("Department") conducted verification of: 1) Tianjin Jinchi on November 12, 2010; 2) Stanley Langfang from November 15, 2010, through November 17, 2010; 3) a wire drawing subcontractor for Stanley Langfang from November 18, 2010, through November 19, 2010; and 4) Stanley Works on December 14, 2010, through December 16, 2010. Following the Preliminary Results, the verifications of Tianjin Jinchi and Stanley, and an analysis of the comments received, we made changes to the margin calculations. We recommend that you approve the positions described in the "Discussion of the Issues" section of this Issues and Decision Memorandum. Below is the complete list of the issues in this antidumping duty administrative review for which we received comments and rebuttal comments from interested parties.

General Issues

Comment 1: Cash Deposit and Liquidation Instructions
Comment 2: Labor Rate Methodology
Comment 3: Surrogate Financial Ratios
Comment 4: Steel Wire Rod Surrogate Value
Comment 5: Electricity Surrogate Value
Comment 6: Other Surrogate Values
A. **Copper Coated Steel Welding Wire**
B. **Coatings**
C. **Glass Balls**
D. **Sodium Hydroxide**
E. **Sodium Sulfate**
F. **Plastic Cores**
G. **Labels**
H. **Shrink Film**
I. **Borax**
J. **Cardboard Trays**

[4] See Notice of Antidumping Duty Order: Certain Steel Nails From the People's Republic of China, 73 FR 44961 (August 1, 2008) ("Order").

[5] Aironware (Shanghai) Co., Ltd.; Chiieh Yung Metal Ind. Corp.; China Staple Enterprise (Tianjin) Co., Ltd.; Dezhou Hualude Hardware Products Co., Ltd.; Faithful Engineering Products Co., Ltd.; Hengshui Mingyao Hardware & Mesh Products Co., Ltd.; Huanghua Jinhai Hardware Products Co., Ltd.; Huanghua Xionghua Hardware Products Co., Ltd.; Jisco Corporation ("Jisco"); Koram Panagene Co., Ltd. ("Koram Panagene"); Nanjing Yuechang Hardware Co., Ltd.; Qidong Liang Chyuan Metal Industry Co., Ltd.; Qingdao D & L Group Ltd.; Romp (Tianjin) Hardware Co., Ltd.; Shandong Dinglong Import & Export Co., Ltd.; Shanghai Jade Shuttle Hardware Tools Co., Ltd.; Shouguang Meiqing Nail Industry Co., Ltd.; Tianjin Jinchi Metal Products Co., Ltd.; Tianjin Jinghai County Hongli Industry & Business Co., Ltd.; Tianjin Zhonglian Metals Ware Co., Ltd.; Wintime Import & Export Corporation Limited of Zhongshan; and Zhejiang Gem-Chun Hardware Accessory Co., Ltd. (collectively, "Separate Rate Respondents").

[6] See Certain Steel Nails From the People's Republic of China: Notice of Preliminary Results and Preliminary Rescission, in Part, of the Antidumping Duty Administrative Review, 75 FR 56070 (September 15, 2010) ("Preliminary Results").

Comment 7: Zeroing

Company-Specific Issues

Separate-Rate Respondents
Comment 8: Rate for Separate Rate Respondents

CPI
Comment 9: Entries Incorrectly Attributed to CPI

Tengyu and Curvet
Comment 10: Rate for Final Results

Rizhao and Wuxi Qiangye
Comment 11: Rate for Final Results

Chiieh Yung, Jisco, and Koram Panagene
Comment 12: Withdrawal of Review Request

Shandong Minmetal
Comment 13: Application of Total Adverse Facts Available ("AFA")

Yitian Nanjing
Comment 14: PRC-wide Rate

Tianjin Shenyuan and Shaoxing Chengye
Comment 15: Correction of Company Names

Oriental Cherry Group
Comment 16: Rate for Final Results

Stanley
Comment 17: Application of Total or Partial AFA
Comment 18: Intermediate Input Methodology
Comment 19: Indirect Selling Expenses

DISCUSSION OF THE ISSUES:

General Issues

Comment 1: Cash Deposit and Liquidation Instructions

Petitioner

- Shandong Minmetal should not be individually referenced in either the final cash deposit or liquidation instructions because it does not qualify for a separate rate (see Comment 13 below).

- The Department should correct the date range for the cap period related to provisional measures, which was incorrectly stated in the draft liquidation instructions.

No other party commented on this issue.

Department's Position:
We agree with Petitioner and, for the final results, we have removed all individual references to Shandong Minmetal from the cash deposit and liquidation instructions.[7] Furthermore, pursuant to 19 CFR 351.212(d), we have corrected the period of the provisional measures deposit cap to reflect January 23, 2008, through July 25, 2008.

Comment 2: Labor Rate Methodology

Itochu et al.
- The Department's methodology for calculating the labor rate using "earnings" wage data double-counts "gratuity expense" in the calculation of: 1) the industry-specific wage data; and 2) the manufacturing overhead portion of the surrogate financial ratio data. To avoid this, the Department should use "wages" rather than "earnings" data from the International Labor Organization ("ILO") Chapter 5B to calculate the labor rate.
- Using "wages" rather than "earnings" data would allow the Department to calculate the labor rate using more contemporaneous 2008 Philippines "wage" data, rather than the inflated 2003 Philippines "earnings" data. By using these "wage" data, the Department will then have sector-specific "wage" data from four countries to calculate the labor rate.
- In the event the Department continues to use the earnings data, the Department should correct Ukraine's value to reflect 1.55 USD/Hour.

No other party commented on this issue.

Department's Position:
In Dorbest Ltd. v. United States, 604 F.3d 1363, 1372 (Fed. Cir. 2010) ("Dorbest"), the Court of Appeals for the Federal Circuit ("CAFC") invalidated the Department's regulation, 19 CFR 351.408(c)(3), which directs the Department to value labor using a regression-based method. As a consequence of the CAFC's decision, the Department is no longer relying on the regression-based wage rate. The Department is continuing to evaluate options for determining labor values in light of the recent CAFC decision. See Antidumping Methodologies in Proceedings Involving Non-Market Economies: Valuing the Factor of Production: Labor; Request for Comment, 76 FR 9544 (February 18, 2011). For the final results of this review, we have calculated an hourly wage rate in valuing the labor input by averaging industry-specific earnings and/or wages in countries that are economically comparable to the PRC, as well as significant producers of comparable merchandise.

Section 773(c)(4) of the Tariff Act of 1930, as amended ("Act"), requires the Department "to the extent possible" to use "prices or costs of factors of production in one or more market economy countries that are (A) at a level of economic development comparable to that of the non-market

[7] For a further explanation of this issue, see Comment 13 below.

economy country, and (B) significant producers of comparable merchandise." Accordingly, to calculate a wage rate, the Department first looked to the Surrogate Country Memo issued in this proceeding to determine countries that were economically comparable to the PRC.[8]

It is Departmental practice to use "per capita GNI, rather than per capita GDP, because while the two measures are very similar, per capita GNI is reported across almost all countries by an authoritative source (the World Bank), and because the Department finds that the per capita GNI represents the single best measure of a country's level of total income and thus level of economic development." See Antidumping Methodologies: Market Economy Inputs, Expected Non-Market Economy Wages, Duty Drawback; and Request for Comments, 71 FR 61716 (October 19, 2006) ("Antidumping Methodologies"). In the Preliminary Results, the Department selected six countries for consideration as the primary surrogate country for this review based on the Surrogate Country Memo.[9] From the list of countries contained in the Surrogate Country Memo, the Department used the country with the highest GNI (i.e., Peru) and the lowest GNI (i.e., India) as "bookends" for economic comparability. The Department then identified all countries in the World Bank's World Development Report with per capita GNIs for 2008 that fell between the "bookends." This resulted in 43 countries, ranging from India with a GNI of U.S. Dollars ("USD") 1,070 to Peru with GNI of USD 3,990. [10]

Next, regarding the "significant producer" prong of the statute, the Department identified all countries which have exports of comparable merchandise (defined as exports under Harmonized Tariff Schedule ("HTS") 7317.00, 7317.00 and 7317.00, the HTS numbers identified in the scope of the Order) between 2007 and 2009, and deemed such countries to be significant producers. In this case, we have defined a "significant producer" as a country that has exported comparable merchandise between 2007 through 2009. After screening for countries that had exports of comparable merchandise, we determine that 25 of the 43 countries designated as economically comparable to the PRC are also significant producers of comparable merchandise. Accordingly, for purposes of valuing wages for the final results, the Department determines the following 25 countries out of 43 countries are economically comparable to the PRC and are also significant producers of comparable merchandise: 1) Albania, 2) Bolivia, 3) Cape Verde, 4) El Salvador, 5) Fiji, 6) Guatemala, 7) Guyana, 8) Honduras, 9) India, 10) Morocco, 11) Nicaragua, 12) Nigeria, 13) Paraguay, 14) Samoa (Western), 15) Sri Lanka, 16) Swaziland, 17) Tunisia, 18) Ecuador, 19) Egypt, 20) Indonesia, 21) Jordan, 22) the Philippines, 23) Thailand, 24) Ukraine, and 25) Peru.[11]

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[8] See Memorandum to Alex Villanueva, Program Manager, Office 9, from Kelly Parkhill, Acting Director, Office of Policy, re: Request for a List of Surrogate Countries for an Administrative Review of the Antidumping Duty Order on Certain Steel Nails ("Nails") from the People's Republic of China, dated February 16, 2010 ("Surrogate Country Memo").

[9] The Department notes that these six countries are part of a non-exhaustive list of countries that are at a level of economic development comparable to the PRC. See Surrogate Country Memo.

[10] See Memorandum to the file through James C. Doyle, Office 9 Director, and Alex Villanueva, Office 9 Program Manager, from Emeka Chukwudebe, Office 9 Case Analyst, dated October 21, 2010, First Administrative Review of the Antidumping Duty Order on Certain Steel Nails from the People's Republic of China ("PRC"): Industry-Specific Wage Rate Selection ("Wage Rate Memo").

[11] See Wage Rate Memo.

The Department then identified which of these 25 countries also reported the necessary wage data. In doing so, the Department has continued to rely upon ILO Chapter 5B "earnings," if available and "wages" if not.[12] We used the most recent data available (2008) and went back five years, resulting in wage data from 2003-2008. We then adjusted the wage data for countries where it was available to the POR using the relevant Consumer Price Index.[13] Of the 25 countries that the Department has determined are both economically comparable and significant producers, 17 countries, i.e., 1) Albania, 2) Bolivia, 3) Cape Verde, 4) El Salvador, 5) Fiji, 6) Guatemala, 7) Guyana, 8) Honduras, 9) India, 10) Morocco, 11) Nicaragua, 12) Nigeria, 13) Paraguay, 14) Samoa (Western), 15) Sri Lanka, 16) Swaziland, and 17) Tunisia were omitted from the wage rate valuation because there were no earnings or wage data available. The remaining countries reported either earnings or wage rate data to the ILO within the prescribed six-year period.[14]

While information from a single surrogate country can reliably be used to value other factors of production ("FOPs"), wage data from a single surrogate country do not constitute the best available information for purposes of valuing the labor input due to the variability that exists across wages from countries with similar GNI. Using the high- and low-income countries identified in the Surrogate Country Memo as bookends provides more data points, which the Department finds to be preferable. While there is a strong worldwide relationship between wage rates and GNI, too much variation exists among the wage rates of comparable market economies ("MEs").[15] As a result, we find reliance on wage data from a single country is not preferable where data from multiple countries are available for the Department to use.

For example, when examining the most recent wage data, even for countries that are relatively comparable in terms of GNI for purposes of factor valuation (e.g., countries with GNIs between

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[12] The Department maintains its current preference for "earnings" over "wages" data under Chapter 5B. However, under the previous practice, the Department was typically able to obtain data from somewhere between 50-60+ countries. Given that the current basket now includes fewer countries, the Department found that our long-standing preference for a robust basket outweighs our exclusive preference for "earnings" data. Thus, if earnings data are unavailable from the base year (2008) or the previous five years (2003-2007) for certain countries that are economically comparable and significant producers of comparable merchandise, the Department will use "wage" data, if available, from the base year or previous five years. The hierarchy for data suitability described in the Antidumping Methodologies still applies for selecting among multiple data points within the "earnings" or "wage" data. This allows the Department to maintain consistency as much as possible across the basket.

