

Program Development and Regulatory Analysis, at (202) 720-7853, Fax: (202) 720-4120.

All responses to this notice will be summarized and included in the request for OMB approval. All comments will also become a matter of public record.

Dated: January 30, 2008.

**James M. Andrew,**

*Administrator, Rural Utilities Service.*

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## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-570-846]

#### **Brake Rotors From the People's Republic of China: Preliminary Results of the 2006-2007 Administrative and New Shipper Reviews and Partial Rescission of the 2006-2007 Administrative Review**

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

**SUMMARY:** The Department of Commerce ("the Department") is currently conducting the 2006-2007 administrative and new shipper reviews of the antidumping duty order on brake rotors from the People's Republic of China ("PRC"). We preliminarily determine that sales have not been made below normal value ("NV") with respect to certain exporters who participated fully and are entitled to a separate rate in the administrative or new shipper reviews. If these preliminary results are adopted in our final results of these reviews, we will instruct U.S. Customs and Border Protection ("CBP") to assess antidumping duties on entries of subject merchandise during the period of review ("POR") for which the importer-specific assessment rates are above *de minimis*.

Interested parties are invited to comment on these preliminary results. We will issue the final results no later than 120 days from the date of publication of this notice.

**EFFECTIVE DATE:** February 5, 2008.

**FOR FURTHER INFORMATION CONTACT:** Frances Veith or Blanche Ziv, AD/CVD Operations, Office 8, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-4295 or (202) 482-4207, respectively.

### Background

On April 17, 1997, the Department published in the **Federal Register** the antidumping duty order on brake rotors from the PRC. See *Notice of Antidumping Duty Order: Brake Rotors from the People's Republic of China*, 62 FR 18740 (April 17, 1997) ("*the Order*").

### New Shipper Review

On April 18, 2007, Shanghai Tylon Company Ltd. ("Tylon") requested a new shipper review of the antidumping duty order on brake rotors from the PRC, which has an April anniversary month, in accordance with 19 CFR 351.214(c). In response to the Department's April 24, 2007, request for information, Tylon provided supplemental information on April 27, 2007. On May 25, 2007, the Department initiated a new shipper review of Tylon covering the period April 1, 2006, through March 31, 2007. See *Brake Rotors From the People's Republic of China: Initiation of Antidumping Duty New Shipper Review*, 72 FR 29299 (May 25, 2007). On May 23, 2007, the Department issued a new shipper antidumping duty questionnaire to Tylon.

On July 5, 2007, the Department received Tylon's Sections A, C, and D response. On July 19, 2007, the Department received Tylon's Importer-Specific Questionnaire response. On August 24, 2007, the Department issued a supplemental questionnaire to Tylon, to which we received a response on September 17, 2007. On June 4, 2007, the Department placed on the record of the new shipper review copies of CBP documents pertaining to the shipment of brake rotors from the PRC exported by Tylon to the United States during the POR.<sup>1</sup>

On May 31, 2007, we requested that the Office of Policy issue a surrogate-country memorandum for the selection of the appropriate surrogate countries for this new shipper review.<sup>2</sup> On June 1, 2007, the Office of Policy provided a list of five countries at a level of economic development comparable to that of the PRC for the POR.<sup>3</sup> On June 6, 2007, the

<sup>1</sup> See the Department's memorandum entitled, "2006-2007 New Shipper Review of Brake Rotors from the People's Republic of China," entitled, "Results of Request for Assistance from U.S. Customs and Border Protection on U.S. Entry Documents," dated June 4, 2007.

<sup>2</sup> See the Department's memorandum entitled, "Surrogate-Country Selection: 2006-2007 New Shipper Review of the Antidumping Duty Order on Brake Rotors from the People's Republic of China," dated May 31, 2007.

<sup>3</sup> See the Department's memorandum entitled, "New Shipper Review of Brake Rotors from the People's Republic of China (PRC): Request for a List of Surrogate Countries," dated June 1, 2007 ("*NSR Policy Memorandum*").

Department invited all interested parties to submit comments on surrogate-country selection and to submit publicly available information as surrogate values ("SVs") for purposes of calculating NV.<sup>4</sup> See "Surrogate Country" section below. On August 1, 2007, the Coalition for the Preservation of American Brake Drum and Rotor Aftermarket Manufacturers ("petitioner") submitted publicly available information for use as SVs in the calculation of NV in the 2006-2007 new shipper review. On August 17, 2007, the Department selected India as the most appropriate surrogate country for the purpose of this new shipper review.<sup>5</sup>

On August 23, 2007, Tylon agreed to waive the new shipper review time limits in accordance with 19 CFR 351.214(j)(3), to align the new shipper review with the concurrent 2006-2007 administrative review of the antidumping duty order on brake rotors from the PRC. On August 24, 2007, the Department aligned the new shipper review with the 2006-2007 administrative review of the antidumping duty order on brake rotors from the PRC.<sup>6</sup>

### Administrative Review

On April 2, 2007, the Department published a notice of opportunity to request an administrative review of the antidumping duty order on brake rotors from the PRC. See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity To Request Administrative Review*, 72 FR 15650 (April 2, 2006).

On April 30, 2007, the Department received timely requests for an administrative review of this antidumping duty order in accordance with 19 CFR 351.213 from the following individual companies: LABEC, Winhere, Haimeng, Hongda, Meita, Wally, and Longkou Dixon Brake System Ltd. ("Dixon"). On April 30,

<sup>4</sup> See the Department's letter regarding, "New Shipper Review of Brake Rotors from the People's Republic of China," requesting parties to provide comments on surrogate-country selection and provide surrogate factors-of-production ("FOP") values from the potential surrogate countries (*i.e.*, India, Sri Lanka, Indonesia, the Philippines and Egypt), dated June 6, 2007.

<sup>5</sup> See the Department's memorandum entitled, "2006-2007 New Shipper Review of the Antidumping Duty Order on Brake Rotors from the People's Republic of China: Selection of a Surrogate Country," dated August 17, 2007 ("*NSR Surrogate Country Memorandum*").

<sup>6</sup> See the Department's memorandum, entitled "2006-2007 Administrative and New Shipper Reviews of the Antidumping Duty Order on Brake Rotors from the People's Republic of China: Alignment of 2006-2007 Administrative and New Shipper Reviews," dated August 24, 2007.

2007, the Department also received timely requests for an administrative review of 23 companies (or producer/exporter combinations)<sup>7</sup> from petitioner. As a result of the above-mentioned companies' and petitioner's requests for a review, this administrative review covers 24 companies.

