
DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-846]

Brake Rotors from the People's Republic of China: Notice of Final Results of Expedited Second Sunset Review of Antidumping Duty Order

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

SUMMARY: On July 2, 2007, the Department of Commerce ("the Department") published a notice of initiation of a sunset review of the antidumping duty order on brake rotors from the People's Republic of China ("PRC") pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"). See *Initiation of Five-Year*

(“Sunset”) Reviews, 72 FR 35968 (July 2, 2007) (“Initiation Notice”). On the basis of the notices of intent to participate, an adequate substantive response filed on behalf of a domestic interested party and an inadequate substantive response filed on behalf of a respondent interested party (*i.e.*, a U.S. importer), the Department conducted an expedited (120-day) sunset review of the antidumping duty order pursuant to section 751(c)(3)(B) of the Act and section 351.218(e)(1)(ii)(C)(2) of the Department’s regulations. As a result of this sunset review, the Department finds that revocation of the antidumping duty order would likely lead to continuation or recurrence of dumping at the levels indicated in the “Final Results of Review” section of this notice.

EFFECTIVE DATE: January 8, 2008.

FOR FURTHER INFORMATION CONTACT: Frances Veith, 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.

SUPPLEMENTARY INFORMATION:

Background

On July 2, 2007, the Department published the notice of initiation of the second sunset review of the antidumping duty order on brake rotors from the PRC pursuant to section 751(c) of the Act. *See Initiation Notice*. On July 17, 2007, the Department received a notice of intent to participate from a domestic interested party, the Coalition for the Preservation of American Brake Drum and Rotor Aftermarket Manufacturers (“petitioner”), within the deadline specified in section 351.218(d)(1)(i) of the Department’s regulations, and from a respondent interested party, CWD, LLC (also known as Centric Parts) (“CWD”). Petitioner claimed interested party status under section 771(9)(C) of the Act as a domestic producer of brake rotors in the United States, and CWD claimed interested party status under section 771(9)(A) of the Act as a U.S. importer of brake rotors into the United States. The Department received substantive responses from petitioner and CWD within the deadline specified in section 351.218(d)(3)(i) of the Department’s regulations and rebuttal submissions to those responses from petitioner and CWD on August 1 and August 6, 2007, respectively. On August 21, 2007, petitioner submitted to the Department a correction to its August 6, 2007, rebuttal response. On August 21, 2007,

the Department notified the International Trade Commission (“ITC”) that respondent interested parties did not provide an adequate substantive response in this sunset review pursuant to section 751(c)(3)(B) of the Act. Therefore, because we did not receive an adequate substantive response from the respondent interested party, we determined to conduct an expedited review of the order pursuant to section 751(c)(3)(B) of the Act and section 351.218(e)(1)(ii)(C)(2) of the Department’s regulations.¹ On November 5, 2007, the Department published a notice extending the time limit for the completion of the final results of this review until November 29, 2007. *See Brake Rotors from the People’s Republic of China: Extension of Final Results of Expedited Sunset Review of Antidumping Duty Order*, 72 FR 62430 (November 5, 2007). On December 5, 2007, the Department published a notice extending the time limit for the completion of the final results of this review until December 31, 2007. *See Brake Rotors from the People’s Republic of China: Extension of Time Limit for Final Results of Expedited Sunset Review of Antidumping Duty Order*, 72 FR 68562 (December 5, 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 drilling. Unfinished rotors are those which 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 this order are not certified by OEM

¹ See the Department’s August 21, 2007, letter to the ITC, regarding “Expedited Sunset Review of the AD/CVD Order Initiated in July 2007.”

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).²

Brake rotors are currently classifiable under subheadings 8708.39.5010, 8708.39.5030, and 8708.30.5030 of the *Harmonized Tariff Schedule of the United States* (“HTSUS”).³ Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this order is dispositive.