[13] Under the Department's regression analysis, the Department limited the years of data it would analyze to a two-year period. See Antidumping Methodologies, 71 FR at 61720. However, because the overall number of countries being considered in the regression methodology was much larger than the list of countries now being considered in the Department's calculations, the pool of wage rates from which we could draw from two years-worth of data was still significantly larger than the pool from which we may now draw using five years worth of data (in addition to the base year). The Department finds it is acceptable to review ILO data up to five years prior to the base year as necessary (as we have previously), albeit adjusted using the Consumer Price Index. See Expected Non-Market Economy Wages: Request for Comment on Calculation Methodology, 70 FR 37761, 37762 (June 30, 2005). In this manner, the Department will be able to capture the maximum amount of countries that are significant producers of comparable merchandise, including those countries that choose not to report their data on an annual basis. See also Wage Rate Memo at Attachment II for the Consumer Price Index data used in the instant case.

[14] See ILO's Yearbook of Labor Statistics.

[15] See, e.g., ILO, Global Wage Report: 2009 Update (2009) at 5, 7, 10. http://www.ilo.org/wcmsp5/groups/public/---dgreports/--dcomm/documents/publication/wcms_116500.pdf.

USD 1,790 and USD 3,990), the hourly wage rate spans from USD 0.54 to USD 2.27.[16] Additionally, although both Indonesia and Ukraine have GNIs below USD 3,000, and both could be considered economically comparable to the PRC, Indonesia's observed wage rate is USD 0.54, as compared to Ukraine's observed wage rate of USD 1.56.[17] There are many socio-economic, political and institutional factors, such as labor laws and policies unrelated to the size or strength of an economy, that cause significant variances in wage levels between countries. For this reason, and because labor is not traded internationally, the variability in labor rates that exists among otherwise economically comparable countries is a characteristic unique to the labor input. Moreover, the large variance in these wage rates illustrates why it is preferable to rely on data from multiple countries for purposes of valuing labor. The Department thus finds that reliance on wage data from a single country is not preferable where data from several countries are available. For these reasons, the Department maintains its long-standing position that, even when not employing a regression-based methodology, more data are still better than less data for purposes of valuing labor. Accordingly, in order to minimize the effects of the variability that exists between wage data of comparable countries, the Department has employed a methodology that relies on as large a number of countries as possible that also meet the statutory requirement that a surrogate be derived from a country that is economically comparable and also a significant producer. Indeed, for this reason, although the Department is no longer using a regression-based methodology to value labor, the Department has determined that reliance on labor data from multiple countries, as opposed to labor data from a single country constitutes the best available information for valuing the labor input.[18]

Based on the selection methodology set forth above, the Department has determined it is most appropriate to rely on industry-specific wage data reported by ILO for the final results. Determinations as to whether industry-specific ILO datasets constitute the best available information must necessarily be made on a case-by-case basis. In making these determinations, the Department considers a number of factors such as the appropriateness of the ILO industry-specific data in light of the subject merchandise and the availability of industry specific data. Because an industry-specific dataset relevant to this proceeding exists within the Department's preferred ILO source, and absent evidence to the contrary, the industry-specific data would be *at least* more specific to the subject merchandise than the national manufacturing data, the Department therefore used industry-specific data to calculate a surrogate wage rate for the final results, in accordance with section 773(c)(1) of the Act. Thus, the Department determines to calculate the wage rate using a simple average of the data provided to the ILO under Sub-Classification 28 of the ISIC ("International Standard Industrial Classification")-Revision 3 standard by countries determined to be both economically comparable to the PRC and significant producers of comparable merchandise. We have determined that this is the best available information from which to derive the surrogate wage rate based on the analysis set forth below.

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[16] See Wage Rate Memo at Attachment II.

[17] See id.

[18] Both the statute and our regulations recognize that there may be a need to source factor data from more than one country. Although 19 CFR 351.408(c)(2) provides that the Department will *normally* source the FOPs from a single surrogate country, the language in the regulation provides sufficient discretion for the Department to address situations in which sourcing an FOP from a single source is not preferable. Use of the word "normally" means that this is not an absolute mandate. As we explained, the unique nature of the labor input warrants a departure from our normal preference of sourcing all factor inputs from a single surrogate country.

The ISIC code is maintained by the United Nations Statistical Division and is updated periodically. The ILO, an organization under the auspices of the United Nation, utilizes this classification for reporting purposes. Currently, wage and earnings data are available from the ILO under the following revisions: ISIC-Rev.2, ISIC-Rev.3, and ISIC-Rev.4. The ISIC code establishes a two-digit breakout for each manufacturing category, and also often provides a three- or four-digit sub-category for each two-digit category. Depending on the country, data may be reported at either the two-, three- or four-digit subcategory.

Due to concerns that the industry definitions may lack consistency between different ISIC revisions, the Department finds that averaging wage rates within the same ISIC revision (i.e., not mixing revisions) constitutes the best available information for the final results/determination.

It is the Department's preference to use data reported under the most recent revision, however, in this case we found that none of the countries found to be economically comparable and significant producers reported data pursuant to ISIC-Rev.4. Accordingly, in this case, we turned to the industry definitions contained in ISIC-Rev.3 to find the appropriate classification for steel nails. Under the ISIC-Rev.3 standard, the Department identified the two-digit series most specific to steel nails as Sub-Classification 28, which is described as "Manufacture of fabricated metal products, except machinery and equipment." The explanatory notes for this sub-classification states that this sub-classification includes the "manufacture of other fabricated metal products; and metal working service activities."[19] Accordingly, for this review, the Department has calculated the wage rate using a simple average of the data provided to the ILO under Sub-Classification 28 of the ISIC-Rev.3 standard by countries determined to be economically comparable to the PRC and significant producers of comparable merchandise. Additionally, when selecting data available from the countries reporting under ISIC-Rev.3, Sub-Classification 28, we used the most specific wage data available within this revision.

From the 25 countries that the Department determined were both economically comparable to the PRC and significant producers of comparable merchandise, the Department identified those with the necessary wage data. While the Department prefers to use the most specific wage data available within the selective ISIC revision, because no country that was considered economically comparable and a significant producer reported earnings or wage data below the two-digit level, the Department has relied on the two-digit sub-classification in our industry-specific wage rate calculation. Of these 25 countries, the following eight reported industry-specific data under ISIC-Revision 3 under Classification 28 "Manufacture of fabricated metal products, except machinery and equipment:" 1) Ecuador, 2) Egypt, 3) Indonesia, 4) Jordan, 5) the Philippines, 6) Thailand, 7) Ukraine, and 8) Peru. Accordingly, these eight countries are included in our wage rate calculation.

Although the Department has recognized that the use of "wages" data may be appropriate to ensure sufficient data points where there are no "earnings" data, in this instance, sufficient "earnings" data are available from the Philippines, and resorting to "wages" data is thus not necessary. Further, the Department continues to prefer "earnings" data over "wages" data because the ILO defines "earnings" as being inclusive of wages, bonuses, and gratuities, and thus

[19] See Wage Rate Memo at Attachment I.

better represents the remunerations received by workers.[20] Regarding Itochu et al.'s argument concerning the Philippines, in this case, we have three Philippine data points that reflect the relevant industry-specific wages: (1) a 2003 Philippine data point for "earnings per month," which is within five years of the base year (i.e., within the range specified for our methodology); and (2) two 2008 Philippine data points for "wage rates per day." Thus, consistent with our preference for relying on "earnings" over "wages" data, we have continued to use the ILO data for the Philippines reflecting "earnings per month" in 2003, rather than the ILO data for the Philippines reflecting "wage rates per day" in 2008, because we find these data to be the best available information on the record of this segment of the proceeding.

Regarding Itochu et al.'s argument concerning the double-counting of gratuity as it also appears as a line item in the Lakshmi Precision Screws ("Lakshmi") financial statement, the Department is not relying on that financial statement for the final results in this review. Therefore, this issue is moot.

Finally, regarding the earnings data from Ukraine, we agree with Itochu et al., and for the final results, we have corrected the data to reflect the correct value of 1.55 USD/Hour.

Therefore, for the final results, we have calculated a revised wage rate of **1.39 USD/Hour** and used this revised rate in our margin calculations. This wage rate is derived from countries that are economically comparable to the PRC and are significant producers of the comparable merchandise. In addition, this wage rate is consistent with Dorbest and the statutory requirements of section 773(c) of the Act.

Comment 3: Surrogate Financial Ratios

Stanley

- The Department should not use Lakshmi's financial statements, nor should it use the financial statements of either Sundram Fasteners, Ltd. ("Sundram") or Infiniti Modules Pvt., Ltd. ("Infiniti"), because none of these companies manufacture steel nails or products comparable to the subject merchandise.
- The Department should use the financial statements of: 1) Nasco Steel; 2) Bansidhar Granites ("Bansidhar"); and 3) J&K Wire and Steel ("J&K"), because these companies produce steel nails, rather than products comparable to the subject merchandise.
- Four additional companies that make wire products (Bansal Wire Industries ("Bansal"), SAS Wire Products ("SAS"), R.J. Engineering ("R.J."), and M/S Precise Alloys ("Precise Alloys")) would be more appropriate surrogate financial companies than any of Petitioner's suggested companies, as their experience in producing wire products better reflects Stanley's experience.

Itochu et al.

- The Department should calculate the surrogate financial ratios based solely on the financial statements of producers of subject merchandise. Bansidhar, J&K and Nasco Steels, are

[20] See Antidumping Methodologies, 71 FR at 61721.

integrated nail producers and thus replicate the exact production experience of the respondents.

- The Department should not use Lakshmi's 2008-09 or 2009-10 financial statements because Lakshmi has benefitted from actionable subsidies and has vastly different production experiences from that of the respondents.
- If the Department determines to use Lakshmi's 2008-09 financial statement, the Department should exclude the expenses against the line items on Opening and Closing Stock Balances of "Finished Goods," and allocate and grant an offset for the line item of the "Other Income" in the selling, general and administrative expenses.
- If the Department determines to use Lakshmi's 2008-09 financial statement, the Department should not include "job work charges" under the account for "manufacturing overhead", but rather include it under the account for "labor", as previously done in the preliminary results.
- The Department should not use the 2008-09 Sundram financial statement because the company does not use steel wire rod ("SWR") in its production process, nor is Sundram a producer of nails, screws and bolts, but rather a producer of highly complex products (e.g., high tensile fasteners) that are manufactured using complicated machinery equipment which is not used in the production process of steel nails.

Petitioner:

- Both Lakshmi and Sundram produce comparable merchandise (fasteners), and the scale of their operations more closely resembles that of Stanley.
- In the OCTG Final,[21] the Department used financial statements from companies that received countervailable subsidies, so that fact is not an automatic disqualifier.
- Nasco's, Bansidhar's, and J&K's production of nails only accounts for a small portion of their overall output. The other four companies submitted by Stanley do not make comparable merchandise, only miscellaneous wire products.
- J&K's financial statement indicates that it received a subsidy during the fiscal year, and thus should not be used.
- None of the seven companies submitted by the other interested parties indicate the experience of a large, multinational company such as Stanley.
- The Department should revise its treatment job work charges in the Lakshmi statement and consider them as an overheard or general expense.

Department's Position:

We agree with Stanley and Itochu et al., in part. Consistent with section 773(c) of the Act and 19 CFR 351.408, our practice is to calculate a respondent's surrogate financial ratios based on the contemporaneous[22] financial statement or statements of companies producing comparable

[21] Certain Oil Country Tubular Goods from the People's Republic of China: Final Determination of Sales at Less Than Fair Value, Affirmative Final Determination of Critical Circumstances and Final Determination of Targeted Dumping, 75 FR 20335 (April 19, 2010) ("OCTG Final"), and accompanying Issues and Decision Memorandum at Comment 13.

