

UNITED STATES INTERNATIONAL TRADE COMMISSION

PAPER CLIPS FROM CHINA
Investigation No. 731-TA-663 (Review)

DETERMINATION AND VIEWS OF THE COMMISSION
(USITC Publication No. 3330, July 2000)

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PAPER CLIPS FROM CHINA

DETERMINATION

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

BACKGROUND

The Commission instituted this review on December 1, 1999 (64 F.R. 67320, December 1, 1999) and determined on March 3, 2000 that it would conduct an expedited review (65 F.R. 15010, March 20, 2000). The Commission transmitted its determination in this review to the Secretary of Commerce on July 28, 2000. The views of the Commission are contained in USITC Publication 3330 (July 2000), entitled *Paper Clips From China: Investigation No. 731-TA-663 (Review)*.

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

VIEWS OF THE COMMISSION

Based on the record in this five-year review, we determine under section 751(c) of the Tariff Act of 1930, as amended (“the Act”), that revocation of the antidumping duty order covering imports of certain wire paper clips (“paper clips”) from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

I. BACKGROUND

In November 1994, the Commission unanimously determined that an industry in the United States was materially injured by reason of imports of paper clips from China that the Department of Commerce (“Commerce”) had determined to be sold in the United States at less than fair value.¹ On November 25, 1994, Commerce issued an antidumping duty order on certain paper clips from China.²

On December 1, 1999, the Commission instituted a review pursuant to section 751(c) of the Act to determine whether revocation of the antidumping duty order on certain paper clips from China would be likely to lead to continuation or recurrence of material injury.³

In five-year reviews, the Commission initially determines whether to conduct a full review (which would include a public hearing, the issuance of questionnaires, and other procedures) or an expedited review, as follows. First, the Commission determines whether individual responses of interested parties to the notice of institution are adequate. Second, based on those responses deemed individually adequate, the Commission determines whether the collective responses submitted by two groups of interested parties – domestic interested parties (producers, unions, trade associations, or worker groups) and respondent interested parties (importers, exporters, foreign producers, trade associations, or subject country governments) – demonstrate a sufficient willingness among each group to participate and provide information requested in a full review.⁴ If the Commission finds the responses from either group of interested parties to be inadequate, the Commission may determine, pursuant to section 751(c)(3)(B) of the Act, to conduct an expedited review unless it finds that other circumstances warrant a full review.

The only response to the notice of institution in this review was filed by ACCO Brands, Inc. (“ACCO”). ACCO is a domestic producer of paper clips and was a petitioner in the original Commission investigation. No respondent interested party filed a response.

On March 3, 2000, the Commission determined that ACCO’s individual response and the domestic interested party group response to its notice of institution were adequate, and that the respondent interested

¹ Certain Paper Clips from the People’s Republic of China, Inv. No. 731-TA-663 (Final), USITC Pub. 2829 (November 1994) (“Original Determination”).

² 59 Fed. Reg. 60606 (November 25, 1994).

³ 64 Fed. Reg. 67320 (December 1, 1999).

⁴ See 19 C.F.R. § 207.62(a); 63 Fed. Reg. 30599, 30602-05 (June 5, 1998).

party group response was inadequate.⁵ Pursuant to section 751(c)(3)(B) of the Act,⁶ the Commission voted to expedite its review of this matter.⁷

II. DOMESTIC LIKE PRODUCT AND INDUSTRY

A. Domestic Like Product

In making its determination under section 751(c), the Commission defines the “domestic like product” and the “domestic industry.”⁸ The Act defines “domestic like product” as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this subtitle.”⁹ In a section 751(c) review, the Commission must also take into account “its prior injury determination.”¹⁰

In its final five-year review determination, Commerce defined the subject merchandise as:

certain paper clips, wholly of wire of base metal, whether or not galvanized, whether or not plated with nickel or other base metal (e.g., copper), with a wire diameter between 0.025 inches and 0.075 inches (0.64 to 1.91 millimeters), regardless of physical configuration, except as specifically excluded. The products subject to this order may have a rectangular or ring-like shape and include, but are not limited to, clips commercially referred to as No.1 clips, No. 3 clips, Jumbo or Giant clips, Gem clips, Frictioned clips, Perfect Gems, Marcel Gems, Universal clips, Nifty clips, Peerless clips, Ring clips, and Glide-On clips.

