

**UNITED STATES INTERNATIONAL TRADE COMMISSION**  
**Washington, DC**

Investigation Nos. 701-TA-452 and 731-TA-1129 and 1130 (Preliminary)

**RAW FLEXIBLE MAGNETS FROM CHINA AND TAIWAN**

**DETERMINATIONS**

On the basis of the record<sup>1</sup> developed in the subject investigations, the United States International Trade Commission (Commission) determines, pursuant to section 703(a) of the Tariff Act of 1930 (19 U.S.C. § 1671b(a)) (the Act), that there is a reasonable indication that an industry in the United States is threatened with material injury by reason of imports from China of raw flexible magnets, provided for in subheadings 8505.19.10 and 8505.19.20 of the Harmonized Tariff Schedule of the United States,<sup>2</sup> that are alleged to be subsidized by the Government of China.<sup>3</sup> The Commission further determines, pursuant to section 733(a) of the Act (19 U.S.C. § 1673b(a)), that there is a reasonable indication that an industry in the United States is threatened with material injury by reason of imports from China and Taiwan of raw flexible magnets, that are alleged to be sold in the United States at less than fair value (LTFV).<sup>4</sup>

**COMMENCEMENT OF FINAL PHASE INVESTIGATIONS**

Pursuant to section 207.18 of the Commission's rules, the Commission also gives notice of the commencement of the final phase of its investigations. The Commission will issue a final phase notice of scheduling, which will be published in the *Federal Register* as provided in section 207.21 of the Commission's rules, upon notice from the Department of Commerce (Commerce) of affirmative preliminary determinations in the investigations under section 703(b) and section 733(b) of the Act, or, if the preliminary determinations are negative, upon notice of affirmative final determinations in those investigations under section 705(a) and section 735(a) of the Act. Parties that filed entries of appearance in the preliminary phase of the investigations need not enter a separate appearance for the final phase of the investigations. Industrial users and, if the merchandise under investigation is sold at the retail level, representative consumer organizations have the right to appear as parties in Commission antidumping and countervailing duty investigations. The Secretary will prepare a public service list containing the names and addresses of all persons, or their representatives, who are parties to the investigations.

**BACKGROUND**

On September 21, 2007, a petition was filed with the Commission and Commerce by Magnum Magnetics Corp., alleging that an industry in the United States is materially injured or threatened with

---

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

<sup>2</sup> Raw flexible magnets were provided for in HTS statistical reporting number 8505.19.0040 prior to December 19, 2004.

<sup>3</sup> Commissioner Charlotte R. Lane determines that there is a reasonable indication that an industry in the United States is materially injured by reason of such imports.

<sup>4</sup> Commissioner Charlotte R. Lane determines that there is a reasonable indication that an industry in the United States is materially injured by reason of such imports.

material injury by reason of subsidized imports of raw flexible magnets from China, and by reason of LTFV imports from China and Taiwan. Accordingly, effective September 21, 2007, the Commission instituted countervailing duty and antidumping duty investigation Nos. 701-TA-452 and 731-TA-1129 and 1130 (Preliminary).

Notice of the institution of the Commission's investigations and of a public conference to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing the notice in the *Federal Register* of September 28, 2007 (72 FR 55248). The conference was held in Washington, DC, on October 12, 2007, and all persons who requested the opportunity were permitted to appear in person or by counsel.

The Commission transmitted its determinations in these investigations to the Secretary of Commerce on November 5, 2007. The views of the Commission are contained in USITC Publication 3961 (November 2007), entitled *Raw Flexible Magnets from China and Taiwan: Investigation Nos. 701-TA-452 and 731-TA-1129 and 1130 (Preliminary)*.

By order of the Commission.

Marilyn R. Abbott  
Secretary to the Commission

Issued: November 5, 2007