[22] We note that the record contains both the April 2008-March 2009, and April 2009-March 2010, financial statements for some of the proposed surrogate financial companies. When two financial statements from the same company are on the record, it is the Department's practice to use only the financial statement that overlaps to a greater degree with the POR. See, e.g., Certain Frozen Warmwater Shrimp From the Socialist Republic of Vietnam: Final Results of the First Antidumping Duty Administrative Review and First New Shipper Review, 72 FR 52052 (September 12, 2007), and accompanying Issues and Decision Memorandum at Comment 2A. Thus, we are only

merchandise from the surrogate country, some of which may contain evidence of subsidization. However, where the Department has reason to believe or suspect that the company producing comparable merchandise may have received countervailable subsidies, the Department may consider that the financial ratios derived from that company's financial statements are less representative of the financial experience of the relevant industry than the ratios derived from financial statements of a company that do not contain evidence of subsidization. Consequently, the Department does not rely on financial statements where there is evidence that the company received countervailable subsidies and there are other sufficient reliable and representative data on the record for purposes of calculating the surrogate financial ratios.[23] In this review, the Department has determined that financial statement of Lakshmi contains evidence of subsidies found to be countervailable by the Department.[24] Accordingly, in light of this information, the Department has determined that it is appropriate to reject the Lakshmi financial statement as a surrogate for Stanley. As we are no longer using Lakshmi as a surrogate financial company, other arguments relating to this financial statement (including the treatment of job work charges) are moot.

Regarding the financial statement of Sundram, the Department selects companies that best reflect the non-market economy ("NME") producer's experience. In the Preliminary Results, the Department used the financial statement of Lakshmi as the best publicly available information on the record because Lakshmi uses an integrated wiredrawing production process with SWR as the main input, which closely mirrors the production process of the mandatory respondents, even though it produced comparable rather than identical merchandise. Thus, having an integrated wiredrawing process with SWR is key to reflect the production processes of the mandatory respondent. However, the record does not permit a conclusion that Sundram's production process mirrors Stanley Langfang's. First, nowhere in its financial statement does it indicate that Sundram consumes SWR. Its raw material consumption report lists only "steel" as an input. See Sundram 2008-2009 financial statement at 62. Thus, even though Sundram produces some comparable merchandise, the Department cannot be certain that it uses the same primary raw material as Stanley Langfang, and thus cannot conclude Sundram's production process reflects that of the mandatory respondent.

Since the Preliminary Results, additional financial statements have been placed on the record, including those of Nasco, Bandishar, and J&K. All three companies meet the Department's surrogate value ("SV") selection criteria, and all three produce nails from SWR. In the case of Nasco, it also appears to produce nails either from drawn wire and/or hot-rolled sheet, but nonetheless consumed SWR during the fiscal year. Petitioner cites to Kitchen Racks[25] where the

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considering financial statements from the April 2008-March 2009 period, which overlaps the most months of the POR.

[23] See Carbazole Violet Pigment 23 from the People's Republic of China: Final Results of Antidumping Duty Administrative Review, 75 FR 36630 (June 28, 2010), and accompanying Issues and Decision Memorandum at Comment 1.

[24] Specifically, the export promotion capital goods scheme. See Lakshmi financial statement at 43 and 66; see e.g., Notice of Final Affirmative Countervailing Duty Determination and Final Negative Critical Circumstances Determination: Certain Lined Paper Products from India, 71 FR 45034 (August 8, 2006).

[25] 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), and accompanying Issues and Decision Memorandum at Comment 10.

Department declined to use Nasco because it did not use SWR as the primary raw material input. However, the fact pattern in this case is distinct because Nasco produces nails, whereas it did not produce kitchen racks or merchandise comparable to kitchen racks. Second, of the remaining potential surrogate companies, only Nasco, Bansidhar, and J&K produce nails and use SWR in the production process.

We disagree with Petitioner's contention that, because Nasco's, Bansidhar's, and J&K's respective production of nails accounts for relatively small percentages of their overall production, their financial ratios are not representative of a producer of nails. See, e.g., Persulfates from the People's Republic of China: Final Results of Antidumping Duty Administrative Review, 68 FR 68030 (December 5, 2003), and accompanying Issues and Decision Memorandum at Comment 1 ("Simply because the production process of the surrogate producer results in smaller production volumes does not render it unfit as a surrogate."); Notice of Final Determination of Sales at Less Than Fair Value: Bulk Aspirin From the People's Republic of China, 65 FR 33805 (May 25, 2000), and accompanying Issues and Decision Memorandum at Comment 4 ("Regarding the petitioner's arguments about capacity, we do not believe that size or capacity of the surrogate producer always poses a necessary consideration.").

Petitioner's argument is also unavailing because Sundram (which, as stated above, only produced comparable rather than identical merchandise), also produced and sold a large array of products not comparable to subject merchandise. For instance, Sundram's revenue from fastener sales constituted less than 50 percent of its revenues during the fiscal year. See Sundram financial statement at 61. A similar comparison based on production volumes is impossible, due to differing units of measure in Sundram's financial statement; nonetheless, it is clear that Sundram produced a variety of products, including, for instance, over 3.5 million pump assemblies. Id. Thus, Petitioner's arguments are incongruous. On the one hand, they contend that Nasco, Bansidhar, and J&K have dissimilar cost structures than that of Stanley Langfang, but are silent when the same can be said of Sundram. Petitioner also attempts to discredit the J&K financial statement by noting that it contains a line item called "Central Subsidy." As noted above, the Department will only disregard a financial statement if it contains evidence of a subsidy the Department has found to be countervailable. There is no further detail regarding this line item, and no record evidence at all that the Department has found it to be countervailable.

With regard to the other financial statements on the record, we note that Petitioner never suggested Infiniti as a surrogate financial company, and only included it to demonstrate its arguments regarding job work charges. As such, we are not considering it for the final results. We also find that Bansal, SAS, R.J. and Precise Alloys do not produce merchandise comparable to nails. These companies either produce only steel and other ferrous drawn wire (Bansal and Precise Alloys), or the types of products they produce are not explicitly stated in their financial statements (SAS and R.J.). Therefore, none of these companies is being considered as a surrogate financial company for the final results.

We find that Nasco, Bansidhar, and J&K have invested in equipment required to produce nails and use SWR similar to the mandatory respondent, whereas the other potential surrogate companies do not. As such, their financial ratios are more appropriate to use than those of companies that do not produce nails. We note that in using Nasco's statement, we have excluded

the "other income" line item from the ratios calculation, as the source of this income is unclear. The Department has previously addressed the treatment of this particular line item in Nasco's financial statement.[26] Thus, we will use the financial statements of Nasco, Bansidhar, and J&K for calculating surrogate financial ratios for the final results.

Comment 4: Steel Wire Rod Surrogate Value

Itochu et al.:

- The Department should use the Joint Plant Committee ("JPC") All-India import price data for valuing six millimeter ("6mm") SWR because they are more broad-based (i.e., they reflect daily transactions on an India-wide basis) than the JPC domestic price data used at the Preliminary Results.
- When using the JPC import price data, the Department should deduct customs duties of 25.575 percent, which apply to the HTS heading under which SWR enters.
- If the Department uses the JPC domestic data, it should not adjust the excise tax rates based on Petitioner's proffered arguments and evidence.

Petitioner:

- The Department should follow its practice of using the JPC domestic data as the Department has found they best satisfy its SV selection criteria.
- The Department should adjust the excise tax rates to reflect changes in the tax rate during the POR.

Department's Position:

We agree with Petitioner. Section 773(c)(1) of the Act directs the Department to use "the best available information" from the appropriate ME country to value FOPs. In selecting the most appropriate SVs, the Department considers several factors including whether the SV is: publicly available, contemporaneous with the POR, represents a broad market average, chosen from an approved surrogate country, are tax and duty-exclusive, and specific to the input.[27] Moreover, it is the Department's practice to carefully consider the available evidence in light of the particular facts of each industry when undertaking its analysis of valuing the FOPs on a case-by-case basis.[28] As there is no hierarchy for applying the above-mentioned principles, the Department must weigh available information with respect to each input value and make a product-specific and case-specific decision as to what the "best" available SV is for each input.[29]

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[26] See Certain Steel Threaded Rod from the People's Republic of China: Final Determination of Sales at Less Than Fair Value, 74 FR 8907 (February 27, 2009), and accompanying Issues and Decision Memorandum at Comment 1.

[27] See, e.g., First Administrative Review of Sodium Hexametaphosphate From the People's Republic of China: Final Results of the Antidumping Duty Administrative Review, 75 FR 64695 (October 20, 2010), and accompanying Issues and Decision Memorandum at Comment 3.

[28] See Certain Preserved Mushrooms from the People's Republic of China: Final Results and Final Partial Rescission of the Sixth Administrative Review, 71 FR 40477 (July 17, 2006), and accompanying Issues and Decision Memorandum at Comment 1 ("Mushrooms from the PRC"); see also Freshwater Crawfish Tail Meat from the People's Republic of China: Notice of Final Results of Antidumping Duty Administrative Review, and Final Partial Rescission of Antidumping Duty Administrative Review, 67 FR 19546 (April 22, 2002), and accompanying Issues and Decision Memorandum at Comment 2.

[29] See Mushrooms from the PRC.

We find that the JPC import price data are not the best available information because they do not identify the country-of-origin (unlike the import data from the Global Trade Atlas ("GTA") used to value other FOPs). Thus, the JPC import data may include imports from NME countries, countries with generally available export subsidies (Indonesia, South Korea, and Thailand), or countries with which India has free trade agreements (making a blanket 25.575 percent adjustment for customs duties problematic and inaccurate). In addition, record evidence is unclear how the JPC was able specifically to identify 6mm SWR import prices, as the Indian HTS category under which it enters includes many different sizes of SWR and bars.

Additionally, we note that the JPC domestic price data represent official data from the government of India, in that they represent national-level steel monitoring by a joint government/industry board. In past cases, we have found government publications to be reliable and credible sources of information.[30] Additionally, the price data reflect the overall market price and are maintained on a regular basis (i.e., the data represent bi-weekly price information collected by the JPC from the steel industry).[31] The Department finds that the JPC data are, therefore, representative of the Indian market, in that they contain data points for four different markets in India (Kolkata, Delhi, Mumbai and Chennai) covering bi-weekly price reports during the POR. As to Itochu et al.'s argument that the JPC import data reflect daily transactions while the JPC domestic data only reflect information on two days of each month (on the first and 15th days), we find that this contention is unsupported by the record. While the JPC domestic data may indeed be collected and published twice each month, there is no evidence at all that the data only reflect prices for those two days, rather than an average price for the entire two-week period.

While the Department commonly uses Indian import statistics to value inputs, we do not have a precedent of always choosing this one source over other sources. Rather, we seek to use the best available information for each input.[32] We find that the JPC domestic data, as used in the Preliminary Results (as well in the original investigation and a recent new shipper review in this same proceeding), represent the best available information on the record for valuing the SWR input because in addition to being a broad-market average as discussed above, the data are specific to the input in question, contemporaneous with the POR, publicly available via the JPC's website, and can be rendered tax- and duty-exclusive (see below), whereas the alternative data is fatally flawed as it does not identify the included countries. Accordingly, we will continue to use the JPC domestic data to value SWR in the final results.

Regarding the subsidiary issue of how to adjust correctly the JPC domestic data to render them tax-exclusive, we find that record evidence supports Petitioner's suggested revisions to the central excise tax rate. In the Preliminary Results, we adjusted the JPC domestic data to account for the four percent value added tax ("VAT") and the 16 percent central excise tax we applied in the original investigation. While Petitioner objected that there was insufficient evidentiary

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[30] Sebacic Acid From the People's Republic of China: Final Results of Antidumping Duty Administrative Review, 69 FR 75303 (December 16, 2004), and accompanying Issues and Decision Memorandum at Comment 1.
[31] Id.; http://www.jpcindiansteel.nic.in/.
[32] See Helical Spring Lock Washers From the People's Republic of China: Final Results of Antidumping Duty Administrative Review, 73 FR 4175 (January 24, 2008), and accompanying Issues and Decision Memorandum at Comment 2.

support for either rate, it has nevertheless suggested revising the central excise tax rate and implicitly accepted the four percent VAT rate in its proffered recalculation of the SWR SV. Specifically, Petitioner's October 5, 2010, SV submission contains Indian government publications that show that the 16 percent rate was not in effect during the source period of the JPC domestic data, and that the central excise tax rate was 14 percent at the beginning of the source period (February 2008), and was subsequently reduced twice, to 10 percent (on December 7, 2008), and then eight percent (on February 24, 2009). Itochu et al.'s argument that SWR in the JPC domestic data sold from March 1 through April 15, 2009, could have been sold out of stock previously cleared from the factory before the final rate reduction is based on supposition and not supported by record evidence. Thus, for the final results, the SV for SWR will be calculated to reflect the new tax rates based on their effective date of implantation according to Indian government publications.