On May 30, 2007, the Department initiated an administrative review of the antidumping duty order on brake rotors from the PRC for 24 individually named firms, for the POR of April 1, 2006, through March 31, 2007.<sup>8</sup> Between May 30 and June 5, 2007, the Department issued letters to all firms named in the AR Initiation Notice requesting: (1) A separate-rate certification or application, and (2) information on the quantity and value ("Q&V") of sales of subject merchandise to the United States during the POR. Of the 24 companies for which the Department initiated a review, ten companies certified that they had no shipments during the POR, and between June 14 and June 22, 2007,<sup>9</sup> we received requests for a rescission of the review from five of those companies.<sup>10</sup>

<sup>7</sup> The names of these companies or producer/exporter combination are as follows: (1) Longkou Haimeng Machinery Co., Ltd. ("Haimeng"); (2) Qingdao Meita Automotive Industry Co., Ltd. ("Meita"); (3) Laizhou Auto Brake Equipment Factory ("LABEC"); (4) Yantai Winhere Auto-Part Manufacturing Co., Ltd. ("Winhere"); (5) Laizhou Hongda Auto Replacement Parts Co., Ltd. ("Hongda"); (6) Laizhou City Luqi Machinery Co., Ltd. ("Luqi"); (7) Laizhou Wally Automobile Co., Ltd. ("Wally"); (8) Zibo Luzhou Automobile Parts Co., Ltd. ("ZLAP"); (9) Zibo Golden Harvest Machinery Limited Company ("ZGOLD"); (10) Longkou TLC Machinery Co., Ltd. ("TLC"); (11) Longkou Jinzheng Machinery Co. ("Jinzheng"); (12) Qingdao Gren Co. ("Gren"); (13) Shenyang Yinghao Machinery Co. ("Yinghao"); (14) Shanxi Zhongding Auto Parts Co., Ltd. ("SZAP"); (15) Shandong Huanri Group Company ("Huanri"); (16) Longkou Qizheng Auto Parts Co. ("Qizheng"); (17) China National Automotive Industry Import & Export Corporation ("CAIEC"), excluding entries manufactured by Shandong Laizhou CAPCO Industry ("CAPCO"); (18) CAPCO, excluding entries manufactured by CAPCO; (19) Laizhou Luyuan Automobile Fittings Co. ("Luyuan"), excluding entries manufactured by Laizhou Luyuan or Shenyang Honbase Machinery Co., Ltd. ("Honbase"); (20) Honbase, excluding entries manufactured by Laizhou Luyuan or Honbase; (21) China National Industrial Machinery Import & Export Corporation ("CNIM"); (22) Xianghe Xumingyuan Auto Parts Co. ("Xumingyuan"); and (23) Qingdao Golrich Autoparts Co., Ltd. ("Golrich").

<sup>8</sup> See *Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part*, 72 FR 29968 (May 30, 2007) ("AR Initiation Notice").

<sup>9</sup> These ten companies are SZAP, Huanri, Qizheng, CNIM, Xumingyuan, Golrich, CAIEC, CAPCO, Luyuan, and Honbase.

<sup>10</sup> These five companies are Xumingyuan, CAIEC, CAPCO, Luyuan, and Honbase.

See "Preliminary Partial Rescission of 2006–2007 Administrative Review" section below.

Due to the large number of participating firms subject to this administrative review, and the Department's experience regarding the administrative burden of reviewing each company for which a request was made, the Department exercised its authority to limit the number of mandatory respondents selected for individual review pursuant to section 777A(c)(2) of the Tariff Act of 1930, as amended ("the Act"), by selecting exporters accounting for the largest volume of the subject merchandise that can reasonably be examined. On July 13, 2007, based on reported export volumes of subject merchandise during the POR, the Department selected the two companies accounting for the largest volume of subject merchandise, *i.e.*, Haimeng and Meita, as the two mandatory respondents in this review. The remaining 12 respondents are non-selected respondents.<sup>11</sup> See "Separate Rates" section below. On July 16, 2007, we issued antidumping duty questionnaires to Haimeng and Meita.

On May 31, 2007, we requested that the Office of Policy issue a surrogate-country memorandum for the selection of the appropriate surrogate countries for this review.<sup>12</sup> On June 1, 2007, the Office of Policy provided a list of five countries at a level of economic development comparable to that of the PRC for the POR of this review.<sup>13</sup> On June 6, 2007, the Department invited all interested parties to submit comments on surrogate-country selection and to submit publicly available information as SVs for purposes of calculating NV.<sup>14</sup> On August 17, 2007, the Department selected India as the most appropriate surrogate country for this administrative review.<sup>15</sup> See "Surrogate Country"

<sup>11</sup> See the Department's memorandum entitled, "2006–2007 Antidumping Duty Administrative Review of Brake Rotors from the People's Republic of China: Selection of Respondents," dated July 13, 2007 ("Respondent Selection Memo").

<sup>12</sup> See the Department's memorandum entitled, "Surrogate-Country Selection: 2006–2007 Administrative Review of the Antidumping Duty Order on Brake Rotors from the People's Republic of China," dated May 31, 2007.

<sup>13</sup> See the Department's memorandum entitled, "Antidumping Duty Administrative Review of Brake Rotors from the People's Republic of China (PRC): Request for a List of Surrogate Countries," dated June 1, 2007 ("AR Policy Memorandum").

<sup>14</sup> See the Department's letter regarding, "New Shipper Review of Brake Rotors from the People's Republic of China," requesting parties to provide comments on surrogate-country selection and provide surrogate FOP values from the potential surrogate countries (*i.e.*, India, Sri Lanka, Indonesia, the Philippines and Egypt), dated June 6, 2007.

<sup>15</sup> See the Department's memorandum entitled, "2006–2007 Administrative Review of the

section below. On August 1, 2007, petitioner submitted publicly available information for use as SVs in the calculation of NV in the administrative review.

On August 28 and October 18, 2007, the Department placed on the record of this review copies of CBP documents pertaining to certain entries of brake rotors from the PRC exported to the United States during the POR.<sup>16</sup> On September 7, 2007, we issued a supplemental questionnaire to Golrich to which we received a response on September 19, 2007.

On September 4, 2007, we received questionnaire responses from Haimeng and Meita. The Department issued supplemental questionnaires to Haimeng and Meita on October 4 and October 23, 2007, respectively. We received supplemental questionnaire responses from Haimeng and Meita on November 9 and November 13, 2007, respectively.

#### Period of Review

The POR is April 1, 2006, through March 31, 2007.

#### Scope of the Order

The products covered by this order are brake rotors made of gray cast iron, whether finished, semifinished, or unfinished, ranging in diameter from 8 to 16 inches (20.32 to 40.64 centimeters) and in weight from 8 to 45 pounds (3.63 to 20.41 kilograms). The size parameters (weight and dimension) of the brake rotors limit their use to the following types of motor vehicles: automobiles, all-terrain vehicles, vans and recreational vehicles under "one ton and a half," and light trucks designated as "one ton and a half."

Finished brake rotors are those that are ready for sale and installation without any further operations. Semi-finished rotors are those on which the surface is not entirely smooth, and have undergone some grinding or turning.

These brake rotors are for motor vehicles, and do not contain in the casting a logo of an original equipment manufacturer ("OEM") which produces vehicles sold in the United States. (*e.g.*, General Motors, Ford, Chrysler, Honda, Toyota, Volvo). Brake rotors covered in

Antidumping Duty Order on Brake Rotors from the People's Republic of China: Selection of Surrogate Country," dated August 17, 2007 ("AR Surrogate Country Memorandum").

<sup>16</sup> See the Department's memorandum entitled, "2006–2007 Administrative Review of Brake Rotors from the People's Republic of China, Results of Request for Assistance from U.S. Customs and Border Protection on U.S. Entry Documents," dated August 28, 2007.

this order are not certified by OEM producers of vehicles sold in the United States. The scope also includes composite brake rotors that are made of gray cast iron, which contain a steel plate, but otherwise meet the above criteria. Excluded from the scope of this order are brake rotors made of gray cast iron, whether finished, semifinished, or unfinished, with a diameter less than 8 inches or greater than 16 inches (less than 20.32 centimeters or greater than 40.64 centimeters) and a weight less than 8 pounds or greater than 45 pounds (less than 3.63 kilograms or greater than 20.41 kilograms).

