

comments, or at a hearing, if requested, within 120 days of publication of these preliminary results.

#### Assessment Rate

Pursuant to 19 CFR 351.212(b), the Department calculated an assessment rate for each importer of the subject merchandise. Upon issuance of the final results of this administrative review, if any importer-specific assessment rates calculated in the final results are above *de minimis* (i.e., at or above 0.5 percent), the Department will issue appraisal instructions directly to CBP to assess antidumping duties on appropriate entries by applying the assessment rate to the entered value of the merchandise. For assessment purposes, we calculated importer-specific assessment rates for the subject merchandise by aggregating the dumping margins for all U.S. sales to each importer and dividing the amount by the total entered value of the sales to that importer. Where appropriate, to calculate the entered value, we subtracted international movement expenses (e.g., international freight) from the gross sales value. For the responsive companies which were not selected for individual review, we have calculated an assessment rate based on the simple average of the cash deposit rates calculated for the companies selected for individual review.

The Department clarified its "automatic assessment" regulation on May 6, 2003 (68 FR 23954). This clarification will apply to entries of subject merchandise during the POR produced by companies included in these preliminary results of review for which the reviewed companies did not know their merchandise was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction. For a full discussion of this clarification, see *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

#### Cash Deposit Requirements

To calculate the cash deposit rate for PAM and Garofalo, we divided its total dumping margin by the total net value of its sales during the review period. For the responsive companies which were not selected for individual review, we have calculated a cash deposit rate based on the simple average of the cash deposit rates calculated for the companies selected for individual review.

The following deposit rates will be effective upon publication of the final results of this administrative review for all shipments of pasta from Italy entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) The cash deposit rate for companies subject to this review will be the rate established in the final results of this review, except if the rate is less than 0.5 percent and, therefore, *de minimis*, no cash deposit will be required; (2) for previously reviewed or investigated companies not listed above, the cash deposit rate will continue to be the company-specific rate published for the most recent final results for a review in which that manufacturer or exporter participated; (3) if the exporter is not a firm covered in this review, a prior review, or the original less-than-fair-value ("LTFV") investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent final results for the manufacturer of the merchandise; and (4) if neither the exporter nor the manufacturer is a firm covered in this or any previous review conducted by the Department, the cash deposit rate will be 15.45 percent, the all-others rate established in the LTFV investigation. See *Implementation of the Findings of the WTO Panel in U.S.—Zeroing (EC): Notice of Determination Under Section 129 of the Uruguay Round Agreements Act and Revocations and Partial Revocations of Certain Antidumping Duty Orders*, 72 FR 25261 (May 4, 2007). These cash deposit 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) 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 increase the subsequent assessment of the antidumping duties by the amount of antidumping duties reimbursed.

These preliminary results of administrative review are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.221(b)(4).

Dated: July 31, 2009.

**John M. Andersen,**

*Acting Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations.*

[FR Doc. E9-18884 Filed 8-5-09; 8:45 am]

BILLING CODE 3510-DS-P

## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-570-952, A-583-844]

#### Narrow Woven Ribbons with Woven Selvedge from the People's Republic of China and Taiwan: Initiation of Antidumping Duty Investigations

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

**EFFECTIVE DATE:** August 6, 2009.

**FOR FURTHER INFORMATION CONTACT:**

Elizabeth Eastwood at (202) 482-3874 or Miriam Eqab at (202) 482-3693 (Taiwan), AD/CVD Operations, Office 2; Maisha Cryor at (202) 482-5831 or Zhulieta Willbrand at (202) 482-3147 (the People's Republic of China (the "PRC")), AD/CVD Operations, Office 4, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230.