Comment 5: Electricity SV

Petitioner

- For the final results, the Department should not value electricity using March 2008 data published by the Central Electricity Authority ("CEA") because they are not the most contemporaneous information on the record.
- The Department should use the CEA data it provided that were published on March 31, 2009, because they are more contemporaneous with the POR.

Itochu et al.

- The March 2008 CEA data are more contemporaneous with the POR than the March 2009 CEA data, as these data cover the majority of the POR, while the March 2009 data only cover four months of the POR.

Department's Position:

We have followed the SV selection as outlined above in Comment 4. In the case of electricity, after reviewing both the 2008 and 2009 CEA data, we have determined that both values are publicly available, from an approved surrogate country, specific to the input in question, and are broad-market averages. With respect to contemporaneity, we agree with Itochu et al. that the rates contained in the 2008 CEA data cover more of the POR than do those of the 2009 data, and are thus more contemporaneous. Therefore, for the final results of this review, we have continued to value electricity using CEA data from 2008 because they best satisfy the Department's SV selection criteria.

Comment 6: Other SVs

A. **Copper Coated Steel Welding Wire**

Stanley

- The Department should use Indian import data from the GTA for HTS 7217.30.20 "Wire, Iron or Non-Alloy Steel, Plated or Coated with Other Base Metals: Of a Thickness above 18 SWG but up to 26 SWG," instead of HTS 7229.90.16.[33]

[33] See Stanley's Resubmission of Comments and Clarification Regarding Surrogate Values Selected in the Preliminary Results, Exhibit 1, submitted November 1, 2010.

Petitioner

- The Department should reject Stanley's proffered HTS subheading 7217.30.20 and continue to value the HTS subheading 7229.90.16, "Wire of Alloy Steel, O/T Stainless, Copper Coated Wire, Not Insulated."

Department's Position:

We have followed the SV selection criteria as outlined above in Comment 4 for this and all SVs discussed below. We also find that Stanley's November 1, 2010, resubmission of SV information sufficiently removed any new factual information found in the original version. Based on record evidence, we find that HTS subheading 7729.90.16 best matches the FOP used by Stanley during the POR. After reviewing Stanley's alternative, we determine that HTS subheading 7217.30.20 is not a better match for the input in question as it could pertain to iron wire as opposed to steel wire, and the coating portion could be of a different metal than copper. Moreover, based on Stanley's own description,[34] we find that HTS subheading 7729.90.16 provides a more specific description of the steel welding wire input in question give that it is specific to steel wire coated with copper. The Department, hence, reaffirms that the description of "Wire of Alloy Steel, O/T Stainless, Copper Coated Wire, Not Insulated," under HTS subheading 7729.90.16, better represents the input in question, and accordingly, is the best available information.

B. **Coatings**

Stanley

- The Department should use Indian import data from the GTA for HTS 3906.90.10 "Acrylic Resins," instead of HTS 3204.17 "Synthetic Organic Pigments and Preparations Based Thereon."

Petitioner

- The Department should maintain its decision to use HTS subheading 3204.17.

Department's Position:

We do not agree with Stanley. After further evaluation of this alternative, we find that Stanley's argument is unsupported by record evidence. Stanley's own description of the coatings consumed in the production of subject merchandise details the types of colors used in the coatings as well as their general base material; nowhere is there a reference that they are made of acrylic resins.[35] Thus, the Department finds that the description of "Synthetic Organic Pigments and Preparations Based Thereon," under HTS subheading 3204.17, better represents the input in question and is thus the best available information.

C. **Glass Balls**

Stanley

- The Department should average HTS 7018.20.00 with HTS 7002.10.00 from the Indian import data in the GTA for the final results, as that would more accurately reflect the input it consumed.

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[34] See Stanley's Supplemental Section D Response, Exhibit SD-4, at 3, submitted June 2, 2010.

[35] See Stanley's Section D Response, at 21-22 and Exhibit D-5, submitted January 19, 2010.

Petitioner

- The Department should continue to use HTS subheading 7002.10.00, "Glass In Balls," as that represents the input Stanley reported in its FOP database and there is no evidence to support Stanley's proposed alternative.

Department's Position:

We do not agree with Stanley. After further evaluation of Stanley's alternative of weight-averaging both HTS subheading 7018.20.00 and HTS subheading 7002.10.00, the Department has concluded that this alternative is unsupported by record evidence. In the FOP database, Stanley reported to have consumed "Glass Balls,"[36] not the "Glass in Balls: Microspheres" under HTS subheading 7018.20.00. Therefore, the Department continues to find that "Glass in Balls: Other than Microspheres" better represents the input in question, as there is no evidence that Stanley used microspherical glass balls. The selection of HTS subheading 7002.10.00 is thus the best available information.

D. Sodium Hydroxide

Stanley

- The Department should use Indian import data from the GTA for HTS 2815.11.10 "Flakes of Sodium Hydroxide (NaOH), Solid," instead of HTS 2812.10.90, as that would more accurately reflect the input it consumed.

Petitioner

- The Department's decision to use HTS subheading 2812.10.90, "Other Chlorides & Chloride Oxides," should remain unchanged, as there is no evidence that Stanley's alternative better reflects the input in question.

Department's Position:

We agree with Stanley. We note that sodium hydroxide (caustic soda) solid flakes, is a more precise description of the input consumed by Stanley than HTS 2812.10.90, based on Stanley's description in its questionnaire responses.[37] Consequently, for the final results we will value sodium hydroxide using HTS subheading 2815.11.10 as submitted by Stanley as the best available information.

E. Sodium Sulfate

Stanley

- The Department should use domestic Indian prices from Chemical Weekly instead of HTS 2833.19.90, as they are a better match to the input in question.

Petitioner

- The Department should continue to use HTS subheading 2833.19.90, "Other Sodium Sulphates," as record evidence does not support the use of Stanley's alternative.

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[36] See id., at 32

[37] See Stanley's Second Supplemental Section C and D Response, Exhibit SD-57, submitted August 9, 2010.

Department's Position:
We agree with Petitioner. Based on the FOP descriptions that Stanley provided in its second supplemental section C and D response,[38] it is not clear that the anhydrous (non-water) sodium sulfate from Chemical Weekly provides more specificity to the input Stanley used than the more one covered by HTS subheading 2833.19.90, "Other Sodium Sulphates." Additionally, the Chemical Weekly data are not as contemporaneous with the POR (the data are only for January 22, 2008, through February 17, 2009), and do not represent a broad-market average, as Stanley only provided data from two chemical markets, Chennai and Bangalore, with the latter only having four data points at the beginning of the POR. Therefore, we will continue to value this input using Indian import data under HTS 2833.19.90 for these final results as the best available information.

F. Plastic Cores

Stanley

- The Department should use Indian import data from the GTA for HTS 3923.40.00 "Articles for the Conveyance or Packing of Goods, of Plastics: Spools, Cops, Bobbins and Similar Supports," instead of HTS 3917.21.10, as they are a better match to the input in question.

Petitioner

- The Department should continue to value HTS subheading 3917.21.10 "Tubes, Pipes and hoses, and fittings therefore (for example, joints, elbows, flanges), of plastics; Tubes, Pipes and Hoses, Rigid: of Polymers of Ethlyene: Tubes of Polyethylene," instead of HTS subheading 3923.40.00 proffered by Stanley, as there is no record support for the alternative.[39]

Department's Position:
We agree with Stanley. Based on a plain reading of the HTS description for the two categories in question, we determine that Stanley's alternative is more specific to the input in question, as the plastic cores in question are used as a packing material.[40] Hence, for the final results we will value this input using HTS subheading 3923.40.00, which is described above, to value plastic cores as the best available information.

G. Labels

Stanley

- The Department should use Indian import data from the GTA for HTS 4821.10.20 "Paper or Paperboard Labels of all Kinds, Whether or not Printed: Printed: Labels," instead of HTS 4821.90.10, as they are a better match to the input in question.

[38] See id.
[39] See Stanley's Resubmission of Comments and Clarification Regarding Surrogate Values Selected in the Preliminary Results, Exhibit 6, submitted November 1, 2010.
[40] See Stanley's Section D Response at 54, and Exhibit D-5, at 9.

Petitioner

- The Department should continue to value labels using HTS subheading 4821.90.10 "Paper Labels of All Kinds, Not Printed, Labels," instead of Stanley's proffered subheading HTS 4821.10.20, as there is no record support for the alternative.[41]

Department's Position:
We agree with Stanley. Based on Stanley's description of the input in question, we find that its proposed alternative SV is more accurate and better represents the label input reported by Stanley, which appear to consist of printed labels.[42] Accordingly, we will use HTS 4821.10.20 in our final results as the best available information.

H. Shrink Film

Stanley

- The Department should use Indian import data from the GTA for HTS 3920.10.12 instead of HTS 3920.10.19, as they are a better match to the input in question.

Petitioner

- The Department should continue value HTS subheading 3920.10.19, instead of HTS subheading 3920.10.12 submitted by Stanley, as there is no record support for the alternative.

Department's Position:
We agree with Stanley. Based on further evaluation of HTS subheading 3920.10.19, "Other Plates, Sheets, Film, Foil and Strip, of Plastics, Non-Cellular and not reinforced: Of Polymers of Ethylene: Sheets of Polyethylene: Other," the Department determines that Stanley's alternative[43] better represents the input in question.[44] Consequently, we will value shrink film using HTS subheading 3920.10.12, "Sheets of Polyethylene: Plain, Flexible Polyethylene Film," for the final results as the best available information.

I. Borax

Stanley

- The Department should use Indian import data from the GTA for HTS 2840.19.00, "Borates; Peroxoborates: Disodium Tetraborate (Refined Borax): Other,"[45] instead of HTS 2810.00.20, as they are a better match to the input in question.

Petitioner

- The Department should continue to value subheading HTS 2810.00.20, "Boric Acid," as there is no record support for the alternative.

Department's Position:
We agree with Stanley. The Department notes that, based on record evidence, Stanley's

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[41] See Stanley's Resubmission of Comments and Clarification Regarding Surrogate Values Selected in the Preliminary Results, Exhibit 7, submitted November 1, 2010.
[42] See Stanley's Section D Response at 43.
[43] See id. at Exhibit 8.
[44] See Stanley's Section D Response, Exhibit D-5, at 11.
[45] See Stanley's Resubmission of Comments and Clarification Regarding Surrogate Values Selected in the Preliminary Results, Exhibit 9, submitted November 1, 2010.

suggested HTS category, "Borates; Peroxoborates: Disodium Tetraborat (Refined Borax): Other", appears to be more specific to Stanley's reported FOP, "Borax Powder,"[46] than "Boric Acid," as the former refers specifically to "borax" whereas the latter does not. Thus, we will value this input using HTS subheading 2840.19.00 for the final results as the best available information.

J. Cardboard Trays

Stanley

- The Department's determination of utilizing Indian import data from the GTA for HTS subheading 4808.10.00 for cardboard trays should remain unchanged, as it best reflects the input in question.

Petitioner

- The Department's determination to value HTS subheading 4848.10.00 is inappropriate. Instead, Petitioner contends that the Department should utilize either of the two SVs proffered by Petitioner. These two Indian HTS subheadings are for paper trays, classifiable under 4823.70.10, and for paperboard boxes and cartons, classifiable under 4819.10, which would better reflect the trays used by Stanley.