Specifically excluded from the scope of this order are plastic and vinyl covered paper clips, butterfly clips, binder clips, or other paper fasteners that are not made wholly of wire of base metal and are covered under a separate subheading of the Harmonized Tariff Schedule of the United States (“HTSUS”).¹¹

⁵ See Paper Clips from China, Inv. No. 731-TA-663 (Review), Explanation of Commission Determination on Adequacy (March 2000).

⁶ 19 U.S.C. § 1675(c)(3)(B).

⁷ 65 Fed. Reg. 15010 (March 20, 2000).

⁸ 19 U.S.C. § 1677(4)(A).

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

¹⁰ 19 U.S.C. § 1675(a)(1)(a).

¹¹ 65 Fed. Reg. 41434, 41435 (July 5, 2000).

In the original investigation, the Commission defined the domestic like product to be “certain wire paper clips” as described in Commerce’s scope determination.¹² ACCO asserts that the domestic like product should be defined in the same manner as in the original investigation.¹³ There is no new information obtained during this five-year review that would suggest a reason for revisiting the Commission’s original like product determination.¹⁴ We consequently continue to define the domestic like product as certain wire paper clips, coextensive with Commerce’s scope determination.

B. Domestic Industry

Section 771(4)(A) of the Act defines the relevant industry as the “domestic producers as a whole of a like product, or those producers whose collective output of the like product constitutes a major proportion of the total domestic production of that product.”¹⁵ Given our definition of the domestic like product, we find the domestic industry to consist of all domestic producers of paper clips. In its response to the notice of institution, ACCO states that the known current domestic producers of paper clips, other than itself, are OIC, Gem Office Products Co. (formerly Labelon/Noesting), and possibly Work Services.¹⁶ Given the limited information in this record concerning domestic producers other than ACCO, there is no evidence that appropriate circumstances exist to exclude any producer from the domestic industry pursuant to the related parties provision in section 771(4)(B) of the Act.

III. REVOCATION OF THE ANTIDUMPING DUTY ORDER ON CERTAIN PAPER CLIPS FROM CHINA WOULD LIKELY LEAD TO CONTINUATION OR RECURRENCE OF MATERIAL INJURY WITHIN A REASONABLY FORESEEABLE TIME

A. Legal Standard

In a five-year review conducted under section 751(c) of the Act, Commerce will revoke an antidumping duty order unless: (1) it makes a determination that subsidization and/or dumping is likely to continue or recur, and (2) the Commission makes a determination that revocation of an order “would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.”¹⁷ The Uruguay Round Agreements Act Statement of Administrative Action (SAA) states that “under the likelihood standard, the Commission will engage in a counter-factual analysis; it must decide the likely impact in the reasonably foreseeable future of an important change in the status quo – the revocation [of the order] . . . and the elimination of its restraining effects on volumes and prices of imports.”¹⁸

¹² Original Determination, USITC Pub. 2829 at I-6-7.

¹³ ACCO Response to Notice of Institution at 12.

¹⁴ Confidential Report (“CR”) at I-5-10, Public Report (“PR”) at I-4-8.

¹⁵ 19 U.S.C. § 1677(4)(A).

¹⁶ ACCO Response to Notice of Institution at 9. Staff was unable to generate any additional information concerning this issue. See CR at I-10-11, PR at I-9.

¹⁷ 19 U.S.C. § 1675a(a).

¹⁸ SAA, H.R. Rep. No. 103-316, vol. I, at 883-84 (1994). The SAA states that “[t]he likelihood of injury standard applies regardless of the nature of the Commission’s original determination (material injury, threat of material injury, or material retardation of an industry).” SAA at 883.

Thus, the likelihood standard is prospective in nature.¹⁹ The statute provides that “the Commission shall consider that the effects of revocation . . . may not be imminent, but may manifest themselves only over a longer period of time.”²⁰ According to the SAA, a “‘reasonably foreseeable time’ will vary from case-to-case, but normally will exceed the ‘imminent’ time frame applicable in a threat of injury analysis [in antidumping duty investigations].”^{21 22}

Although the standard in five-year reviews is not the same as the standard applied in original antidumping duty investigations, it contains some of the same fundamental elements. The statute provides that the Commission is to “consider the likely volume, price effect, and impact of imports of the subject merchandise on the industry if the order is revoked.”²³ It directs the Commission to take into account its prior injury determination, whether any improvement in the state of the industry is related to the order under review, and whether the industry is vulnerable to material injury if the order is revoked.^{24 25}

Section 751(c)(3) of the Act and the Commission’s regulations provide that in an expedited five-year review the Commission may issue a final determination “based on the facts available, in accordance

¹⁹ While the SAA states that “a separate determination regarding current material injury is not necessary,” it indicates that “the Commission may consider relevant factors such as current and likely continued depressed shipment levels and current and likely continued [sic] prices for the domestic like product in the U.S. market in making its determination of the likelihood of continuation or recurrence of material injury if the order is revoked.” SAA at 884.