**SUPPLEMENTARY INFORMATION:**

#### The Petitions

On July 9, 2009, the Department of Commerce (the "Department") received petitions concerning imports of narrow woven ribbons with woven selvedge ("narrow woven ribbon") from the PRC and Taiwan filed in proper form by Berwick Offray LLC and its wholly-owned subsidiary Lion Ribbon Company, Inc. (collectively, the "Petitioner"). See Petitions for the Imposition of Antidumping and Countervailing Duties on Narrow Woven Ribbons with Woven Selvedge from the People's Republic of China and Taiwan dated July 9, 2009 (the "Petitions"). On July 14, 2009, the Department contacted the Petitioner by telephone seeking additional information and clarification regarding the Petition. See Memo to the File from Matthew Glass, "Scope Call with the Petitioner," dated July 14, 2009. On July 15, 2009, and July 22, 2009, the Department issued a request for additional information and clarification of certain areas of the Petitions. Also, on July 23, 2009, the Department contacted the Petitioner by telephone seeking additional information and clarification

regarding the Petitions. See Memo to the File from Meredith A.W. Rutherford, "General Issues Discussion with the Petitioner," dated July 23, 2009. Based on the Department's requests, the Petitioner filed additional information on July 21, 2009 (hereinafter, Supplement to the AD/CVD Petitions, dated July 21, 2009) and July 27, 2009 (hereinafter, Second Supplement to the AD/CVD Petitions, dated July 27, 2009). On July 28, 2009, the Department again contacted the Petitioner by telephone seeking additional information and clarification regarding certain general issues of the Petitions. See Memo to the File from Meredith A.W. Rutherford, "Phone Call with the Petitioner," dated July 28, 2009, and Memo to the File from Elizabeth Eastwood, "Scope Calls with the Petitioner," dated July 29, 2009. Based on the Department's requests, the Petitioner timely filed additional information pertaining to the Petition on July 29, 2009 (hereinafter, Third Supplement to the AD/CVD Petitions, dated July 29, 2009). The period of investigation ("POI") for the PRC is January 1, 2009, through June 30, 2009. The POI for Taiwan is July 1, 2008, through June 30, 2009. See 19 CFR 351.204(b)(1).

In accordance with section 732(b) of the Tariff Act of 1930, as amended (the "Act"), the Petitioner alleges that imports of narrow woven ribbon from the PRC and Taiwan are being, or are likely to be, sold in the United States at less than fair value, within the meaning of section 731 of the Act, and that such imports are materially injuring, or threatening material injury to, an industry in the United States.

The Department finds that the Petitioner filed the Petitions on behalf of the domestic industry because the Petitioner is an interested party as defined in section 771(9)(C) of the Act and has demonstrated sufficient industry support with respect to the antidumping duty investigations that the Petitioner is requesting that the Department initiate (see "Determination of Industry Support for the Petitions" section below).

#### Scope of Investigations

The products covered by these investigations are narrow woven ribbons with woven selvage from the PRC and Taiwan. For a full description of the scope of the investigations, please see the "Scope of Investigations," in Appendix I of this notice.

#### Comments on Scope of Investigations

During our review of the Petitions, we discussed the scope with the Petitioner to ensure that it is an accurate reflection

of the products for which the domestic industry is seeking relief. Moreover, as discussed in the preamble to the regulations (*Antidumping Duties; Countervailing Duties; Final Rule*, 62 FR 27296, 27323 (May 19, 1997)), we are setting aside a period for interested parties to raise issues regarding product coverage. The Department encourages all interested parties to submit such comments by August 18, 2009, twenty calendar days from the signature date of this notice. Comments should be addressed to Import Administration's APO/Dockets Unit, Room 1870, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230. The period of scope consultations is intended to provide the Department with ample opportunity to consider all comments and to consult with parties prior to the issuance of the preliminary determinations.

#### Comments on Product Characteristics for Antidumping Duty Questionnaires

We are requesting comments from interested parties regarding the appropriate physical characteristics of narrow woven ribbon to be reported in response to the Department's antidumping questionnaires. This information will be used to identify the key physical characteristics of the subject merchandise in order to more accurately report the relevant factors and costs of production, as well as to develop appropriate product comparison criteria.

Interested parties may provide any information or comments that they feel are relevant to the development of an accurate listing of physical characteristics. Specifically, they may provide comments as to which characteristics are appropriate to use as 1) general product characteristics and 2) the product comparison criteria. We note that it is not always appropriate to use all product characteristics as product comparison criteria. We base product comparison criteria on meaningful commercial differences among products. In other words, while there may be some physical product characteristics utilized by manufacturers to describe narrow woven ribbon, it may be that only a select few product characteristics take into account commercially meaningful physical characteristics. In addition, interested parties may comment on the order in which the physical characteristics should be used in product matching. Generally, the Department attempts to list the most important physical characteristics first

and the least important characteristics last.