Department's Position:

We agree with Stanley. We find no record evidence to suggest that Petitioner's proposed alternative SVs are more accurate. Based on a plain reading of the HTS description for the three categories in question, HTS subheading 4808.10.00 appears to be a better match for the trays reported by Stanley. Additionally, Stanley reported that its trays consist of corrugated cardboard pads (as noted at verification),[47] which are not the types of more sophisticated paper or cardboard products contained in the two categories suggested by Petitioner.[48] Hence, we find that HTS subheading 4808.10.00 is the best available information, and the Department's selection of HTS subheading 4808.10.00 remains unchanged for the final results.

Comment 7: Zeroing

Stanley

- The Department recently announced its intent to discontinue the "zeroing" methodology for calculating non-dumped sales and implement the "offset" methodology after the final results of this review.[49]
- The Department should follow the WTO dispute-settlement reports ("WTO reports"), which find the denial of offsets by the United States to be inconsistent with its obligations.
- The Department should implement the "offset" methodology in this review because: 1) the Department has the authority to change its calculation methodology at any time; 2) the

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[46] See Stanley's Minor Corrections Related to the FOP Reconciliations Previously Submitted by Stanley, Exhibit SD-47, at 2, submitted July 12, 2010.

[47] See Stanley's Post-Verification Rebuttal Brief, at 29-31, submitted January 26, 2011; see also Stanley's Supplemental Section D Response, Exhibit SD-4, submitted June 2, 2010.

[48] See Petitioner's Case Brief, at 54, submitted January 20, 2011.

[49] See Antidumping Proceedings: Calculation of the Weighted Average Dumping Margin and Assessment Rate in Certain Antidumping Duty Proceeding, 75 FR 81533 (December 28, 2010) ("Antidumping Proceedings").

stipulations from the Antidumping Proceedings regarding zeroing are irrelevant to this review; 3) the Department has an obligation to calculate Stanley's margin as accurately as possible; and 4) applying the "zeroing" methodology when calculating Stanley's margin is unfair.

Petitioner

- The Department must reject Stanley's request because: 1) the date to discontinue the "zeroing" methodology is specifically stated in the Antidumping Proceedings; and 2) the Department has not yet finalized a new margin calculation methodology.

Department's Position:

We disagree with Stanley and, for the final results, will not apply the offset methodology. Section 771(35)(A) of the Act defines "dumping margin" as the "amount by which the normal value ("NV") exceeds the export price or constructed export price of the subject merchandise." Outside the context of antidumping ("AD") investigations involving average-to-average comparisons, the Department interprets this statutory definition to mean that a dumping margin exists only when NV is greater than export price ("EP") or constructed export price ("CEP"). As no dumping margins exist with respect to sales where NV is equal to or less than EP or CEP, the Department will not permit these non-dumped sales to offset the amount of dumping found with respect to other sales. The CAFC has held that this is a reasonable interpretation of the statute.[50]

Section 771(35)(B) of the Act defines weighted-average dumping margin as "the percentage determined by dividing the aggregate dumping margins determined for a specific exporter or producer by the aggregate export prices and constructed export prices of such exporter or producer." The Department applies these sections by aggregating all individual dumping margins, each of which is determined by the amount by which NV exceeds EP or CEP, and dividing this amount by the value of all sales.

The use of the term aggregate dumping margins in section 771(35)(B) of the Act is consistent with the Department's interpretation of the singular "dumping margin" in section 771(35)(A) of the Act as applied on a comparison-specific level and not on an aggregate basis. At no stage of the process is the amount by which EP or CEP exceeds the NV permitted to offset or cancel out the dumping margins found on other sales.

This does not mean that non-dumped sales are disregarded in calculating the weighted-average dumping margin. It is important to note that the weighted-average margin will reflect any non-dumped merchandise examined during the POR: the value of such sales is included in the denominator of the weighted-average dumping margin, while no dumping amount for non-dumped merchandise is included in the numerator. Thus, a greater amount of non-dumped merchandise results in a lower weighted-average margin.

The CAFC explained in Timken that denial of offsets is a "reasonable statutory interpretation given that it legitimately combats the problem of masked dumping, wherein certain profitable

[50] See, e.g., Timken Co. v. U.S., 354 F.3d 1334, 1342 (Fed. Cir. 2004) ("Timken"); Corus Staal BV v. Department of Commerce, 395 F.3d 1343, 1347-49 (Fed. Cir. 2005), cert. denied 126 S. Ct. 1023, 163 L. Ed. 2d 853 (Jan. 9, 2006) ("Corus I").

sales serve to mask sales at less than fair value."[51] As reflected in that opinion, the issue of so-called masked dumping was part of the policy reason for interpreting the statute in the manner interpreted by the Department. No U.S. court has required the Department to demonstrate "masked dumping" before it is entitled to invoke this interpretation of the statute and deny offsets to dumped sales.[52]

Stanley cited the WTO reports finding the denial of offsets by the United States to be inconsistent with the WTO Antidumping Duty Agreements ("WTO Agreements"). As an initial matter, the CAFC has held that WTO reports are without effect under U.S. law, "unless and until such a {report} has been adopted pursuant to the specified statutory scheme" established in the Uruguay Round Agreements Act ("URAA").[53] Congress has adopted an explicit statutory scheme in the URAA for addressing the implementation of WTO reports. See 19 U.S.C. 3538. As is clear from the discretionary nature of this scheme, Congress did not intend for WTO reports to automatically trump the exercise of the Department's discretion in applying the statute. See 19 U.S.C. 3538(b)(4) (implementation of WTO reports is discretionary). Moreover, as part of the URAA process, Congress has provided a procedure through which the Department may change a regulation or practice in response to WTO reports.[54] With regard to the denial of offsets in administrative reviews, the United States has not employed this statutory procedure.

With respect to United States-Laws, Regulations and Methodology for Calculating Dumping Margins (Zeroing), WT/DS294/AB/R (April 18, 2006), the Department has modified its calculation of weighted-average dumping margins when using average-to-average comparisons in antidumping investigations. See Zeroing Notice. In doing so, the Department declined to adopt any other modifications concerning any other methodology or type of proceeding, such as administrative reviews.[55] Therefore, in the event that any of the export transactions examined in this review are found to exceed NV, the amount by which the price exceeds NV will not offset the dumping found in respect of other transactions.

Regarding Stanley's argument that we should follow our statements in Antidumping Proceedings, we note that, in Antidumping Proceedings, the United States has initiated the process set forth in section 123 of the URAA for responding to WTO reports cited by Stanley. Section 123(g) of the URAA specifies that the regulation or practice that the WTO panel or Appellate Body has found inconsistent with the WTO Agreements "may not be amended, rescinded, or otherwise modified . . . unless and until" the elaborate procedures detailed in the subsection have been complied with. 19 U.S.C. 3533(g)(1). The statute requires the United States Trade Representative to consult with the appropriate congressional committees, agency and department heads, and private sector advisory committees, and to provide an opportunity for public comments, before determining whether or how to respond to a WTO report. See 19 U.S.C. 3533(g)(1)(A)-(E). In addition to these requirements, Congress provided that no regulation or

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[51] See Timken, 354 F.3d at 1343.

[52] See, e.g., Timken, 354 F.3d at 1343; Corus I, 395 F.3d 1343; Corus Staal BV v. U.S., 502 F.3d 1370, 1375 (Fed. Cir. 2007) ("Corus II"); and NSK Ltd. v. U.S., 510 F.3d 1375 (Fed. Cir. 2007) ("NSK").

[53] See Corus I, 395 F.3d at 1347-49; accord Corus II, 502 F.3d at 1375; NSK, 510 F.3d 1375.

[54] See 19 U.S.C. 3533(g); see, e.g., Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin During an Antidumping Investigation; Final Modification, 71 FR 77722 (December 27, 2006) ("Zeroing Notice").

[55] See id., 71 FR at 77724.

practice may be amended, rescinded or otherwise modified unless and until, the final rule or other modification has been published in the Federal Register. 19 U.S.C. 3533(g)(1)(F). Accordingly, the United States is responding to the WTO reports pursuant to a specific statutory process under section 123 of the URAA. The Department therefore declines Stanley's invitation in the context of this administrative review to short-circuit or otherwise prejudge the outcome of that statutory process.

Company-Specific Issues

Separate Rate Respondents

Comment 8: Rate for Separate Rate Respondents

Stanley

- The Department should continue to calculate the rate for Separate Rate Respondents by weight-averaging Shandong Minmetal's margin rate with Stanley's margin rate because Stanley: 1) has been a mandatory respondent from the beginning of this review; and 2) is competitively different from Separate Rate Respondents.
- Using the rate of the only cooperative mandatory respondent to calculate the separate rate margin will not deter parties in similar cases from withdrawing from reviews late in the process.
- Notes that in past cases[56] the Department has included both de minimis and AFA margins in calculating the rate for separate rate respondents.

Itochu et al./Nanjing Yuechang

- The Department should follow its normal practice and assign Stanley's calculated margin rate to Separate Rate Respondents.

Petitioner

- Agrees with Stanley, arguing that the inclusion of Shandong Minmetal's margin would make the separate rate more reflective of the steel nails industry in the PRC.

Department's Position:

In the Preliminary Results, we included the rate for Shandong Minmetal, who at the time was a cooperating respondent, in the calculation of the antidumping duty for Separate Rate Respondents. However, as described in Comment 13 below, Shandong Minmetal will now be assigned the PRC-wide rate, which is based on total AFA. When calculating a separate rate for non-individually reviewed respondents, the Department will base this rate on the estimated weighted-average dumping margins established for the individually examined respondents, excluding de minimis margins or margins based entirely on AFA.[57]

[56] See Brake Rotors From the People's Republic of China: Final Results and Partial Rescission of the 2004/2005 Administrative Review and Notice of Rescission of 2004/2005 New Shipper Review, 71 FR 66304 (November 14, 2006).

[57] See section 735(c)(5)(A) of the Act.

The Department encountered a similar fact pattern in the fourth administrative review of certain frozen fish fillets from Vietnam.[58] In that case, the Department assigned the margin of the lone mandatory respondent to the separate-rate companies. Similarly, for these final results, because we find that Shandong Minmetals is not entitled to a separate rate, we will base the separate-rate margin on that of the sole remaining individually reviewed respondent, Stanley.

CPI
Comment 9: Entries Incorrectly Attributed to CPI

Petitioner
- The Department should instruct U.S. Customs and Border Protection ("CBP") to assign the PRC-wide rate to entries made using the combination rate codes ("combination rates") assigned to CPI and its unaffiliated producers.
- The Department already determined that CPI did not export subject merchandise during the POR. Therefore, entries made using CPI's combination rates were unlawful.
- Exporters deliberately used CPI's combination rates to take advantage of its cash deposit rate.
- Because the importers of these entries did not identify the correct exporter, they violated section 592 of the Act and the Department should refer the issue to CBP for further analysis.

Itochu et al.
- The Department should direct CBP to liquidate entries of subject merchandise entered using CPI's combination rates at the same rate applicable to subject merchandise entered using only the unaffiliated producer's code.
- The Department should modify the liquidation instructions to include the specific rate for the exporter of subject merchandise as well as the combination rate for CPI and its unaffiliated producer.
- The Department should reject Petitioner's suggestions to either: 1) assign the PRC-wide rate to entries made using CPI's combination rates; and 2) refer the issue to CBP for further analysis, stating exporters did not deliberately use CPI's combination rates.