Brake rotors are currently classifiable under subheading 8708.39.5010 of the *Harmonized Tariff Schedule of the United States* ("HTSUS").<sup>17</sup> Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the scope of this order is dispositive.

### Separate Rates

In proceedings involving non-market economy ("NME") countries, the Department begins with a rebuttable presumption that all companies within the country are subject to government control, and thus, should be assigned a single antidumping duty deposit rate. It is the Department's policy to assign all exporters of subject merchandise subject to review in an NME country a single rate unless an exporter can demonstrate that it is sufficiently independent of government control to be entitled to a separate rate. See, e.g., *Honey from the People's Republic of China: Preliminary Results and Partial Rescission of Antidumping Duty Administrative Review*, 70 FR 74764, 74766 (December 16, 2005) (unchanged in the final results).

For the administrative review, in order to demonstrate separate-rate status eligibility, the Department normally requires entities, for whom a review was requested, and who were assigned a separate rate in a previous segment of this proceeding, to submit a separate-rate certification stating that they continue to meet the criteria for obtaining a separate rate. For entities that were not assigned a separate rate in the previous segment of a proceeding, to demonstrate eligibility for such, the Department requires a separate-rate application. In this administrative review the 12 entities not selected for

individual review (i.e., separate-rate respondents) all submitted separate-rate certifications. The two mandatory respondents (i.e., Haimeng and Meita) and the 12 separate-rate respondents provided company-specific information and each<sup>18</sup> stated that it meets the criteria for the assignment of a separate rate. For the new shipper (i.e., Tylon), a separate-rate analysis is necessary to determine whether the export activities of Tylon are independent from government control.

We considered whether the administrative review respondents and the new shipper referenced above were eligible for a separate rate. The Department's separate-rate status test to determine whether the exporter is independent from government control does not consider, in general, macroeconomic/border-type controls (e.g., export licenses, quotas, and minimum export prices), particularly if these controls are imposed to prevent dumping. The test focuses, rather, on controls over the investment, pricing, and output decision-making process at the individual firm level.<sup>19</sup>

To establish whether an exporter is sufficiently independent of government control to be entitled to a separate rate, the Department analyzes the exporter in light of select criteria, discussed below. See *Final Determination of Sales at Less Than Fair Value: Sparklers from the People's Republic of China*, 56 FR 20588, 20589 (May 6, 1991) ("*Sparklers*"); and *Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the People's Republic of China*, 59 FR 22585, 22586, 22587 (May 2, 1994) ("*Silicon Carbide*"). Under this test, exporters in NME countries are entitled to separate, company-specific margins when they can demonstrate an absence of government control over exports, both in law ("*de jure*") and in fact ("*de facto*").

#### 1. Absence of *De Jure* Control

The Department considers the following *de jure* criteria in determining whether an individual company may be granted a separate rate: (1) An absence of restrictive stipulations associated with an individual exporter's business and export licenses; (2) any legislative enactments decentralizing control of

companies; or (3) any other formal measures by the government decentralizing control of companies. See *Sparklers*, 56 FR 20589. Haimeng, Meita, and Tylon each placed on the administrative record documents to demonstrate an absence of *de jure* control (e.g., the 1994 "Foreign Trade Law of the People's Republic of China," and the 1999 "Company Law of the People's Republic of China"). As in prior cases, we analyzed the laws presented to us and found them to establish sufficiently an absence of *de jure* control. See, e.g., *Honey from the People's Republic of China: Preliminary Results and Partial Rescission of Antidumping Duty Administrative Review*, 72 FR 102, 105 (January 3, 2007); *Hand Trucks and Certain Parts Thereof from the People's Republic of China: Preliminary Results and Partial Rescission of Administrative Review and Preliminary Results of New Shipper Review*, 72 FR 937, 944 (January 9, 2007). We have no new information in this proceeding which would cause us to reconsider this determination with regard to Haimeng, Meita, and Tylon. Therefore, we believe that evidence on the record supports a preliminary finding of an absence of *de jure* government control with regard to Haimeng, Meita, and Tylon.

The 12 separate-rate respondents Winhere, LABEC, Hongda, Wally, Dixion, Gren, ZLAP, TLC, ZGOLD, Luqi, Yinghao, and Jinzheng each certified that, as with the previous granting period, there is an absence of *de jure* control. Each separate-rate respondent's separate-rate certification, stated, where applicable, that it had no relationship with any level of the PRC government with respect to ownership, internal management, and business operations. In this segment, we have no new information that would cause us to reconsider the previous period's *de jure* control determination with regard to Winhere, LABEC, Hongda, Wally, Dixion, Gren, ZLAP, TLC, ZGOLD, Luqi, Yinghao, and Jinzheng.

#### 2. Absence of *De Facto* Control

As stated in previous cases, there is evidence that certain enactments of the PRC central government have not been implemented uniformly among different sectors and/or jurisdictions in the PRC. See *Silicon Carbide*, 59 FR at 22586, 22587. Therefore, the Department has determined that an analysis of *de facto* control is critical in determining whether the respondents are, in fact, subject to a degree of government control which would preclude the Department from assigning separate rates.

<sup>17</sup> As of January 1, 2005, the HTSUS classification for brake rotors (discs) changed from 8708.39.5010 to 8708.39.5030. As of January 1, 2007, the HTSUS classification for brake rotors (discs) changed from 8708.39.5030 to 8708.30.5030. See *Harmonized Tariff Schedule of the United States (2007) (Rev. 2)*, available at <http://www.usitc.gov>.

<sup>18</sup> The non-selected respondents are as follows: LABEC, Winhere, Hongda, Luqi, Wally, ZLAP, ZGOLD, TLC, Jinzheng, Gren, Yinghao, and Dixion.

<sup>19</sup> See *Certain Cut-to-Length Carbon Steel Plate from Ukraine: Final Determination of Sales at Less Than Fair Value*, 62 FR 61754, 61758 (November 19, 1997); and *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China: Final Results of Antidumping Duty Administrative Review*, 62 FR 61276, 61279 (November 17, 1997).

The Department typically considers four factors in evaluating whether each respondent is subject to *de facto* government control of its export functions: (1) Whether the export prices are set by, or subject to the approval of, a government authority; (2) whether the respondent has authority to negotiate and sign contracts and other agreements; (3) whether the respondent has autonomy from the government in making decisions regarding the selection of management; and (4) whether the respondent retains the proceeds of its export sales and makes independent decisions regarding the disposition of profits or financing of losses. See *Silicon Carbide*, 59 FR at 22586–87; see also *Final Determination of Sales at Less Than Fair Value: Furfuryl Alcohol from the People's Republic of China*, 60 FR 22544, 22545 (May 8, 1995).

In these reviews, Haimeng, Winhere, Meita, LABEC, Hongda, Wally, Dixon, Gren, ZLAP, TLC, ZGOLD, Luqi, Yinghao, Jinzheng, and Tylon each asserted the following: (1) It establishes its own export prices; (2) it negotiates contracts without guidance from any government entities or organizations; (3) it makes its own personnel decisions; and (4) it retains the proceeds of its export sales, uses profits according to its business needs, and has the authority to sell its assets and to obtain loans. Additionally, each of these companies' questionnaire responses indicate that its pricing during the POR does not involve coordination among exporters.