²⁰ 19 U.S.C. § 1675a(a)(5).

²¹ SAA at 887. Among the factors that the Commission should consider in this regard are “the fungibility or differentiation within the product in question, the level of substitutability between the imported and domestic products, the channels of distribution used, the methods of contracting (such as spot sales or long-term contracts), and lead times for delivery of goods, as well as other factors that may only manifest themselves in the longer term, such as planned investment and the shifting of production facilities.” *Id.*

²² In analyzing what constitutes a reasonably foreseeable time, Chairman Koplán examines all the current and likely conditions of competition in the relevant industry. He defines “reasonably foreseeable time” as the length of time it is likely to take for the market to adjust to a revocation. In making this assessment, he considers all factors that may accelerate or delay the market adjustment process including any lags in response by foreign producers, importers, consumers, domestic producers, or others due to: lead times; methods of contracting; the need to establish channels of distribution; product differentiation; and any other factors that may only manifest themselves in the longer term. In other words, this analysis seeks to define “reasonably foreseeable time” by reference to current and likely conditions of competition, but also seeks to avoid unwarranted speculation that may occur in predicting events into the more distant future.

²³ 19 U.S.C. § 1675a(a)(1).

²⁴ *Id.* The statute further provides that the presence or absence of any factor that the Commission is required to consider shall not necessarily give decisive guidance with respect to the Commission’s determination. 19 U.S.C. § 1675a(a)(5). While the Commission must consider all factors, no one factor is necessarily dispositive. SAA at 886.

²⁵ Section 752(a)(1)(D) of the Act directs the Commission to take into account in five-year reviews involving antidumping proceedings “the findings of the administrative authority regarding duty absorption.” 19 U.S.C. § 1675a(a)(1)(D). Commerce has not issued any duty absorption findings in connection with the order under review. *See* Memorandum from Jeffrey A. May to Troy H. Cribb at 1. Commerce incorporated the Decision Memo by reference to its final determination. *See* 65 Fed. Reg. 41434, 41435 (July 5, 2000).

with section 776.”²⁶ We note that the statute authorizes the Commission to take adverse inferences in five-year reviews, but emphasize that such authorization does not relieve the Commission of its obligation to consider the record evidence as a whole in making its determination. We generally give credence to the facts supplied by the participating parties and certified by them as true, but base our decision on the evidence as a whole, and do not automatically accept the participating parties’ suggested interpretation of the record evidence. Regardless of the level of participation and the interpretations urged by participating parties, the Commission is obligated to consider all evidence relating to each of the statutory factors and may not draw adverse inferences that render such analysis superfluous. “In general, the Commission makes determinations by weighing all of the available evidence regarding a multiplicity of factors relating to the domestic industry as a whole and by drawing reasonable inferences from the evidence it finds most persuasive.”²⁷ As noted above, no respondent interested party responded to the Commission’s notice of institution. Accordingly, we have relied on the facts available in this review, which consist primarily of the record in the Commission’s original investigation, the limited information collected by the Commission since the institution of this review, and the information submitted by ACCO in its response to the notice of institution.

For the reasons stated below, we determine that revocation of the antidumping duty order on paper clips from China would be likely to lead to continuation or recurrence of material injury to the domestic industry within a reasonably foreseeable time.