Department's Position:
We agree with Itochu et al., in part. The Department notes that CPI had 23 combination rates assigned to it involving 23 PRC producers and itself as the exporter. For the purposes of responding to this issue, these 23 combinations can be divided into two groups, 13 combinations where record evidence has been presented in the course of this review that the 13 Chinese producers involved in the combination had knowledge that the sales they made to CPI, a Taiwanese reseller, were destined for the United States, and 10 other combinations. With respect to the 13 producers with knowledge, the Department notes that these 13 unaffiliated suppliers will be liquidated at the separate rate they earned either in the investigation or in this review, as applicable. The Department's Preliminary Rescission Memo[59] noted that:

[58] See Certain Frozen Fish Fillets From the Socialist Republic of Vietnam: Final Results of the Antidumping Duty Administrative Review and New Shipper Reviews, 74 FR 11349 (March 17, 2009).
[59] See Memorandum to James C. Doyle, Director, Office 9, through Alex Villanueva, Program Manager, from Matthew Renkey, Senior Analyst, and Emeka Chukwudebe, Case Analyst, "First Administrative Review of Certain

> . . .we find that the vast majority of entries attributed to CPI should instead be considered as entries from the 13 unaffiliated producers that CPI acknowledged using during POR. Based on an examination of CBP entry documents, we further find that the small percentage of entries attributed to CPI, but not from one of these 13 producers, did not in fact pertain to the CPI combination rate under which they entered.

For the entries from the 10 combinations that CPI did not acknowledge using during the POR, we will instruct CBP to assess AD duties at the rate in effect at the time of entry. As there is record evidence that some entries may have been classified under the incorrect combination rate, we will also refer the issue to CBP for further consideration.

Tengyu and Curvet
Comment 10: Rate for Final Results

Tengyu and Curvet

- The Department improperly rejected Tengyu's and Curvet's separate rate certifications ("SRCs").
- The Department should accept their SRCs because: 1) Tengyu and Curvet filed their SRCs with the Department; 2) Tengyu and Curvet did not receive actual notice of the initiation of the review; 3) the Department had time and resources to review Tengyu's and Curvet's SRCs; 4) Tengyu's and Curvet's SRCs are equivalent to a Section A response which, as a voluntary respondent, would have been due on the same date as Shandong Minmetal's Section A questionnaire response (March 18, 2010); 5) Tengyu and Curvet qualified for the separate rate in the prior proceeding; and 6) Tengyu and Curvet did not have counsel during the time of the initiation of this review.
- The Department did not reject improperly or untimely filed submissions in other proceedings where the interested party can provide evidence of non-receipt of documents. [60]
- Alternatively, the Department should assign them a rate based on neutral facts available using rates calculated for the Separate Rate Respondents in this review.

Petitioner

- The Department should continue to treat Tengyu and Curvet as part of the PRC-wide entity stating: 1) Tengyu and Curvet had sufficient notice of the Department's practice of statuary deadlines; 2) Tengyu's and Curvet's late filing of their SRCs is prejudicial to both the Department and Petitioner; 3) Tengyu's and Curvet's SRC cannot be considered voluntary

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Steel Nails from the Peoples' Republic of China ("PRC"): Partial Rescission of the First Antidumping Duty Administrative Review," dated September 7, 2010 ("Preliminary Rescission Memo") at 3-5.

[60] Citing Certain Frozen Warmwater Shrimp from India: Final Results and Partial Rescission of Antidumping Duty Administrative Review, 72 FR 52055 (September 12, 2007) ("Shrimp from India"), and accompanying Issues and Decision Memorandum at Comment 10; Certain Steel Concrete Reinforcing Bars From Turkey; Final Results and Rescission of Antidumping Duty Administrative Review in Part,71 FR 65082 (November 7, 2006) ("Steel Concrete from Turkey"), and accompanying Issues and Decision Memorandum at Comment 22; Final Results and Final Partial Rescission of Antidumping Duty Administrative Review: Silicon Metal From the People's Republic of China, 73 FR 46587 (August 11, 2008) ("Silicon Metal from the PRC"), and accompanying Issues and Decision Memorandum at Comment 2.

responses; 4) Tengyu's and Curvet's status in the prior proceeding is irrelevant to this review; and 5) Tengyu's and Curvet's efforts to comply with the Department's regulations are also irrelevant.

- Because Tengyu and Curvet did not submit their SRCs by the deadline stipulated in the Initiation Notice[61] and failed to cooperate to the best of their ability, assigning Tengyu and Curvet a separate rate based on neutral facts available would be contrary to the Department's policy.

Department's Position:
We agree with Petitioner and, for the final results, continue to consider Tengyu and Curvet part of the PRC-wide entity. 19 CFR 351.302(d) addresses untimely filed submissions and states that, unless an applicable time limit is extended, the Department will not consider or retain on the record, untimely filed factual information.[62]

In this case, the Initiation Notice for this administrative review clearly stated that SRCs must be submitted to the Department no later than 30 calendar days after publication of the Initiation Notice (i.e., October 22, 2009).[63] However, Tengyu and Curvet submitted their SRCs 147 days past the original due date. Therefore, pursuant to 19 CFR 351.302(d), for the final results, we have continued to reject Tengyu's and Curvet's SRCs and consider them to be part of the PRC-wide entity. Specifically, we have determined that it was Tengyu's and Curvet's responsibility to notify the Department that they were having difficulty in filing their SRCs. Furthermore, we note that Tengyu and Curvet did not request an extension of the deadline to file their responses.

With respect to Shrimp from India, Steel Concrete from Turkey, and Silicon Metal from the PRC, the specific facts and circumstances in those cases do not exist in this case. Specifically, in those cases, the respondents were either: 1) submitting information to clarify other information that had been filed previously in a timely manner; or 2) did not receive a request for information issued directly by the Department. Therefore, for the final results, we continue to reject Tengyu's and Curvet's SRCs as untimely and consider them to be part of the PRC-wide entity.

Rizhao and Wuxi Qiangye
Comment 11: Rate for Final Results

Petitioner

- After the Preliminary Results, the Department determined that Rizhao and Wuxi Qiangye should not have been considered part of its separate rate analysis because neither company filed a separate rate application or certification.[64]
- The Department should consider Rizhao and Wuxi Qiangye part of the PRC-wide entity for the final results.

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[61] See Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part, 74 FR 48224 (September 22, 2009) ("Initiation Notice").
[62] See 19 CFR 351.302(d).
[63] See Initiation Notice.
[64] See Memorandum for Susan H. Kuhbach Acting Deputy Assistant Secretary from James C. Doyle, Director, Office 9, First Administrative Review of Certain Steel Nails from the People's Republic of China ("PRC"): Petitioner's Withdrawal Request for Certain Companies, dated October 21, 2010, ("Withdrawal Memo").

No other party commented on this issue.

Department's Position:
We agree with Petitioner. In the Preliminary Results, we improperly included Rizhao and Wuxi Qiangye on the list of the companies to which we assigned a separate rate. This inclusion was improper because neither company: 1) submitted a separate rate application or certification; 2) submitted no-shipment documentation; or 3) participated in this review. Therefore, for the final results, we have considered Rizhao and Wuxi Qiangye part of the PRC-wide entity.

Chiieh Yung, Jisco, and Koram Panagene
Comment 12: Withdrawal of Review Request

Petitioner
- The Department should reconsider its October 21, 2010, decision declining Petitioner's request to rescind the review with respect to Chiieh Yung, Jisco, and Koram Panagene, and rescind the review for these companies.
- In past cases, the Department has granted parties' request to withdraw from a review.[65]
- After the deadline for mandatory withdrawal, the Department had not expended time and effort in reviewing these companies.
- Finally, as none of these companies were mandatory respondents or requested a review, its withdrawal request with respect to these companies is appropriate.

Itochu et al.
- The Department should reject Petitioner's request to rescind the review with respect to Koram Panagene because Petitioner's request occurred after both: 1) the extended deadline set by the Department; and 2) the Preliminary Results.

Department's Position:
We disagree with Petitioner and, for the final results, continue to consider Chiieh Yung, Jisco, and Koram Panagene part of the administrative review. As stated in the Withdrawal Memo, the Department's practice when considering whether to grant an interested party's request for withdrawal of review is to consider: 1) the timing of the request for withdrawal; and 2) the significant resources already expended in conducting the review.[66] In this case, Petitioner submitted its withdrawal request 213 days after the extended deadline established by the Department and after the Preliminary Results. Furthermore, we had already expended significant

[65] Citing Potassium Permanganate From the People's Republic of China: Termination of Antidumping Duty Administrative Review, 59 FR 46035 (September 6, 1994) ("Potassium Permanganate from the PRC"); Freshwater Crawfish Tail Meat from the People's Republic of China: Notice of Final Results of Antidumping Duty Administrative Review, and Final Rescission of Review, in Part, 69 FR 61636 (October 20, 2004) ("Freshwater Crawfish from the PRC").
[66] See, e.g., Wooden Bedroom Furniture From the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review, Preliminary Results of New Shipper Review and Partial Rescission of Administrative Review, 73 FR 8273, 8276 (February 13, 2008) (unchanged in Wooden Bedroom Furniture from the People's Republic of China: Final Results of Antidumping Duty Administrative Review and New Shipper Review, 73 FR 49162 (August 20, 2008)).

time and resources in our analysis of these three companies.[67] Therefore, for the final results, we continue to consider Chiieh Yung, Jisco and Koram Panagene part of the administrative review.

Shandong Minmetal

Comment 13: Application of Total Adverse Facts Available ("AFA")

Petitioner

- The Department should apply total AFA to Shandong Minmetal because Shandong Minmetal failed to: 1) provide detailed responses to the Department's original and supplemental questionnaires; and 2) permit the Department to verify its information on the record.
- As total AFA, the Department should deny Shandong Minmetal's separate-rate status and assign Shandong Minmetal the PRC-wide rate of 118.04 percent.

No other party commented on this issue.

Department's Position:

We agree with Petitioner. Pursuant to section 776(a) of the Act, the Department has determined that the application of facts available is warranted for Shandong Minmetal. Furthermore, pursuant to section 776(b) of the Act, for the final results, the Department finds that an adverse inference is appropriate and thereby considers Shandong Minmetal part of the PRC-wide entity.

Section 776(a) of the Act provides that, if an interested party: (A) withholds information requested by the Department, (B) fails to provide information within the deadlines established, or in the form and manner requested by the Department, subject to subsections (c)(1) and (e) of section 782 of the Act, (C) significantly impedes a proceeding, or (D) provides information that cannot be verified, the Department shall use, subject to section 782(d) of the Act, facts otherwise available in reaching the applicable determination. Section 776(b) of the Act authorizes the Department to use an adverse inference with respect to an interested party if the Department finds that the party failed to cooperate by not acting to the best of its ability to comply with a request for information. Specifically, the statute directs the Department to rely on information derived from: 1) the petition, 2) the final determination in the investigation, (3) any previous review or determination, or (4) any information placed on the record.

In the Preliminary Results, we calculated an AD margin for Shandong Minmetal based on its submitted information.[68] On September 29, 2010, we sent a supplemental questionnaire to Shandong Minmetal, and on October 5, 2010, we notified Shandong Minmetal of our intent to verify its questionnaire responses.[69] On October 12, 2010, Shandong Minmetal withdrew from the review prior to verification and refused to allow the Department to verify the information it submitted in this proceeding.[70] By not responding to the Department's supplemental questionnaire and informing the Department that it would no longer participate in the

[67] For a further discussion of this issue, see Withdrawal Memo.
[68] See Preliminary Results.
[69] See letter to interested parties re. Briefing Schedule for First Administrative Review of Certain Steel Nails from the People's Republic of China, dated October 5, 2010.
[70] See letter from Shanghai Yuet Fai Commercial Consulting Co., Ltd. ("Shandong Minmetal Letter") dated October 12, 2010.

administrative review, we have determined that Shandong Minmetal: 1) withheld requested information; 2) failed to produce the requested information in a timely manner; 3) significantly impeded the proceeding; and 4) did not allow for verification of the data used to calculate the margin in the Preliminary Results. Therefore, pursuant to sections 776(a)(2)(A)-(D) of the Act, for the final results, we have determined that the use of facts otherwise available is warranted in determining the margin for Shandong Minmetal.