Thus, we preliminarily determine that Haimeng, Winhere, Meita, LABEC, Hongda, Wally, Dixon, Gren, ZLAP, TLC, ZGOLD, Luqi, Yinghao, Jinzheng, and Tylon have each met the criteria for the application of a separate rate based on the documentation each of these respondents has submitted on the record of these reviews.<sup>20</sup>

#### **Preliminary Partial Rescission of 2006–2007 Administrative Review**

With respect to SZAP, Huanri, Qizheng, CNIM, Xumingyuan, Golrich, CAIEC, CAPCO, Luyuan and Honbase, each informed the Department that it did not export the subject merchandise to the United States during the POR in the combinations described below, where applicable. Specifically, (1) SZAP, Huanri, Qizheng, CNIM,

Xumingyuan, and Golrich did not export subject merchandise to the United States during the POR; (2) CAIEC did not export brake rotors to the United States that were manufactured by producers other than CAPCO; (3) CAPCO did not export brake rotors to the United States that were manufactured by producers other than CAPCO; (4) Luyuan did not export brake rotors to the United States that were manufactured by producers other than Luyuan or Honbase; and (5) Honbase did not export brake rotors to the United States that were manufactured by producers other than Honbase or Luyuan. In order to corroborate these submissions, we reviewed PRC brake rotor shipment data maintained by CBP. In reviewing the CBP data, we did not find any evidence contradicting SZAP's, Huanri's, Qizheng's, CNIM's, Xumingyuan's, Golrich's, CAIEC's, CAPCO's, Luyuan's and Honbase's claims of no shipments of brake rotors to the United States during the POR.

Based on the record of these reviews, we conclude that SZAP, Huanri, Qizheng, CNIM, Xumingyuan, Golrich, CAIEC, CAPCO, Luyuan and Honbase did not export subject merchandise to the United States during the POR. For the reasons mentioned above, in accordance with 19 CFR 351.213(d)(3), we are preliminarily rescinding the administrative review for these exporters in the following specified exporter or exporter/producer combinations: (1) SZAP, (2) Huanri, (3) Qizheng, (4) CNIM, (5) Xumingyuan, (6) Golrich, (7) CAIEC/manufactured by any company other than CAPCO, (8) CAPCO/manufactured by any company other than CAPCO, (9) Luyuan/manufactured by any company other than Luyuan or Honbase, and (10) Honbase/manufactured by any company other than Honbase or Luyuan.

#### **Bona Fide Sales Analysis—Tylon**

In evaluating whether or not sales are commercially reasonable, and therefore *bona fide*, the Department has considered, *inter alia*, such factors as: (1) The timing of the sale; (2) the price and quantity of the sale; (3) the expenses arising from the transaction; (4) whether the goods were resold at a profit; and (5) whether the transaction was made on an arm's-length basis. See *Tianjin Tiancheng Pharmaceutical Co., Ltd. v. United States*, 366 F. Supp. 2d 1246 (CIT 2005) (“*TTPC*”) at 9, citing *Am. Silicon Techs. v. United States*, 110 F. Supp. 2d 992, 995 (CIT 2000). Therefore, the Department examines a number of factors, all of which may speak to the commercial realities surrounding the sale of subject

merchandise. While some *bona fides* issues may share commonalities across various cases, each case is company-specific and the analysis may vary with the facts surrounding each sale. See, e.g., *Certain Preserved Mushrooms for the People's Republic of China: Final Results and Partial Rescission of New Shipper Review and Administrative Reviews*, 68 FR 41304 (July 11, 2003). The weight given to each factor investigated will depend on the circumstances surrounding the sale. See *TTPC*, 366 F. Supp at 1263.

For the reasons stated below, we preliminarily find that Tylon's reported U.S. sales during the POR appear to be *bona fide* sales, as required by 19 CFR 351.214(b)(2)(iv)(c), based on the totality of the facts on the record. Specifically, we find that the quantity or unit prices for Tylon's sales compared to the quantities and unit values of U.S. imports of comparable brake rotors from the PRC during the POR together with the totality of circumstances surrounding the sales at issue indicate the sales were not aberrational. We also examined information placed on the record by Tylon and Tylon's customer for the POR sales, and information developed independently by the Department regarding Tylon's customer for the POR sale and circumstances surrounding the POR sales. We found no evidence that the POR sales under review are not *bona fide* sales.<sup>21</sup> Therefore, for the reasons mentioned above, the Department preliminarily finds that Tylon's U.S. sales during the POR were *bona fide* commercial transactions.

#### **Non-Market Economy Country**

In every case conducted by the Department involving the PRC, the PRC has been treated as an NME country. Pursuant to section 771(18)(C)(i) of the Act, any determination that a foreign country is an NME country shall remain in effect until revoked by the administering authority. See, e.g., *Freshwater Crawfish Tail Meat From the People's Republic of China: Notice of Final Results of Antidumping Duty Administrative Review*, 71 FR 7013 (February 10, 2006). None of the parties to these proceedings has contested such treatment. Accordingly, we calculated NV in accordance with section 773(c) of the Act, which applies to NME countries.

<sup>21</sup> For further information, see the Department's memorandum entitled “2006–2007 New Shipper Review of the Antidumping Duty Order on Brake Rotors From the People's Republic of China: Bona Fide Analysis of Shanghai Tylon Company Ltd.,” dated January 30, 2008.

<sup>20</sup> See the Department's memorandum entitled “Preliminary Results 2006–2007 Administrative and New Shipper Reviews of the Antidumping Duty Order on Brake Rotors from the People's Republic of China Separate-Rate Analysis for Respondents (Including Exporters Not Being Individually Reviewed),” dated January 30, 2008 (“*Separate Rate Memo*”).

### Surrogate Country

Section 773(c)(1) of the Act directs the Department to base NV on the NME producer's FOP, valued in a surrogate market economy country or countries considered to be appropriate by the Department. In accordance with section 773(c)(4) of the Act, in valuing the FOPs, the Department shall use, to the extent possible, the prices or costs of the FOPs in one or more market economy countries that are: (1) At a level of economic development comparable to that of the NME country; and (2) significant producers of comparable merchandise. The sources of the surrogate factor values are discussed under the "Normal Value" section below. *See also*, the Department's memorandum entitled, "Preliminary Results of the 2006–2007 Administrative and New Shipper Reviews of the Antidumping Duty Order on Brake Rotors From the People's Republic of China: Surrogate Value Memorandum," dated January 30, 2008 ("Surrogate Value Memorandum").

The Department determined that India, Indonesia, Sri Lanka, the Philippines, and Egypt are countries comparable to the PRC in terms of economic development. *See NSR Policy Memorandum and AR Policy Memorandum*. Customarily, we select an appropriate surrogate country from the policy memorandum based on the availability and reliability of data from the countries that are significant producers of comparable merchandise. In this case, we found that India is at a comparable level of economic development to the PRC; is a significant producer of the subject merchandise (*i.e.*, brake rotors); and has publicly available and reliable data. *See NSR Surrogate Country Memorandum and AR Surrogate Country Memorandum*.