B. Conditions of Competition

In evaluating the likely impact of the subject imports on the domestic industry, the statute directs the Commission to consider all relevant economic factors “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”²⁸

In its original determination, the Commission identified several conditions of competition pertinent to the paper clip industry. The industry was described as mature, with little product innovation and no new production processes.²⁹ At the same time, the Commission found that the market for paper clips was changing as large discount retailers of office supply products increased in number, causing producers to shift sales to these chains.³⁰ These conditions remain applicable to the industry today.³¹

²⁶ 19 U.S.C. § 1675(c)(3)(B); 19 C.F.R. § 207.62(e). Section 776 of the Act, in turn, authorizes the Commission to “use the facts otherwise available” in reaching a determination when: (1) necessary information is not available on the record or (2) an interested party or any other person withholds information requested by the agency, fails to provide such information in the time or in the form or manner requested, significantly impedes a proceeding, or provides information that cannot be verified pursuant to section 782(i) of the Act. 19 U.S.C. § 1677e(a). The statute permits the Commission to use adverse inferences in selecting from among the facts otherwise available when an interested party has failed to cooperate by acting to the best of its ability to comply with a request for information. 19 U.S.C. § 1677e(b). Such adverse inferences may include selecting from information from the record of our original determination and any other information placed on the record. *Id.*

²⁷ SAA at 869.

²⁸ 19 U.S.C. § 1675a(a)(4).

²⁹ Original Determination, USITC Pub. 2829 at I-8.

³⁰ *Id.*; CR at I-9-10, PR at I-8.

³¹ *See* ACCO Response to Notice of Institution at 12.

The record indicates that apparent U.S. consumption of paper clips rose by *** percent between 1993, the last full year in the original period of investigation, and 1998.³² U.S. producers' U.S. shipments in 1998 were valued at \$***, as compared to \$*** in 1993.³³ U.S. shipments of domestically-produced paper clips account for the greatest share of U.S. domestic consumption, with imports from non-subject countries supplying much of the remainder of the market. Both the volume and market penetration of nonsubject imports have increased since the time of the original determination.³⁴

In 1993, there were four firms producing paper clips in the United States, with ACCO accounting for *** percent of total U.S. production.³⁵ ACCO remains the predominant producer, manufacturing approximately *** percent of the paper clips made in the United States.³⁶ Other current domestic producers include Gem Office Products (formerly Labelon/Noesting) and OIC.³⁷

Price remains of significant importance to the industry.³⁸ ACCO characterizes price as “the most important factor in choosing a source for paper clips.”³⁹

Based on the record evidence in this review, we find that these conditions of competition in the U.S. paper clip market are not likely to change significantly in the reasonably foreseeable future. Accordingly, we find that current conditions in the U.S. market for paper clips provide us with a sufficient basis upon which to assess the likely effects of revocation of the antidumping duty order within the reasonably foreseeable future.

C. Likely Volume of Subject Imports

In evaluating the likely volume of imports of subject merchandise if the order under review is revoked, the Commission is directed to consider whether the likely volume of imports would be significant either in absolute terms or relative to production or consumption in the United States.⁴⁰ In doing so, the Commission must consider “all relevant economic factors,” including four enumerated factors: (1) any likely increase in production capacity or existing unused production capacity in the exporting country; (2) existing inventories of the subject merchandise, or likely increases in inventories; (3) the existence of barriers to the importation of the subject merchandise into countries other than the United States; and (4) the potential for product shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products.⁴¹

³² Table I-3, CR at I-21, PR at I-17.

³³ Table I-1, CR at I-13, PR at I-11.

³⁴ Table I-3, CR at I-21, PR at I-17. Nonsubject imports increased from 1.5 million units in 1991 to 2.3 million units in 1998. Table I-2, CR at I-17, PR at I-14.

³⁵ CR at I-10, PR at I-9.

³⁶ *Id.*

³⁷ CR at I-11, PR at I-9.

³⁸ Original Determination, USITC Pub. 2829 at I-8.

³⁹ ACCO Response to Notice of Institution at 4.

⁴⁰ 19 U.S.C. § 1675a(a)(2).

⁴¹ 19 U.S.C. § 1675a(a)(2)(A)-(D).

In the original investigation, the Commission found that subject imports maintained a significant market penetration level of between 30 and 40 percent throughout the period of investigation.⁴² However, following imposition of the order in November 1994, subject imports dropped to much lower levels. In 1998, the subject import quantity was 164.0 million units, compared to 4.9 billion units in 1993, and accounted for only *** percent of apparent U.S. consumption.⁴³ The record indicates, therefore, that the antidumping duty order has led to the reduced presence of subject imports in the United States.