In addition, by preventing the Department from verifying the accuracy of the information submitted on the record when it chose to no longer participate in the administrative review, we find that Shandong Minmetal has failed to cooperate to the best of its ability, pursuant to section 776(b) of the Act. Further, by refusing to allow verification of the accuracy of its submitted information, the Department cannot determine the reliability of Shandong Minmetal's separate-rate information. Thus, as an adverse inference, we find that Shandong Minmetal does not qualify for a separate rate, and we will consider it part of the PRC-wide entity for the final results. The Department notes that it preliminarily determined that the PRC-wide entity failed to cooperate in this review and assigned the PRC-wide entity an AFA margin of 118.04 percent.[71]

Section 776(c) of the Act requires that where the Department relies on secondary information, the Department corroborate, to the extent practicable, a figure which it applies as AFA. To be considered corroborated, information must be found to be both reliable and relevant. As noted above, we are applying as AFA the highest rate from any segment of this proceeding, which is the rate currently applicable to all exporters subject to the PRC-wide rate. The AFA rate in the current review (i.e., the PRC-wide rate of 118.04 percent) represents the highest rate from the petition in the original investigation.

For purposes of corroboration, the Department will consider whether that margin is both reliable and relevant. The AFA rate we are applying for the current review was corroborated in the original investigation.[72] Moreover, no information has been presented in the current review that calls into question the reliability of this information.

With respect to the relevance aspect of corroboration, the Department will consider information reasonably at its disposal to determine whether a margin continues to have relevance. Where circumstances indicate that the selected margin is not appropriate as AFA, the Department will disregard the margin and determine an appropriate margin. For example, in Fresh Cut Flowers from Mexico; Final Results of Antidumping Administrative Review, 61 FR 6812, 6814 (February 22, 1996), the Department disregarded the highest margin in that case as best information available (the predecessor to adverse facts available) because the margin was based on another company's uncharacteristic business expense resulting in an unusually high margin. The information used in calculating this margin was based on sales and production data submitted by the petitioner in the LTFV investigation, together with the most appropriate surrogate value information available to the Department chosen from submissions by the parties in the LTFV investigation. Furthermore, the calculation of this margin was subject to comment from interested parties in the proceeding after this margin was selected in calculating the rate for

[71] See Preliminary Results.

[72] See Certain Steel Nails from the People's Republic of China: Final Determination of Sales at Less Than Fair Value and Partial Affirmative Determination of Critical Circumstances, 73 FR 33977 (June 16, 2008).

the PRC-wide entity in the investigation's preliminary determination.[73] As there is no information on the record of this review that demonstrates that this rate is not appropriate for use as AFA, we determine that this rate continues to have relevance.

As the 118.04 percent rate is both reliable and relevant, we determine that it has probative value and is corroborated to the extent practicable, in accordance with section 776(c) of the Act. Therefore, we have assigned this AFA rate to exports of the subject merchandise by the PRC-wide entity. Therefore, pursuant to section 776(b) of the Act, as part of the PRC-wide entity, this rate is also applicable to Shandong Minmetal.[74]

Yitian Nanjing
Comment 14: PRC-Wide Rate

Petitioner

- The Department should continue to apply the PRC-wide rate to Yitian Nanjing because the company: 1) did not file a separate rate application or SRC; and 2) failed to respond to the Department's questionnaire relating to its claim of no shipments during the POR.

No other party commented on this issue.

Department's Position:
We agree with Petitioner. Because Yitian Nanjing did not file a separate rate application or SRC, and refused to respond to the Department's questionnaire, for the final results, Yitian Nanjing will continue to be part of the PRC-wide entity.

Yitian Nanjing originally reported that it had no shipments of subject merchandise during the POR. However, as the Department stated in the Preliminary Results, CBP entry documentation indicates that Yitian Nanjing did make shipments of subject merchandise to the United States during the POR.[75] As Yitian Nanjing did not file a separate rate application or certification, the Department considered it part of the PRC-wide entity for the Preliminary Results. However, the Department also stated that it would provide Yitian Nanjing with an opportunity to address the CBP entry documentation in a post-preliminary supplemental questionnaire.[76] Subsequently, on October 7, 2010, the Department issued a supplemental questionnaire to Yitian Nanjing and also granted it an extension to respond to the supplemental questionnaire. However, on October 20, 2010, counsel for the company confirmed that Yitian Nanjing did not submit a response to the Department's supplemental questionnaire.[77] Because Yitian Nanjing did not respond to the

[73] See Certain Steel Nails From the People's Republic of China: Preliminary Determination of Sales at Less Than Fair Value and Partial Affirmative Determination of Critical Circumstances and Postponement of Final Determination, 73 FR 3928 (January 23, 2008).
[74] See, e.g., Freshwater Crawfish Tail Meat From the People's Republic of China: Final Results of Administrative Antidumping Duty and New Shipper Reviews, and Final Rescission of New Shipper Review, 65 FR 20948 (April 19, 2000), and accompanying Issues and Decision Memorandum at Comment 1.
[75] See Preliminary Results.
[76] See id.
[77] See Shandong Minmetal Letter.

Department's request for information, for the final results, we continue to consider Yitian Nanjing part of the PRC-wide entity.[78]

Tianjin Shenyuan and Shaoxing Chengye
Comment 15: Correction of Company Names

Itochu et al.

- The Department misspelled their names in the Preliminary Results as "Shaoxing Chengye Metal Production Co., Ltd" and "Shenyuan Steel Production Group Co., Ltd."[79] and requests the Department correct the spelling of their names in the final results.

No other party commented on this issue.

Department's Position:
We agree with Itochu et al., and for the final results we have corrected the names of both companies.

Oriental Cherry Group
Comment 16: Rate for Final Results

Oriental Cherry Group

- It is unfair for the separate rate participants still remaining in this review to receive a lower rate than the rescinded exporters.[80]
- The Department should apply the same rate to Huanghua Jinhai Metal Products, Co., Ltd. and Huanghua Jinhai Hardware Products Co., Ltd. because they are related companies.
- The Department should apply the same rate to Qingdao Jisco Co., Ltd. and Jisco Corporation because they too are related companies.

No other party commented on this issue.

Department's Position:
We disagree with Oriental Cherry Group. First, those companies for which the Department rescinded the review had an opportunity to request a review on their own,[81] but did not do so. Thus, once the review requests for those companies were withdrawn, the Department had no active review requests for them and rescinded the review,[82] and entries would be liquidated at the rate in effect at the time of entry. Those companies that remain in the review are subject to the results of that review, and may receive a rate higher or lower than the rates of the rescinded companies. Any arguments based on a comparison of the rates between the rescinded companies and the rates received by the companies remaining in the review is therefore improper, given the

[78] See, e.g., Wooden Bedroom Furniture From the People's Republic of China: Final Results and Final Rescission in Part, 75 FR 50992 (August 18, 2010), and accompanying Issues and Decision Memorandum at Comment 33.
[79] See Preliminary Results.
[80] See Certain Steel Nails from the People's Republic of China: Notice of Partial Rescission of the First Antidumping Duty Administrative Review, 75 FR 43149 (July 23, 2010) ("Partial Rescission Notice").
[81] See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity To Request Administrative Review, 74 FR 38397 (August 3, 2009).
[82] See Partial Rescission Notice.

timing and procedure for conducting and rescinding an administrative review in the Department's proceedings. Second, Oriental Cherry Group has provided no evidence that Huanghua Jinhai Metal Products, Co., Ltd. and Huanghua Jinhai Hardware Products Co., Ltd. should receive the same antidumping duty rate, other than an unsupported statement that they are related companies. Absent such record evidence, the Department will continue to treat these two companies separately. With respect to Qingdao Jisco Co., Ltd. and Jisco Corporation, we similarly find that there is no record evidence demonstrating that these companies are related, beyond the assertions made by Oriental Cherry Group. Absent such evidence, we will continue to treat Qingdao Jisco Co., Ltd. and Jisco Corporation as separate companies.

Stanley

Comment 17: Application of Total or Partial AFA[83]

Total AFA

Petitioner

- Stanley attempted to submit an entirely new FOP database at the outset of verification, and thus withheld data from the Department until late in the proceeding.
- Stanley did not provide FOP data for certain of its unaffiliated wire-drawing subcontractors, which provided a certain percentage of the total drawn wire Stanley used.

Stanley

- Its proposed revisions to its FOP data at verification were limited to how to best calculate the usage for certain FOPs, and the Department noted that the total usage amounts were not significantly different.
- It attempted numerous times to obtain the FOP data from the wire-drawing companies and explained its difficulties in doing so to the Department prior to the Preliminary Results. In a past case, [84] the Department faced a similar set of circumstances and did not apply AFA.

Partial AFA

Petitioner

- Should the Department not apply total AFA to Stanley, it should apply partial AFA to the portion of Stanley's sales attributable to the wire-drawing companies whose FOP data Stanley did not provide. [85]
- For a certain percentage[86] of Stanley's dumped sales that have the lowest non-de minimis margins, the Department should assign either the highest non-aberrational rates calculated for any of Stanley's sales or the PRC-wide rate, whichever is higher.

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[83] Certain business proprietary information ("BPI") in this comment and other comments regarding Stanley have been addressed in a public manner in this memorandum. For an explanation of the BPI relied upon, see Memorandum to the File, from Matthew Renkey, Senior Case Analyst, First Antidumping Duty Administrative Review of Certain Steel Nails from the Peoples' Republic of China: BPI Referenced in the Issues and Decision Memorandum, dated concurrently with this notice.

[84] See Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From the People's Republic of China: Final Results of Antidumping Duty Administrative Review, 74 FR 3987 (January 22, 2009) ("PRC TRBs"), and accompanying Issues and Decision Memorandum at Comment 4.

[85] Citing Certain Activated Carbon from the People's Republic of China: Final Determination of Sales at Less Than Fair Value, 72 FR 9508 (March 2, 2007) ("Activated Carbon"), and accompanying Issues and Decision Memorandum at Comment 20.

- If the Department does not apply partial AFA for certain wiredrawing companies whose FOP data Stanley did not provide, it should apply partial AFA to the portion of sales attributable to the wire drawer whose FOP data it contends was unilaterally withheld.

Stanley/Itochu et. al.

- Stanley did not withhold any FOP data from the wire-drawers in question, and the Department was aware of its difficulties prior to the Preliminary Results.
- In no way did Stanley impede this review and even partial AFA is unwarranted based on the facts of the case and case precedent.

Department's Position:

We agree with Stanley. The criteria for applying AFA have been outlined in Comment 13 above.[87] First, we do not agree with Petitioner's assertion that Stanley attempted to provide an entirely new FOP database that contained significant revisions at the outset of verification. The verification report[88] states that Stanley reported its FOP consumption amounts by taking the standard usage adjusted for the variance between standard and actual usage, where actual usage was based on transfers from warehouse to the shop, plus beginning inventory less ending inventory on shop floor. The Department noted that the proposed new method was the same as the originally reported method; however, in the revised proposal actual usage would be based on total receipts and plant-wide beginning and ending inventory (including warehouse inventory as well as shop floor inventory).[89] In sum, the proposed changes by Stanley at verification were based on a different methodological allocation than what had been previously reported. Moreover, the amounts calculated using the new method are not significantly different from what Stanley had reported in its responses, and did not affect the primary FOP, SWR. Id. at Exhibit 1. Regarding the revision to labor hours, the verification report states that certain categories of labor were either omitted, required an adjustment, or were over-inclusive. Id. at 2. While this revision would have affected all products, the Department did not note a significant impact on the overall reported hours, and subsequently conducted a successful verification of Stanley's FOPs, including labor.

Second, while we note that Stanley was unable to provide the requested FOP information for certain unaffiliated wiredrawing subcontractors,[90] we find that it cooperated to the best of its ability during the course of this review to comply with the Department's requests for information. Our analysis in the instant case closely mirrors that of PRC TRBs. Stanley stated in its first Section D supplemental questionnaire response, in response to the Department's request that it report the FOPs and per-unit consumption for each wiredrawing subcontractor,

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[86] This percentage equals the equivalent percentage of wire-drawing FOP data that Stanley was unable to obtain from certain of its tollers.

[87] See section 776 of the Act.

[88] See Memorandum to the File, through Alex Villanueva, Program Manager, from Alexis Polovina, Case Analyst and Timothy Lord, Case Analyst, regarding Verification of the Sales, Cost Reconciliation, and Factors of Production of Stanley Works (Langfang) Fastening Systems Co., Ltd., the Stanley Works/Stanley Fastening Systems LP, and the unaffiliated wire rod drawer, in the Antidumping Duty Review of Certain Steel Nails from the People's Republic of China ("PRC"), dated December 14, 2010 ("Stanley Langfang Verification Report").