Accordingly, we selected India as the primary surrogate country for purposes of valuing the FOPs in the calculation of NV because it meets the Department's criteria for surrogate country selection. *See NSR Surrogate Country Memorandum and AR Surrogate Country Memorandum*. We obtained and relied upon publicly available information wherever possible.

In accordance with 19 CFR 351.301(c)(3)(ii), for the final results in antidumping administrative and new shipper reviews, interested parties may submit publicly available information to value FOPs within 20 days after the date of publication of these preliminary results.

### Fair Value Comparisons

To determine whether sales of the subject merchandise by Haimeng, Meita, and Tylon to the United States were made at prices below NV, we compared each company's export prices ("EPs") to NV, as described in the "Export Price" and "Normal Value" sections of this notice below, pursuant to section 773 of the Act.

### Export Price

Because each respondent sold subject merchandise to an unaffiliated purchaser in the United States prior to importation into the United States and use of a constructed-export-price methodology was not otherwise indicated, we used EP in accordance with section 772(a) of the Act. We made the following company-specific adjustments:

#### A. Haimeng, Meita, and Tylon

We calculated EP based on the delivery method reported to the first unaffiliated purchaser in the United States. Where appropriate, we made deductions from the starting price (gross unit price) for foreign inland freight and foreign brokerage and handling charges in the PRC, international freight, U.S. duties, and other U.S. customs charges pursuant to section 772(c)(2)(A) of the Act.<sup>22</sup> Where foreign inland freight, foreign brokerage and handling fees, or marine insurance were provided by PRC service providers or paid for in renminbi, we based those charges on surrogate rates from India. *See* "Factor Valuation" section below for further discussion of surrogate rates.

In determining the most appropriate SVs to use in a given case, the Department's stated practice is to use review period-wide price averages, prices specific to the input in question, prices that are net of taxes and import duties, prices that are contemporaneous with the POR, and publicly available

<sup>22</sup> *See* the Department's memorandum entitled, "2006–2007 Administrative and New Shipper Reviews of the Antidumping Duty Order on Brake Rotors from the People's Republic of China: Analysis of the Preliminary Results Margin Calculation for Shanghai Tylon Company Ltd.," dated January 30, 2008 ("Tylon Calculation Memo"); the Department's memorandum entitled, "2006–2007 Administrative and New Shipper Reviews of the Antidumping Duty Order on Brake Rotors from the People's Republic of China: Analysis of the Preliminary Results Margin Calculation for Longkou Haimeng Machinery Co., Ltd.," dated January 30, 2008 ("Haimeng Calculation Memo"); and the Department's memorandum entitled, "2006–2007 Administrative and New Shipper Reviews of the Antidumping Duty Order on Brake Rotors from the People's Republic of China: Analysis of the Preliminary Results Margin Calculation for Qingdao Meita Automotive Industry Co., Ltd.," dated January 30, 2008 ("Meita Calculation Memo").

data. *See e.g.*, *Certain Cased Pencils from the People's Republic of China: Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 71 FR 38366 (July 6, 2006), and accompanying *Issues and Decision Memorandum* at Comment 1. The data we used for brokerage and handling expenses fulfill all of the foregoing criteria except that they are not specific to the subject merchandise. There is no information of that type on the record of these reviews. The Department used two sources to calculate an SV for domestic brokerage expenses: (1) Data from the January 9, 2006, public version of the Section C questionnaire response from Kejriwal Paper Ltd. ("Kejriwal");<sup>23</sup> and (2) data from Agro Dutch Industries Ltd. for the POR February 1, 2004, through January 31, 2005 (*see Certain Preserved Mushrooms From India: Final Results of Antidumping Duty Administrative Review*, 70 FR 37757 (June 30, 2005) (unchanged in final results)). Because these values were not concurrent with the POR of these administrative and new shipper reviews, we adjusted these rates for inflation using the Wholesale Price Indices ("WPI") for India as published in the International Monetary Fund's *International Financial Statistics*, available at <http://ifs.apdi.net/imf>, and then calculated a simple average of the two companies' brokerage expense data.

Haimeng reported that its U.S. customers purchased ball bearing cup and lug bolts from PRC producers that were delivered to Haimeng in specific quantities free-of-charge, and that the components were then incorporated into models shipped to U.S. customers during the POR. Section 773(c)(3) of the Act states that "factors of production utilized in producing merchandise include, but are not limited to the quantities of raw materials employed." *See, e.g.*, *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, 66305 (November 14, 2006) and the accompanying *Issues and Decisions Memorandum* at Comment 9. *See also Certain Preserved Mushrooms From the People's Republic of China: Final Results and Final*

<sup>23</sup> Kejriwal was a respondent in the certain lined paper products from India investigation for which the period of investigation was July 1, 2004, to June 30, 2005. *See Notice of Preliminary Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Affirmative Preliminary Determination of Critical Circumstances in Part: Certain Lined Paper Products From India*, 71 FR 19706 (April 17, 2006) (unchanged in final determination).

*Rescission, in Part, of Antidumping Duty Administrative Review*, 70 FR 54361 (September 14, 2005), and the accompanying *Issues and Decisions Memorandum* at Comment 13.

Therefore, to reflect the U.S. customers' expenditures for these items, we adjusted the U.S. price of applicable sales of these models by adding the Indian SV for each component (i.e., the ball bearing cups and lug bolts) used to the U.S. price of such brake rotors sold to the United States during the POR. For further information, see *Haimeng Calculation Memo*.

#### Normal Value

Section 773(c)(1) of the Act provides that, in the case of an NME, the Department shall determine NV using an FOP methodology if the merchandise is exported from an NME and the information does not permit the calculation of NV using home-market prices, third-country prices, or constructed value under section 773(a) of the Act. The Department will base NV on FOP because the presence of government controls on various aspects of these economies renders price comparisons and the calculation of production costs invalid under our normal methodologies. Therefore, we calculated NV based on FOP in accordance with sections 773(c)(3) and (4) of the Act and 19 CFR 351.408(c).

For purposes of calculating NV, we valued the PRC FOPs in accordance with section 773(c)(1) of the Act. The FOPs include: (1) Hours of labor required; (2) quantities of raw materials employed; (3) amounts of energy and other utilities consumed; and (4) representative capital costs. We used the FOPs reported by respondents for materials, energy, labor, and packing. See section 773(c)(3) of the Act.

In examining SVs, we selected, where possible, the publicly available value, which was an average non-export value, representative of a range of prices within the POR or most contemporaneous with the POR, product-specific, and tax-exclusive. See, e.g., *Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Chlorinated Isocyanurates From the People's Republic of China*, 69 FR 75294, 75300 (December 16, 2004) ("*Chlorinated Isocyanurates*") (unchanged in final determination). For a detailed explanation of the methodology used to calculate SVs, see *Surrogate Value Memorandum*.

Regarding the components supplied free of charge to Haimeng noted above, section 773(c)(3) of the Act states that

the "factors of production include but are not limited to the quantities of raw materials employed." Therefore, consistent with the corresponding adjustment to U.S. price discussed above, we valued the ball bearing cups and lug bolts usage amounts reported by Haimeng for specific brake rotor models by using an Indian SV for each input. See *Haimeng Calculation Memo* and *Surrogate Value Memorandum*.