Analysis of Comments Received

All issues raised in this review are addressed in the “Issues and Decision Memorandum” (“*Decision Memorandum*”) from Stephen J. Claeys, Deputy Assistant Secretary for Import Administration, to David M. Spooner, Assistant Secretary for Import Administration, dated concurrently with this notice, which is hereby adopted by this notice. The issues discussed in the *Decision Memorandum* include consideration of substantive responses, the likelihood of continuation or recurrence of dumping and the magnitude of the margins likely to prevail if the order were revoked. Parties can find a complete discussion of all issues raised in this review and the corresponding recommendations in this public memorandum, which is on file in the Central Records Unit in room B-099 of the main Commerce building.

In addition, a complete version of the *Decision Memorandum* can be accessed directly on the web at <<http://ia.ita.doc.gov/frn>>. The paper copy and electronic version of the *Decision Memorandum* are identical in content.

² In a 2007 scope ruling, the Department determined that brake rotors produced by Federal-Mogul and certified by Ford Motor Company are excluded from the scope of the order. *See* the January 17, 2007, Department memorandum entitled “Scope Ruling of the Antidumping Duty Order on Brake Rotors from the People’s Republic of China: Federal-Mogul Corporation.”

³ 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 <www.usitc.gov>

Final Results of Review

Pursuant to section 752(c)(3) of the Act, we determine that revocation of the

antidumping duty order on brake rotors from the PRC would likely lead to continuation or recurrence of dumping

at the following weighted-average percentage margins:

Manufacturers/Exporters/Producers	Weighted-Average Margin (percent)
Hebei Metals and Minerals Import/export Corp.	8.51
Shandong Jiuyang Enterprise Corporation	8.51
Longjing Walking Tractor Works Foreign Trade I/E	8.51
Jilin Provincial Machinery & Equipment I/E Corp	8.51
Qingdao Metals, Minerals and Machinery Import & Export Corporation	8.51
Shanxi Machinery and Equipment Import & Export Corporation	8.51
Southwest Technical Import and Export Corporation	16.07
Xianghe Zichen Casting Corporation	8.51
Yantai Import and Export Corporation	3.56
Yenhere Corporation	8.51
PRC-Wide Entity	43.32

Excluded from the antidumping duty order are the following exporters and producer combinations:⁶

Exporter: China National Automotive Industry Import & Export Corporation

Producer: Shandong Laizhou CAPCO Industry;
Exporter: Shandong Laizhou CAPCO Industry

Producer: Shandong Laizhou CAPCO Industry;

Exporter: Shenyang Honbase Machinery Co., Ltd.

Producer: Shenyang Honbase Machinery Co., Ltd.;

Exporter: Shenyang Honbase Machinery Co., Ltd.

Producer: Lai Zhou Luyan Automobile Fittings Co., Ltd.;

Exporter: Lai Zhou Luyuan Automobile Fittings Co., Ltd.

Producer: Lai Zhou Luyuan Automobile Fittings Co., Ltd.;

Exporter: Lai Zhou Luyan Automobile Fittings Co., Ltd.

Producer: Shenyang Honbase or Laizhou Luyuan; and

Exporter: China National Machinery and Equipment I&E (Xinjiang) Corporation, Ltd.

Producer: Zibo Botai Manufacturing Co., Ltd.

In a five-year sunset review, it is the Department's policy to include companies that did not begin exporting until after the order was issued as part of the PRC-wide entity from the investigation.⁷ For those companies that shipped after the order was issued, we determine that revocation of the

antidumping duty order on brake rotors from the PRC would be likely to lead to continuation or recurrence of dumping at the PRC-wide percentage margin.

Notification Regarding Administrative Protective Order:

This notice also serves as the only reminder to parties subject to administrative protective orders ("APO") of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with section 351.305 of the Department's regulations. Timely notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

We are issuing and publishing these results and this notice in accordance with sections 751(c), 752(c) and 777(i)(1) of the Act.

Dated: December 31, 2007.

Susan H. Kuhbach,

Acting Assistant Secretary for Import Administration.

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⁶ See *Notice of Antidumping Duty Order: Brake Rotors from the People's Republic of China*, 62 FR 18740 (April 17, 1997).

⁷ See *Policies Regarding the Conduct of Five-year ("Sunset") Reviews of Antidumping and Countervailing Duty Orders; Policy Bulletin*, 63 FR 18871, 18873 (April 16, 1998).