In order to consider the suggestions of interested parties in developing and issuing the antidumping duty questionnaires, we must receive comments at the above-referenced address by August 18, 2009. Additionally, rebuttal comments must be received by August 25, 2009.

#### Determination of Industry Support for the Petitions

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) at least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 732(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, the Department shall: (i) poll the industry or rely on other information in order to determine if there is support for the petition, as required by subparagraph (A); or (ii) determine industry support using a statistically valid sampling method to poll the industry.

Section 771(4)(A) of the Act defines the "industry" as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs the Department to look to producers and workers who produce the domestic like product. The International Trade Commission ("ITC"), which is responsible for determining whether "the domestic industry" has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both the Department and the ITC must apply the same statutory definition regarding the domestic like product (see section 771(10) of the Act), they do so for different purposes and pursuant to a separate and distinct authority. In addition, the Department's determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to law. See *USEC, Inc. v. United States*, 132 F. Supp. 2d 1, 8 (Ct. Int'l Trade 2001), citing *Algoma Steel*

*Corp., Ltd. v. United States*, 688 F. Supp. 639, 644 (Ct. Int'l Trade 1988), *aff'd* 865 F.2d 240 (Fed. Cir. 1989), *cert. denied* 492 U.S. 919 (1989).

Section 771(10) of the Act defines the 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 title." Thus, the reference point from which the domestic like product analysis begins is "the article subject to an investigation" (*i.e.*, the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition).

With regard to the domestic like product, the Petitioner does not offer a definition of domestic like product distinct from the scope of the investigations. Based on our analysis of the information submitted on the record, we have determined that narrow woven ribbon constitutes a single domestic like product and we have analyzed industry support in terms of that domestic like product. For a discussion of the domestic like product analysis in this case, see Antidumping Duty Investigation Initiation Checklist: Narrow woven ribbon from the PRC ("PRC Initiation Checklist") at Attachment II, Industry Support, and Antidumping Duty Investigation Initiation Checklist: Narrow woven ribbon from Taiwan ("Taiwan Initiation Checklist") at Attachment II, Industry Support, dated concurrently with this notice and on file in the Central Records Unit ("CRU"), Room 1117 of the main Department of Commerce building.

In determining whether the Petitioner has standing under section 732(c)(4)(A) of the Act, we considered the industry support data contained in the Petitions with reference to the domestic like product as defined in the "Scope of Investigations" section above. To establish industry support, the Petitioner provided its production of the domestic like product for the year 2008, and compared this to the estimated total production of the domestic like product for the entire domestic industry. See Volume I of the Petition, at 7, and Exhibits 2, 4, and 5, Supplement to the AD/CVD Petitions, dated July 21, 2009, at A-9-11, Second Supplement to the AD/CVD Petitions, dated July 27, 2009, at A-1-2 and Exhibit 117, and Third Supplement to the AD/CVD Petitions, dated July 29, 2009, at Attachment II. To estimate 2008 production of the domestic like product, the Petitioner used its own data and industry specific knowledge. The Petitioner calculated total domestic production based on its own production plus estimates from the nine other producers of the domestic

like product in the United States. See *id.*; see also PRC Initiation Checklist at Attachment II, and Taiwan Initiation Checklist at Attachment II.

Our review of the data provided in the Petitions, supplemental submissions, and other information readily available to the Department indicates that the Petitioner has established industry support. First, the Petitions established support from domestic producers (or workers) accounting for more than 50 percent of the total production of the domestic like product and, as such, the Department is not required to take further action in order to evaluate industry support (*e.g.*, polling). See section 732(c)(4)(D) of the Act; see also PRC Initiation Checklist at Attachment II, and Taiwan Initiation Checklist at Attachment II. Second, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(i) of the Act because the domestic producers (or workers) who support the Petitions account for at least 25 percent of the total production of the domestic like product. See PRC Initiation Checklist at Attachment II, and Taiwan Initiation Checklist at Attachment II. Finally, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(ii) of the Act because the domestic producers (or workers) who support the Petitions account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the Petitions. Accordingly, the Department determines that the Petitions were filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act. See *id.*