Because there were no responses by foreign producers or exporters to the Commission's notice of institution, there is limited information in the record concerning the current status of the paper clips industry in China. There is no information in the record that indicates that the Chinese paper clip producers existing at the time of the original investigation have reduced their capacity to produce subject merchandise in China or have developed alternative markets for their product.⁴⁴

Should the antidumping duty order be revoked, the United States is again likely to be an attractive market for exports of paper clips from China. ACCO indicates that several large office supply companies that purchase its domestically-produced paper clips – some of which began to source their paper clips from ACCO only after issuance of the antidumping duty order – purchase related non-subject office products, such as binder clips, from China.⁴⁵ ACCO asserts that these customers could easily also source paper clips from China in the absence of an order.⁴⁶ We find that absent the restraining effect of the antidumping duty order, and in light of the likely pricing of the subject imports discussed below, these purchasers would have both the ability and incentive to increase significantly their purchases of paper clips from China.

We consequently find it is likely that producers in China would significantly increase exports of the subject merchandise to the U.S. market if the order is revoked.⁴⁷ We therefore conclude that, based on the record evidence, the volume of subject imports would likely increase to a significant level upon revocation of the order.

D. Likely Price Effects of Subject Imports

In evaluating the likely price effects of subject imports if the antidumping duty order is revoked, the Commission is directed to consider whether there is likely to be significant underselling by the subject imports as compared with domestic like products and whether the subject imports are likely to enter the United States at prices that would have a significant depressing or suppressing effect on the prices of domestic like products.⁴⁸

⁴² Original Determination, USITC Pub. 2829 at I-14.

⁴³ Table I-3, CR at I-21, PR at I-17.

⁴⁴ See CR at I-22-23, PR at I-16-18.

⁴⁵ See also, footnote 50 and text at page 15, *infra*, recounting how purchasers typically buy paper clips as part of a “bundle” of office supplies and will resume purchasing paper clips from China along with other office supplies, should the antidumping duty order be revoked.

⁴⁶ See ACCO Response to Notice of Institution at 7-8.

⁴⁷ Commissioner Bragg infers that, upon revocation, subject producers would revert to their historical emphasis on exporting to the United States, as evidenced in the Commission's original determination. Based upon the record in this review, Commissioner Bragg finds that the historical emphasis will likely result in significant volumes of subject imports into the United States if the order is revoked.

⁴⁸ 19 U.S.C. § 1675a(a)(3). The SAA states that “[c]onsistent with its practice in investigations, in

(continued...)

During the original investigation, the Commission found that subject imports had significant price-depressing and -suppressing effects. It observed that price was the “most important” factor considered by purchasers in choosing a source for paper clips.⁴⁹ The Commission found that subject imports caused price suppression because ACCO was unable to raise its prices commensurate with increases in raw material costs.⁵⁰

Price continues to be the most important factor in paper clip purchasing decisions and large, discount retail office product supply chains remain particularly sensitive to price competition.⁵¹ Pricing patterns of the subject imports both currently and during the original period of investigation indicate that, if the antidumping duty order is revoked, there is likely to be significant underselling by the subject imports to regain market share lost to domestically-produced wire paper clips. The record of this review indicates that the domestic like product and subject imports are substitutable.⁵² In light of this and the importance of price in purchasing decisions involving certain wire paper clips, increases in subject import volumes will likely drive down wire paper clip prices as domestic producers are forced to match the low prices offered by the subject imports. Consequently, we find that, if the antidumping duty order is revoked, the subject imports will likely have significant price-depressing or -suppressing effects.⁵³

E. Likely Impact of Subject Imports

In evaluating the likely impact of imports of subject merchandise if the order is revoked, the Commission is directed to consider all relevant economic factors that are likely to have a bearing on the state of the industry in the United States, including but not limited to: (1) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity; (2) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment; and (3) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or more advanced version of the domestic like product.⁵⁴ All relevant economic factors are to be considered within the context of the business cycle and the conditions of competition that are distinctive to the industry.⁵⁵ As required by the statute, we have considered the extent

⁴⁸ (...continued)

considering the likely price effects of imports in the event of revocation and termination, the Commission may rely on circumstantial, as well as direct, evidence of the adverse effects of unfairly traded imports on domestic prices.” SAA at 886.

⁴⁹ Original Determination, USITC Pub. 2829, at I-11-13.

⁵⁰ In its original determination, the Commission also found that while nearly all purchasers that responded to questionnaires indicated that they typically purchased paper clips as part of a “bundle” of office supplies, bundling did not affect the prices charged for the clips. Original Determination, USITC Pub. 2829 at I-8-9.