#### Factor Valuations

In accordance with section 773(c) of the Act, we calculated NV based on the FOPs reported by the respondents for the POR. We relied on the factor-specific data submitted by the respondents for the above-mentioned inputs in their questionnaire and supplemental questionnaire responses, where applicable, for purposes of selecting SVs.

To calculate NV, we multiplied the reported per-unit factor-consumption rates by publicly available Indian SVs (except where noted below). In selecting the SVs, we considered the quality, specificity, and contemporaneity of the data. See, e.g., *Folding Metal Tables and Chairs From the People's Republic of China; Final Results of Antidumping Duty Administrative Review*, 71 FR 71509 (December 11, 2006), and accompanying *Issues and Decision Memorandum* at Comment 9. As appropriate, we adjusted input prices by including freight costs to make them delivered prices. Specifically, we added to Indian import SVs a surrogate freight cost using the shorter of the reported distance from the domestic supplier to the factory or the distance from the nearest seaport to the factory, where appropriate. This adjustment is in accordance with the decision of the U.S. Court of Appeals for the Federal Circuit ("*Federal Circuit*"). See *Sigma Corp. v. United States*, 117 F. 3d 1401, 1408 (Fed. Cir. 1997). Where necessary, we adjusted the SVs for inflation/deflation using the WPI as published on the Reserve Bank of India ("*RBI*") Web site, available at <http://www.rbi.org.in>. For a detailed description of all SVs used for respondents, see the *Surrogate Value Memorandum*.

Except where discussed below, we valued raw material inputs using April 2006 through March 2007, weighted-average unit import values derived from the Monthly Statistics of the Foreign Trade of India ("*MSFTI*"), as published by the Directorate General of Commercial Intelligence and Statistics of the Ministry of Commerce and Industry, Government of India and compiled by the World Trade Atlas ("*WTA*"), available at

<<http://www.gtis.com/wta.htm>>. The Indian WTA import data is reported in rupees and is contemporaneous with the POR.<sup>24</sup> Indian SVs denominated in Indian rupees were converted to U.S. dollars using the applicable daily exchange rate for India for the POR. See <http://www.ia.ita.doc.gov/exchange/index.html>. Where we could not obtain publicly available information contemporaneous with the POR with which to value factors, we adjusted the SVs for inflation using the WPI for India. See *Surrogate Value Memorandum*.

Furthermore, with regard to the WTA Indian import-based SVs, we have disregarded prices from NME countries<sup>25</sup> and those we have reason to believe or suspect may be subsidized, because we have found in other proceedings that the exporting countries maintain broadly available, non-industry-specific export subsidies and, therefore, there is reason to believe or suspect all exports to all markets from such countries may be subsidized.<sup>26</sup> We are also guided by the statute's legislative history that explains that it is not necessary to conduct a formal investigation to ensure that such prices are not subsidized. See H.R. Rep. No. 576 100th Cong., 2. Sess. 590–91 (1988). Rather, the Department was instructed by Congress to base its decision on information that is available to it at the time it is making its determination. Therefore, we exclude export prices from Indonesia, South Korea, Thailand, and India when calculating the Indian import-based SVs. See *Surrogate Value Memorandum*. Finally, we excluded imports that were labeled as originating from an "unspecified" country from the average value, because we could not be certain that they were not from either an

<sup>24</sup> See *Surrogate Value Memorandum* at Attachment 1.

<sup>25</sup> The NME countries are Armenia, Azerbaijan, Belarus, Georgia, Kyrgyz Republic, Moldova, PRC, Tajikistan, Turkmenistan, Uzbekistan, and Vietnam.

<sup>26</sup> See *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From the People's Republic of China; Final Results of the 1998–1999 Administrative Review, Partial Rescission of Review, and Determination Not To Revoke Order in Part*, 66 FR 1953 (Jan. 10, 2001), and accompanying *Issues and Decision Memorandum* at Comment 1; *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From the People's Republic of China; Final Results of 1999–2000 Administrative Review, Partial Rescission of Review, and Determination Not To Revoke Order in Part*, 66 FR 57420 (Nov. 15, 2001), and accompanying *Issues and Decision Memorandum* at Comment 1; and *China National Machinery Imp. & Exp. Corp. v. United States*, 293 F. Supp. 2d 1334, 1339 (CIT 2003), as affirmed by the Federal Circuit, 104 Fed. Appx. 183 (Fed. Cir. 2004).

NME or a country with general export subsidies.

To value electricity, the Department used the 2000 electricity price rates from *Key World Energy Statistics 2003*, published by the International Energy Agency available at <http://www.eia.doe.gov/emeu/international/elecpr.html>. Because this data was not contemporaneous with the POR, we adjusted the average value for inflation using WPI. See *Surrogate Value Memorandum* at Attachment 5.

For direct labor, indirect labor and packing labor, consistent with 19 CFR 351.408(c)(3), we used the PRC regression-based wage rates reflective of the observed relationship between wages and national income in market economy countries as reported on Import Administration's home page. See "Expected Wages of Selected NME Countries" (revised January 2007) (available at <http://www.trade.gov/ia/>). For further details on the labor calculation, see *Surrogate Value Memorandum* at Attachment 7. Because the regression-based wage rates do not separate the labor rates into different skill levels or types of labor, we applied the same wage rate to all skill levels and types of labor reported by each respondent.

For packing materials, we used the per-kilogram values obtained from the Indian WTA import data and made adjustments to account for freight costs incurred between the PRC supplier and the respondent. See *Surrogate Value Memorandum* at Attachment 1.

The Department valued truck freight using Indian freight rates published by Indian Freight Exchange available at <http://www.infreight.com>. This source provided daily rates from six major points of origin to six destinations in India for the period April 2005 through October 2005. Because this data was not contemporaneous with the POR, we adjusted the average value for inflation using WPI. We averaged the monthly rates for each rate observation to obtain an SV. See *Surrogate Value Memorandum* at Attachment 8.

Both Meita and Tylon reported that during the manufacturing process, their subject merchandise was transported from each respondent's respective casting facility to their finishing workshops. To value PRC freight for the distance between each respondents' casting facility and the finishing workshop, we used the inland freight SV calculated for inputs shipped by truck, as discussed above. See *Meita Calculation Memorandum* and *Tylon Calculation Memorandum*.

Petitioners submitted financial information for two Indian producers of

identical and comparable merchandise: Bosch Chassis Systems India Ltd. ("Bosch") for the year ending March 31, 2006, and Rico Auto Industries Limited ("Rico") for the year ending March 31, 2005.<sup>27</sup> Because neither Bosch's nor Rico's financial statements were contemporaneous with the POR, the Department placed on the record of these reviews the public information from Rico's 2006–2007 annual report and Bosch's nine-month (*i.e.*, April through December 2006) annual report<sup>28</sup> to be considered for valuing FOPs.<sup>29</sup>

We preliminarily determine that both Bosch's and Rico's 2006–2007 financial statements are the best available information with which to calculate financial ratios because they appear to be complete, are publicly available, and are contemporaneous with the POR.<sup>30</sup> Therefore, for factory overhead, selling, general, and administrative expenses ("SG&A"), and profit values, consistent with 19 CFR 351.408(c)(4), we used the public information from the 2006–2007 annual reports of Bosch and Rico. From this information, we were able to determine factory overhead as a percentage of the total raw materials, labor, and energy ("ML&E") costs; SG&A as a percentage of ML&E plus overhead (*i.e.*, cost of manufacture); and the profit rate as a percentage of the cost of manufacture plus SG&A. Where appropriate, we did not include in the surrogate overhead and SG&A calculations the excise duty amount listed in the financial reports. For a full discussion of the calculation of these ratios, see *Surrogate Value Memorandum* and its accompanying calculation worksheets at Attachment 6.