The Department finds that the Petitioner filed the Petitions on behalf of the domestic industry because it is an interested party as defined in section 771(9)(C) of the Act and it has demonstrated sufficient industry support with respect to the antidumping duty investigations that it is requesting the Department initiate. See *id.*

#### **Allegations and Evidence of Material Injury and Causation**

The Petitioner alleges that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the imports of the subject merchandise sold at less than normal value ("NV"). In addition, the Petitioner alleges that subject imports exceed the negligibility threshold provided for under section 771(24)(A) of the Act.

The Petitioner contends that the industry's injured condition is

illustrated by reduced market share, underselling and price depressing and suppressing effects, increased import penetration, lost sales and revenue, reduced production, reduced capacity, reduced capacity utilization, reduced shipments, reduced employment, and an overall decline in financial performance. We have assessed the allegations and supporting evidence regarding material injury, threat of material injury, and causation, and we have determined that these allegations are properly supported by adequate evidence and meet the statutory requirements for initiation. See PRC Initiation Checklist at Attachment III, Injury, and Taiwan Initiation Checklist at Attachment III, Injury.

#### **Allegations of Sales at Less Than Fair Value**

The following is a description of the allegations of sales at less than fair value upon which the Department based its decision to initiate these investigations of imports of narrow woven ribbon from the PRC and Taiwan. The sources of data for the deductions and adjustments relating to the U.S. price, the factors of production (for the PRC) and constructed value ("CV") (for Taiwan) are also discussed in the country-specific initiation checklists. See PRC Initiation Checklist and Taiwan Initiation Checklist. Should the need arise to use any of this information as facts available under section 776 of the Act in our preliminary or final determinations, we will reexamine the information and revise the margin calculations, if appropriate.

#### **Export Price**

##### **The PRC**

For the PRC, the Petitioner calculated export price ("EP") based on a price quote made during the POI for narrow woven ribbon products by a Chinese producer, sale term free on board ("FOB"). See PRC Initiation Checklist; see also Volume I of the Petitions at 24. To be conservative, the Petitioner did not make specific adjustments to the EP for domestic inland freight from the plant to the Chinese port. *Id.* However, the Petitioner did make an adjustment for foreign brokerage and handling. *Id.* Specifically, the Petitioner calculated PRC brokerage and handling by using the brokerage and handling surrogate value from *Certain Steel Grating from the People's Republic of China: Initiation of Antidumping Duty Investigation*, 74 FR 30273 (June 25, 2009) ("*Steel Grating From China*"), and adjusted it for inflation for the POI. See *Steel Grating From China*, 74 FR at

30276; *see also* Supplement to the AD/CVD Petitions, dated July 21, 2009, at 4 and Exhibit 93; and PRC Initiation Checklist. In addition, the Petitioner converted brokerage and handling expenses into U.S. dollars based on the POI-average rupee/U.S. dollar exchange rate, as reported on the Department's website. *See* Volume II of the Petitions, at Exhibit 42, and Supplement to the AD/CVD Petitions, dated July 21, 2009, at Exhibit 98.

#### Taiwan

For Taiwan, the Petitioner calculated EP based on price quotes made during the POI for narrow woven ribbon products from a Taiwan producer/exporter, sale term FOB. *See* Taiwan Initiation Checklist; *see also* Volume I of the Petitions at 28–29 and Volume II of the Petitions at Exhibits 58, 59, and 60. To be conservative, the Petitioner did not make specific adjustments to the EP for domestic inland freight from the plant to the Taiwanese port. *See id.* However, the Petitioner did make an adjustment for foreign brokerage and handling. *See id.* Specifically, the Petitioner calculated Taiwanese brokerage and handling using Taiwan-specific brokerage and handling expenses. *See* Volume II of the Petitions, at Exhibit 59; *see also* Supplement to the AD/CVD Petitions, dated July 21, 2009, at Exhibit 108 and Taiwan Initiation Checklist.