⁵¹ CR at I-9-10, PR at I-8.

⁵² CR at I-6 and I-9, PR at I-5 and I-8; ACCO Final Comments at 4.

⁵³ Commissioner Bragg infers that, in the event of revocation, subject producers will revert to aggressive pricing practices in connection with exports of subject merchandise to the United States, as evidenced in the Commission’s original determination.

⁵⁴ 19 U.S.C. § 1675a(a)(4).

⁵⁵ *Id.* Section 752(a)(6) of the Act states that “the Commission may consider the magnitude of the margin of dumping” in making its determination in a five-year review. 19 U.S.C. § 1675a(a)(6). The statute defines the

(continued...)

to which any improvement in the state of the domestic industry is related to the antidumping duty order at issue and whether the industry is vulnerable to material injury if the order is revoked.⁵⁶

In the original investigation, the Commission found that the domestic industry's production, capacity utilization, employment, and financial performance declined between interim 1993 and interim 1994.⁵⁷ During 1991, 1992, and interim 1994, the domestic industry sustained operating losses.⁵⁸ The Commission concluded that subject imports were exacerbating the domestic industry's declining performance towards the conclusion of the period of investigation.⁵⁹

The record in this review indicates that the order has had a positive effect on industry performance. The Commission's examination of post-order data in the record in this review shows an expansion in the domestic paper clip industry, with the production, the quantity, and the value of U.S. shipments rising by *** percent, *** percent, and *** percent, respectively, from 1993 to 1998.⁶⁰ The average unit value of domestically-produced paper clips increased from \$*** in 1993 to \$*** in 1998.⁶¹ The domestic industry's market share increased from *** percent in 1993 to *** percent in 1998.⁶² In light of the foregoing, we conclude that the domestic industry is not currently in a vulnerable condition.⁶³

We found above that it is likely that revocation of the order would result in a significant increase in the volume of subject imports at prices substantially lower than those of the domestic like product, and that such increased volumes of subject imports would likely depress or suppress the domestic industry's prices significantly. Such price declines are not likely to stimulate additional sales by domestic producers. To the contrary, we find that revocation of the antidumping duty order will likely cause the industry to lose a significant portion of its paper clip sales, as its large office supply customers that currently import other office supply products from China will resume sourcing wire paper clips from Chinese sources.

We accordingly find that revocation of the antidumping duty order would likely have a significant adverse impact on the production, shipment, sales, and revenue levels of the domestic industry. This reduction in the industry's production, sales, and revenue levels would have a direct adverse impact on the

⁵⁵ (...continued)

"magnitude of the margin of dumping" to be used by the Commission in five-year reviews as "the dumping margin or margins determined by the administering authority under section 1675a(c)(3) of this title." 19 U.S.C. § 1677(35)(C)(iv). *See also* SAA at 887.

In the final results of its five-year review, Commerce published likely dumping margins ranging from 46.01 percent to 60.70 percent for three named exporters, and a China-wide rate of 126.94 percent. 65 Fed. Reg. 41434, 41435 (July 5, 2000).

⁵⁶ The SAA states that in assessing whether the domestic industry is vulnerable to injury if the orders are revoked, the Commission "considers, in addition to imports, other factors that may be contributing to overall injury. While these factors, in some cases, may account for the injury to the domestic industry, they may also demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports." SAA at 885.

⁵⁷ Original Determination, USITC Pub. 2829 at I-9.

⁵⁸ *Id.* at I-10.

⁵⁹ *Id.* at I-13-14.

⁶⁰ Table I-1, CR at I-13, PR at I-11.

⁶¹ *Id.*

⁶² Table I-3, CR at I-21, PR at I-17.

⁶³ Based upon the limited record in this expedited review, Commissioner Bragg determines that the domestic industry currently is not in a weakened condition as contemplated by the vulnerability criterion of the statute.

industry's employment, profitability, and ability to raise capital and make and maintain necessary capital investments. Based on the limited record in this review, we therefore conclude that, if the antidumping duty order is revoked, subject imports would be likely to have a significant adverse impact on the domestic industry within a reasonably foreseeable time.

CONCLUSION

For the foregoing reasons, we determine that revocation of the antidumping duty order on certain wire paper clips from China would be likely to lead to continuation or recurrence of material injury to the domestic industry within a reasonably foreseeable time.