To value coking coal, coke, and firewood, we applied SVs using Indian import prices by HTS classification for the POR reported in the MSFTI, and available from WTA. See *Surrogate Value Memorandum* for a full

<sup>27</sup> See Petitioners' submission dated August 1, 2007.

<sup>28</sup> In Bosch's nine-month 2006 annual report, it stated that Bosch was changing its financial reporting from a fiscal year to a calendar year, starting January 1, 2007.

<sup>29</sup> See the Department's memorandum, entitled, "2006–2007 Administrative and New Shipper Reviews of the Antidumping Duty Order on Brake Rotors from the People's Republic of China: Surrogate Financial Statements," dated January 3, 2007.

<sup>30</sup> See *Brake Rotors From the People's Republic of China: Final Results of Antidumping Duty Administrative and New Shipper Reviews and Partial Rescission of the 2005–2006 Administrative Review*, 72 FR 42386, 42389 (August 22, 2007), and the accompanying *Issues and Decision Memorandum* at Comment 2 ("2005–2006 Brake Rotors").

discussion of the calculation of these ratios.

**Currency Conversion**

We made currency conversions into U.S. dollars, in accordance with section 773A(a) of the Act, based on the exchange rates in effect on the dates of the U.S. sales, as certified by the Federal Reserve Bank. See <http://www.ia.ita.doc.gov/exchange/index.html>.

**Preliminary Results of Reviews**

As a result of our review, we preliminarily determine that the following margins exist for the period April 1, 2006, through March 31, 2007:

**BRAKE ROTORS FROM THE PRC**

Individually Reviewed Exporters 2006–2007 Administrative Review	Weighted-Average Percent Margin (Percent)
Longkou Haimeng Machinery Co., Ltd.	0.03 ( <i>de minimis</i> ).
Qingdao Meita Automotive Industry Co., Ltd.	0

**Separate Rate Applicant Exporters 2006–2007 Administrative Review**

Laizhou Auto Brake Equipment Co., Ltd.	0
Yantai Winhere Auto-Part Manufacturing Co., Ltd.	0
Laizhou Hongda Auto Replacement Parts Co., Ltd.	0
Laizhou City Luqi Machinery Co., Ltd.	0
Laizhou Wally Automobile Co., Ltd.	0
Zibo Luzhou Automobile Parts Co., Ltd.	0
Zibo Golden Harvest Machinery Limited Company.	0
Longkou TLC Machinery Co., Ltd.	0
Longkou Jinzheng Machinery Co., Ltd.	0
Qingdao Gren (Group) Co. ....	0
Shenyang Yinghao Machinery Co.	0
Longkou Dixion Brake System Ltd.	0

**2006–2007 New Shipper Review**

Shanghai Tylon Company Ltd PRC-Wide Rate .....	0 Margin (Percent).
PRC-Wide Rate .....	43.32

While the Department has, for these preliminary results, applied the average of the rates calculated for the two mandatory respondents, Haimeng and Meita, to the companies not individually examined, LABEC, Winhere, Hongda, Luqi, Wally, ZLAP,

ZGOLD, TLC, Jinzheng, Gren, Yinghao, and Dixon, we invite comments from interested parties regarding the methodology to be used to determine the rate for non-examined companies. Specifically, we invite interested parties to comment on the rate to be applied to the non-examined companies, considering, but not limited to, the following factors: (a) The Department has limited its examination of respondents pursuant to section 777A(c)(2)(B) of the Act, (b) section 735(c)(5) provides that, with some exceptions, the all-others rate in an investigation is to be calculated excluding any margins that are zero, *de minimis* or based entirely on facts available, and (c) the Statement of Administrative Action states that with respect to the calculation of the all-others rate in such cases, "the expected method will be to weight-average the zero and *de minimis* margins and margins determined pursuant to the facts available, provided that volume data is available. However, if this method is not feasible, or if it results in an average that would not be reasonably reflective of potential dumping margins for non-investigated exporters or producers, Commerce may use other reasonable methods."

#### Disclosure

We will disclose the calculations used in our analysis to parties to these proceedings within five days of the date of publication of this notice. See 19 CFR 351.224(b).

Interested parties are invited to comment on the preliminary results and may submit case briefs and/or written comments within 30 days of the date of publication of this notice. See 19 CFR 351.309(c)(ii). Rebuttal briefs, limited to issues raised in the case briefs, will be due five days later, pursuant to 19 CFR 351.309(d). Parties who submit case or rebuttal briefs in these proceedings are requested to submit with each argument (1) a statement of the issue, and (2) a brief summary of the argument. Parties are requested to provide a summary of the arguments not to exceed five pages and a table of statutes, regulations, and cases cited. Additionally, parties are requested to provide its case brief and rebuttal briefs in electronic format (*e.g.*, WordPerfect, Microsoft Word, pdf, etc.). Interested parties who wish to request a hearing or to participate if one is requested, must submit a written request to the Assistant Secretary for Import Administration within 30 days of the date of publication of this notice. Requests should contain: (1) The party's name, address, and telephone number; (2) the number of participants; and (3)

a list of issues to be discussed. See 19 CFR 351.310(c). Issues raised in the hearing will be limited to those raised in case and rebuttal briefs. The Department will issue the final results of these reviews, including the results of its analysis of issues raised in any such written briefs or at the hearing, if held, not later than 120 days after the date of publication of this notice.

#### Assessment Rates

Upon issuance of the final results, the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries covered by these reviews. The Department intends to issue assessment instructions to CBP 15 days after the publication date of the final results of these reviews. In accordance with 19 CFR 351.212(b)(1), for Haimeng, Meita, and Tylon, we calculated an exporter/importer (or customer)-specific assessment rate for the merchandise subject to these reviews. Where the respondent has reported reliable entered values, we calculated importer (or customer)-specific *ad valorem* rates by aggregating the dumping margins calculated for all U.S. sales to each importer (or customer) and dividing this amount by the total entered value of the sales to each importer (or customer). See 19 CFR 351.212(b)(1). Where an importer (or customer)-specific *ad valorem* rate is greater than *de minimis*, we will apply the assessment rate to the entered value of the importer's/customer's entries during the review period. See 19 CFR 351.212(b)(1).

Where we do not have entered values for all U.S. sales, we calculated a per-unit assessment rate by aggregating the antidumping duties due for all U.S. sales to each importer (or customer) and dividing this amount by the total quantity sold to that importer (or customer). See 19 CFR 351.212(b)(1). To determine whether the duty assessment rates are *de minimis*, in accordance with the requirement set forth in 19 CFR 351.106(c)(2), we calculated importer (or customer)-specific *ad valorem* ratios based on the estimated entered value. Where an importer (or customer)-specific *ad valorem* rate is zero or *de minimis*, we will instruct CBP to liquidate appropriate entries without regard to antidumping duties. See 19 CFR 351.106(c)(2).