#### Normal Value

##### The PRC

The Petitioner states that the PRC is a non-market economy (“NME”) country and no determination to the contrary has been made by the Department. *See* Volume I of the Petitions, at 19. The Petitioner states that the Department has treated the PRC as an NME country in every administrative proceeding in which the PRC has been involved, and has continued to do so in recent months. *See id.*; *see also* *Citric Acid and Certain Citrate Salts From the People's Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value*, 74 FR 16838 (April 13, 2009); *see also* *Certain Circular Welded Carbon Quality Steel Line Pipe from the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 74 FR 14514 (March 31, 2009).

In accordance with section 771(18)(C)(i) of the Act, the presumption of NME status remains in effect until revoked by the Department. The presumption of NME status for the PRC has not been revoked by the

Department and, therefore, remains in effect for purposes of the initiation of this investigation. Accordingly, the NV of the product for the PRC investigation is appropriately based on factors of production valued in a surrogate market-economy country in accordance with section 773(c) of the Act. In the course of the PRC investigation, all parties, including the public, will have the opportunity to provide relevant information related to the issue of the PRC's NME status and the granting of separate rates to individual exporters.

Citing section 773(c)(4) of the Act, the Petitioner contends that India is the appropriate surrogate country for the PRC because: 1) it is at a level of economic development comparable to that of the PRC; and 2) it is a significant producer of narrow woven ribbon. *See* Volume I of the Petitions at 19–21, and Volume II of the Petitions, at Exhibit 32. Based on the information provided by the Petitioner, we believe that it is appropriate to use India as a surrogate country for initiation purposes. After initiation of the investigation, interested parties will have the opportunity to submit comments regarding surrogate-country selection and, pursuant to 19 CFR 351.301(c)(3)(i), will be provided an opportunity to submit publicly available information to value factors of production within 40 days after the date of publication of the preliminary determination.

The Petitioner calculated the NV and dumping margins for the U.S. price, discussed above, using the Department's NME methodology as required by 19 CFR 351.202(b)(7)(i)(C) and 19 CFR 351.408. The Petitioner calculated NV based on its own consumption rates for producing narrow woven ribbon in 2009. *See* Volume I of the Petitions at 18, and Volume II of the Petitions, at Exhibit 29, and Supplement to the AD/CVD Petitions, dated July 21, 2009, at Exhibit 95. In calculating NV, the Petitioner based the quantity of each of the inputs used to manufacture and pack narrow woven ribbon in the PRC based on an analysis of Chinese narrow woven ribbon samples obtained by the Petitioner, as well as on its own production experience during the POI. *See id.* The Petitioner states that the actual usage rates of the foreign manufacturers of narrow woven ribbon are not reasonably available to it; however, the Petitioner notes that the production of narrow woven ribbon relies on the same basic technology worldwide. *See* Volume I of the Petitions at 18. The Petitioner asserts that the Chinese producers of narrow woven ribbon use largely the same production equipment, material inputs,

and production processes as the Petitioner itself. *See* Volume I of the Petitions at 18, and Exhibit 27, and Volume II of the Petitions, at Exhibit 29.

Raw materials (e.g., yarn) are significant inputs used in the production of narrow woven ribbon. The Petitioner determined the consumption of all raw materials and packing materials based on examination and analysis of samples of white single face satin narrow woven ribbon and black single face satin narrow woven ribbon from the PRC as well as its own production experience. *See* Volume I of the Petitions at 18, and Volume II of the Petitions at Exhibit 29, and Supplement to the AD/CVD Petitions, dated July 21, 2009, at Exhibit 95. The Petitioner valued the factors of production based on reasonably available, public surrogate-country data, including Indian import statistics from the World Trade Atlas (“WTA”). *See* Volume I of the Petitions, at 21, and Volume II of the Petitions, at Exhibit 34. The Petitioner excluded from these import statistics imports from countries previously determined by the Department to be NME countries and from Indonesia, the Republic of Korea, and Thailand as the Department has previously excluded prices from these countries because they maintain broadly available, non-industry-specific export subsidies. *See* Volume I of the Petition at 22. In addition, the Petitioner made currency conversions, where necessary, based on the POI-average rupee/U.S. dollar exchange rate, as reported on the Department's website. *See* Volume I of the Petitions, at 23, and Volume II of the Petitions, at Exhibit 42. Further, the Petitioner inflated certain factors of production, where necessary, on a POI basis. *See* Volume I of the Petitions, at 23, and Volume II of the Petitions, at Exhibit 41. The Petitioner determined labor costs using the labor consumption, in hours, derived from its own experience. *See* Volume II of the Petitions, at Exhibit 29, and Supplement to the AD/CVD Petitions, dated July 21, 2009, at Exhibit 95. The Petitioner valued labor costs using the Department's NME Wage Rate for the PRC at <http://ia.ita.doc.gov/wages/05wages/05wages-051608.html>. *See* Volume I of the Petitions, at 22, and Volume II of the Petitions, at Exhibit 35. For purposes of initiation, the Department determines that the surrogate values used by the Petitioner are reasonably available and, thus, acceptable for purposes of initiation.