[89] Id. at footnote 2.

[90] Stanley was able to provide FOP data from other unaffiliated wiredrawing subcontractors that accounted for a substantial majority of drawn wire it consumed during the POR.

that it had been unable to obtain FOP information from certain of these subcontractors. Thus, we find that Stanley was forthcoming with the FOP deficiencies in its supplemental questionnaire response, and did not impede the Department's proceeding. Additionally, because the Department did not request that Stanley further attempt to obtain the missing FOP data or further demonstrate that it made additional efforts to obtain the missing FOP data, we do not find that Stanley failed to cooperate by not acting to the best of its ability to comply with a request for information.

With respect to Petitioner's assertion that, consistent with Activated Carbon, the Department should apply AFA when respondents have failed to demonstrate that they have made their best efforts to obtain FOP information from unaffiliated suppliers, we find that this case is distinct. In Activated Carbon, the extent by which the respondent failed to provide FOP data was much more significant than Stanley's inability to obtain FOPs from certain wiredrawing subcontractors. Additionally, in Activated Carbon, the respondent failed to provide FOPs for some of its producers of the subject merchandise, whereas in this case, the missing FOP data were not for complete production of subject merchandise, but rather for a stage in the production process that is subcontracted out to unaffiliated parties.

Thus, pursuant to section 776(a) of the Act, we have relied on facts otherwise available with respect to Stanley's missing wiredrawing FOPs, but without an adverse inference prescribed under section 776(b) of the Act. As facts available in the NV calculation, we continue to use the wiredrawing FOPs reported by Stanley for its other subcontractors. These FOPs account for a substantial majority of the wiredrawing services that were undertaken by Stanley's subcontractors during the POR. However, we note that in future segments of this proceeding, we will require Stanley to obtain such FOP information, and to explain and document fully its attempts to gather such data in the event it is unable to do so.

Comment 18: Intermediate Input Methodology

Petitioner

- The Department should begin the NV buildup using drawn steel wire as the primary FOP for any part of the NV calculation not based on AFA.
- Stanley is not integrated with its wire drawers, all of whom are unaffiliated and operate independently, and that Stanley could not provide wire drawing FOP data for a significant portion of the total drawn wire it purchased.
- Cites to certain items noted during the verification of Company B, one of Stanley's wire-drawers, as further evidence that it is not integrated with Stanley.
- The Department's application of the intermediate input methodology ("IIM") in this instance would be consistent with its practice in applying it only when circumstances warrant.
- The use of Lakshmi as the surrogate financial company supports the use of using the IIM, as Lakshmi incurred job work (i.e., tolling) charges.

Stanley/Itochu et. al.

- The Department should continue to value wire rod as the primary raw material in the calculation of NV, rather than resorting to the IIM and valuing drawn wire.

- At verification, the Department confirmed Stanley Langfang purchases SWR and verified the wire drawer's FOPs.
- Its situation is similar to the investigation where the Department found a respondent with a tolling arrangement to be integrated and valued rod in the calculation of NV. Additionally, its situation does not meet the Department's exceptions for using the IIM.
- As further evidence that it is an integrated producer, cites to the surrogate financial company, Lakshmi, a company with similar tolling arrangements, which the Department identified as an integrated wire producer.

Department's Position:
The Department disagrees with Petitioner's argument that we should resort to the IIM and value drawn wire in the calculation of NV. Section 773(c)(1)(B) of the Act provides that the Department shall determine NV on the basis of the value of the factors utilized in production of subject merchandise. As outlined in Fish Fillets from Vietnam[91] and Ball Bearings from the PRC,[92] for integrated firms, our general practice is to value all the factors used in each stage of production.

With regard to Petitioner's argument that Stanley's situation meets the Department's exceptions for applying IIM, we disagree. As explained in Fish Fillets from Vietnam and Ball Bearings from the PRC, the Department has two exceptions where it will use IIM to calculate NV. First, in some cases, when the factors used to produce an intermediate input represent a small or insignificant share of total output, the overall accuracy of NV will be too small to justify the burden of valuing the factors. Second, in some cases, when attempting to value the factors of an intermediate input, a significant portion of costs will not be accounted for in the buildup. The facts in this case do not meet either of these two exceptions. In this case, the main factor used to value the intermediate good, drawn wire, is rod, which represents a significant share of total output. Also, as we explained in Comment 17 above, we have wire-drawing FOPs and are thus accurately capturing all costs associated drawing SWR. Therefore, the Department need not consider Petitioner's multi-step approach to applying the IIM.

Petitioner's concerns about the wire drawer's FOPs are without basis because these issues were explained in the Stanley Langfang Verification Report.[93] At verification, counsel stated they did not want to provide an electronic version of the spreadsheets provided in Exhibit 11. Therefore, the verifiers asked counsel to explain the formulas behind the numbers. Counsel did this and the full explanation is in the verification report.[94] The Department did not find the wire drawer's accounting books incompatible as Petitioner claims. The wire drawer explained that because

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[91] See Notice of Preliminary Determination of Sales at Less Than Fair Value, Affirmative Preliminary Determination of Critical Circumstances and Postponement of Final Determination: Certain Frozen Fish Fillets From the Socialist Republic of Vietnam, 68 FR 4986, 4993 (January 31, 2003) ("Fish Fillets from Vietnam"); unchanged in Notice of Final Antidumping Duty Determination of Sales at Less Than Fair Value and Affirmative Critical Circumstances: Certain Frozen Fish Fillets from the Socialist Republic of Vietnam, 68 FR 37116 (June 23, 2003).

[92] See Notice of Final Determination of Sales at Less Than Fair Value: Certain Ball Bearings and Parts Thereof From the People's Republic of China, 68 FR 10685 (March 6, 2003) ("Ball Bearings from the PRC"), and accompanying Issues and Decision Memorandum at Comment 6.

[93] See Stanley Langfang Verification Report.

[94] See id. at 22.

Stanley's accounting calendar is slightly different than the fiscal year, the minor inputs like electricity and labor don't match up perfectly because the month end closing dates are not exact.[95] However, because of this, the wire drawer keeps the rod drawn on behalf of Stanley Langfang in a separate book in accordance with Stanley Langfang's calendar. The verifiers found that wire rod matched to Stanley Langfang's records.[96] Lastly, the verifiers found no evidence that the wire drawer was supplementing Stanley Langfang with its own drawn wire. Both Stanley Langfang and the wire drawer explained that there is a contracted yield loss percentage between Stanley Langfang and the wire drawer, that is, for every 100 metric tons of wire the drawn on behalf of Stanley Langfang, the wire drawer must deliver a predetermined quantity.[97] However, the reported FOPs are based on actual rod drawn into wire.[98] The record contains the wire drawing FOPs for the majority of the drawn wire consumed by Stanley Langfang, which the Department verified and found to be accurate. As a result, we find the verified FOPs to be more accurate than relying on Petitioner's proxy calculation.

Petitioner's argument that using the financial statements of Lakshmi supports using the IIM is moot as we are no longer using Lakshmi in the final results. See Comment 3.

The Department does not find the facts in this case meet the Department's limited exceptions for applying the IIM. By maintaining ownership of the wire rod and reporting the FOPs of the wire drawers, Stanley Langfang's experience reflects that of an integrated producer. The Department successfully verified the wire drawing FOPs and finds these to be more accurate than Petitioner's proposed partial IIM. Therefore, as Stanley Langfang purchased wire rod and contracted multiple firms to draw the rod into wire rather than simply purchasing the drawn wire, in the final results, we will continue to calculate NV using rod as the primary raw material.

Comment 19: Indirect Selling Expenses

Petitioner

- The Department should recalculate Stanley's reported indirect selling expenses ("ISEs") in accordance with its practice to include all ISEs incurred by the U.S. entity into the ISE ratio calculation.
- The Department should revise Stanley's reported ISE to include all indirect expenses incurred by the U.S. entity for certain cost centers.
- The Department should allocate U.S. ISEs incurred by the U.S. entity based on sales value instead of headcount.
- The Department should include in the U.S. ISE all corporate general and administrative ("G&A") expenses related to the U.S. selling activities.
- The Department should disallow Stanley's allocation of U.S. ISE to selling channels.

Stanley

- The Department should not recalculate its ISE as they were successfully verified by the Department.

[95] See id. at 18.
[96] See id. at 18.
[97] See id. at 19-20.
[98] See id. at 19 and 22.

- The rationale for its head count approach was fully explained at verification.
- The calculation of ISE by customer category is reasonable given that the different types of customers require substantially higher levels of selling activities than others do.

Department's Position:
The Department agrees with Stanley that the ISEs were reasonably allocated and the methodology used by Stanley was reasonable and supported by record evidence. The Department examined Stanley's allocation of ISE during verification and found the allocation to be accurately enacted as a technical matter. The Department found no evidence that the allocation was incomplete.[99] At verification, the Department selected a sample of various cost centers to determine whether the allocation was reasonable. The Department was satisfied with the explanation and documents provided at verification and, upon review for these final results, finds no evidence to demonstrate that the examined cost centers were not reasonably allocated. Therefore, there is no evidence on the record to support Petitioner's assertion that the Department should revise the reported ISE to include expenses incurred at certain cost centers.

With regard to Petitioner's claim that the Department should allocate ISEs incurred by the U.S. entity based on sales value[100] instead of headcount for cost centers H and I, we find that this is not supported by record evidence. Stanley reviewed its employees by function and grouped them according to whether their function was related to selling activities or G&A activities. A review of such functions contained in Exhibit 10 of the SFS Verification Report clearly shows that some dealt entirely with non-selling activities. As cost centers H and I support Stanley as a whole, and not just its selling functions, Petitioner's suggestion that 100 percent of the expenses in these two cost centers be applied to ISEs would be over-inclusive. Again, the verifiers examined Stanley's methodology and were satisfied that it was reasonable (especially given the nature of the two cost centers in question), and there is no evidence on the record to demonstrate that Stanley should have reported the entirety of the expenses for these cost centers. The Department has accepted the allocation of certain ISEs by headcount in other cases where it was appropriate,[101] and finds that the evidence in this case also supports the use of a headcount allocation for these two cost centers.

Finally, concerning Petitioner's contention that the Department should disallow Stanley's allocation of U.S. ISE to selling channels, the Department disagrees, and as stated on the record Stanley uses this methodology in its normal course of business because different types of customers require varying levels of selling activities. In doing so, Stanley followed the Department's directive. See the Department's Supplemental Section C Questionnaire, dated April 20, 2010, at Question 31.b. Again, the Department tested Stanley's reporting methodology

[99] See Memorandum to the File, through Alex Villanueva, Program Manager, from Alexis Polovina, Case Analyst and Catherine Bertrand, Program Manager, regarding Verification of Sales and Factors Response of Stanley Fastening Systems in the Antidumping Duty Review of Certain Steel Nails from the People's Republic of China ("PRC"), in the Antidumping Duty Review of Certain Steel Nails from the PRC, dated January 12, 2011 ("SFS Verification Report") at 12-14 and Exhibit 10.
[100] Allocating these expenses based on sales value for these cost centers would result in 100 percent of the expenses being counted as ISEs.
[101] See, e.g., Notice of Final Results of the Tenth Administrative Review and New Shipper Review of the Antidumping Duty Order on Certain Corrosion-Resistant Carbon Steel Flat Products from the Republic of Korea, 70 FR 12443 (March 14, 2005), and accompanying Issues and Decision Memorandum at Dongbu Comment 3.

for its ISEs at verification and did not note any distortions or other discrepancies. Thus, for the final results, we are not making any of the suggested adjustments to Stanley's ISEs.

RECOMMENDATION

Based on our analysis of the comments received, we recommend adopting all of the above changes and positions, and adjusting the margin calculation program accordingly. If accepted, we will publish the final results of this review and the final dumping margins in the Federal Register.

AGREE_____ DISAGREE_____

_____
Kim Glas
Acting Deputy Assistant Secretary
for Import Administration

_____
Date