For the companies receiving a separate rate that were not selected for individual review (*i.e.*, LABEC, Winhere, Hongda, Luqi, Wally, ZLAP, ZGOLD, TLC, Jinzheng, Gren, Yinghao, and Dixon), we will calculate an assessment rate based on the weighted average of the cash deposit rates

calculated for the companies selected for individual review pursuant to section 735(c)(5)(B) of the Act. Where the weighted average *ad valorem* rate is zero or *de minimis*, we will instruct CBP to liquidate appropriate entries without regard to antidumping duties. See 19 CFR 351.106(c)(2).

#### Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of the new shipper review for all shipments of subject merchandise from Tylon entered or withdrawn from warehouse, for consumption on or after publication date: (1) For subject merchandise manufactured and exported by Tylon, the cash deposit rate will be zero percent; and (2) for subject merchandise exported by Tylon but not manufactured by Tylon, the cash deposit rate will be the PRC-wide rate.

The following cash deposit requirements will be effective upon publication of the final results of the administrative review for all shipments of brake rotors from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(1) of the Act: (1) The cash deposit rates for Haimeng, Meita, LABEC, Winhere, Hongda, Luqi, Wally, ZLAP, ZGOLD, TLC, Jinzheng, Gren, Yinghao, and Dixon will be the rates determined in the final results of review (except that if a rate is *de minimis*, *i.e.*, less than 0.50 percent, a zero cash deposit will be required); (2) the cash deposit rate for previously investigated or reviewed PRC and non-PRC exporters who received a separate rate in a prior segment of the proceeding (which were not reviewed in this segment of the proceeding) will continue to be the rate assigned in that segment of the proceeding; (3) the cash deposit rate for all PRC exporters of subject merchandise that have not been found to be entitled to a separate rate will be the PRC-wide rate of 43.32 percent; and (4) the cash deposit rate for all non-PRC exporters of subject merchandise which have not received their own rate will be the rate applicable to the PRC exporter that supplied that non-PRC exporter. These requirements, when imposed, shall remain in effect until further notice.

#### Notification to Importers

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this



review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

These administrative and new shipper reviews and notice are in accordance with sections 751(a)(1), 751(a)(2)(B), and 777(i) of the Act and 19 CFR 351.213 and 351.214.

Dated: January 30, 2008.

**David M. Spooner,**

*Assistant Secretary for Import Administration.*

[FR Doc. E8-2081 Filed 2-4-08; 8:45 am]

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## DEPARTMENT OF COMMERCE

### National Institute of Standards and Technology

#### International Code Council: The Update Process for the International Codes

**AGENCY:** National Institute of Standards and Technology, Commerce.

**ACTION:** Notice of Code Development Hearings on U.S. Model Building Safety and Fire Prevention Codes, 2009 editions.

**SUMMARY:** The International Code Council (ICC), under whose auspices the International Codes ("I-Codes") are developed, maintains a process for updating these model codes based on receipt of proposals from interested individuals and organizations. Each of the I-Codes are comprehensively updated and re-published every three years with a supplement released between each edition. The most current versions of the I-Codes are the 2006 editions and the 2007 supplements to the 2006 editions. The 2009 editions of the I-Codes, the subject of this notice, will be released in the first quarter of 2009.

The purpose of this notice is to invite public participation in the Code Development Hearings. At this session, all proposed changes submitted for the family of the 2009 I-Codes will be considered by the respective Code Development Committees, with the assembled body of the International Code Council members also afforded the opportunity to vote via an assembly action. Proposals for consideration at these hearings were received by the August 20, 2007, deadline and were made publically available as an electronic document on November 7, 2007, and as a printed Monograph on December 18, 2007.

The publication of this notice by the National Institute of Standards and Technology (NIST) on behalf of ICC is being undertaken as a public service. NIST does not necessarily endorse, approve, or recommend any of the codes or standards referenced in the notice.

**Session Dates:** The Code Development Hearings of the 2007/2008 Code Development Cycle will occur between February 18 and March 1, 2008, at the Palm Springs Convention Center in Palm Springs, California.

The agenda for the hearing as well as updates to the schedule are also posted on the ICC Web site at: <http://www.iccsafe.org>.

#### FOR FURTHER INFORMATION CONTACT:

Mike Pfeiffer, PE, Deputy Senior Vice President, Codes and Standards Development at ICC's Chicago District Office, 4051 West Flossmoor Road, Country Club Hills, Illinois 60478; Telephone 888-422-7233, Extension 4338; e-mail [mpfeiffer@iccsafe.org](mailto:mpfeiffer@iccsafe.org).

#### SUPPLEMENTARY INFORMATION:

##### Background

The ICC produces a family of codes and standards that are comprehensive, coordinated, and are widely used across the country in the regulation of the built environment. Local, state, and federal agencies use these codes and standards as the basis for developing regulations concerning new and existing construction. ICC's model codes and standards are each developed and maintained through voluntary consensus development processes known as the Governmental Consensus Process. Consistent with the voluntary consensus requirements of the National Technology Transfer and Advancement Act of 1995 (Pub. L. 104-113), the Governmental Consensus process incorporates a balance of involved interests, ensures due process, provides for conclusion by consensus, the resolution of objections by interested parties, the fair consideration of all public comments, and has a prescribed process for appeal of any action.

The ICC code development process is initiated when proposals from interested persons—supported by written data, views, or arguments—are solicited, received and then published in the Proposed Changes document. This document is distributed a minimum of 30 days in advance of the Code Development Hearings and serves as the agenda for that session.

At the Code Development Hearing the ICC Code Development Committee for each code or subject area of the code considers testimony and takes action on each proposal (Approval, Disapproval,

or Approval as Modified). At the conclusion of committee action on each proposal, any member of the public assembly may make a motion for a vote by the ICC members in attendance ("assembly action") to consider an action different than the committee action. Successful assembly actions on code changes become part of the record of public comments and are considered at the Final Action Hearing. Following the Code Development Hearing, the Report of the Public Hearing is published and identifies the disposition of each proposal, the reason for the committee's action, and successful assembly actions. Any person may provide additional comment on the committee actions in the public comment period following the first hearing. These comments are published and distributed in Final Action Agenda which serves as the agenda for the second public hearing in each cycle.

Proposals which are approved by a vote of the Governmental Members of ICC at the Final Action Hearing are incorporated in either the Supplement or Edition, as applicable, with the next 18-month cycle starting with the submittal deadline for proposals. Proponents of proposals will receive a copy of all documents (Proposed Changes, Report of the Public Hearing and Final Action Agenda). Any interested party may also request a copy, free of charge, by downloading the "return coupon" from the ICC Web site at <http://www.iccsafe.org> and forwarding it as directed.

*The 2009 International Codes consist of the following:* International Building Code; International Energy Conservation Code; International Existing Building Code; International Fire Code; International Fuel Gas Code; International Mechanical Code; ICC Performance Code for Buildings and Facilities; International Plumbing Code; International Private Sewage Disposal Code; International Property Maintenance Code; International Residential Code; International Urban-Wildland Interface Code; and International Zoning Code.

Dated: January 31, 2008.

**Richard F. Kayser,**

*Acting Deputy Director.*

[FR Doc. E8-2077 Filed 2-4-08; 8:45 am]

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