The Petitioner determined electricity costs using the electricity consumption, in kilowatt hours, derived from its own experience. *See* Volume I of the

Petitions, at 22, and Volume II of the Petitions, at Exhibits 29 and 43, and Supplement to the AD/CVD Petitions, dated July 21, 2009, at Exhibit 95. The Petitioner valued electricity using the Indian electricity rate reported by the Central Electric Authority of the Government of India. See Volume I of the Petitions, at 22, and Volume II of the Petitions, at Exhibit 36.

The Petitioner determined natural gas costs using the natural gas consumption derived from its own experience. See Volume I of the Petitions, at 22, and Volume II of the Petitions, at Exhibit 29. The Petitioner valued natural gas using the Indian rate reported by the Gas Authority of India, Ltd. See Volume I of the Petitions, at 22, and Volume II of the Petitions, at Exhibit 38. The Petitioner adjusted the Indian natural gas rates to make them contemporaneous with the POI using Indian wholesale price indices as published by the International Monetary Fund. See Supplement to the AD/CVD Petitions, dated July 21, 2009, at Exhibit 97.

The Petitioner determined water costs using the water consumption derived from its own experience. See Volume I of the Petitions, at 22, and Volume II of the Petitions, at Exhibit 29. The Petitioner valued water based on information from the Maharashtra Industrial Development Corporation, which is contemporaneous with the POI. See Volume I of the Petitions, at 22, and Volume II of the Petitions at 22, and Exhibit 37.

The Petitioner based factory overhead, selling, general and administrative (“SG&A”), and profit on data from Ratan Glitter Industries Ltd. (“Ratan”), a ribbon producer, for the fiscal year April 2007 through March 2008. See Volume I of the Petitions, at 23, and Volume II of the Petitions, at Exhibit 39. The Petitioner states that Ratan is an Indian producer of in-scope ribbon. See Volume I of the Petitions at 23. Therefore, for purposes of the initiation, the Department finds the Petitioner’s use of Ratan’s financial ratios appropriate.

### Taiwan

With respect to NV for the Taiwan investigation, the Petitioner states that neither home-market prices nor third-country POI prices of narrow woven ribbon produced in Taiwan were reasonably available. According to the Petitioner, it was unsuccessful in obtaining Taiwanese POI pricing information despite its best efforts. See Volume I of the Petitions at 16–17, and Exhibit 2. Further, the Petitioner claims it was unable to base NV on publicly available information covering

Taiwanese third-country export prices because exports of narrow woven ribbon from Taiwan are classified in Taiwan’s export schedule under Harmonized Tariff Schedule (“HTS”) number 5806.32.1000. According to the Petitioner, this HTS category includes both in-scope and out-of-scope ribbons including typewriter ribbons, ribbons exceeding 12 centimeters in width, and ribbons without woven selvedge. Therefore, the Petitioner based NV on CV.

Pursuant to section 773(e) of the Act, CV consists of the cost of manufacturing (“COM”), SG&A expenses, packing expenses, and profit. In calculating COM and packing, the Petitioner based the quantity of each of the inputs used to manufacture and pack narrow woven ribbon in Taiwan based on an analysis of Taiwanese narrow woven ribbon samples obtained by the Petitioner, as well as on its own production experience during the POI. See Volume I of the Petitions, at 18, Volume II of the Petitions, at Exhibit 29, and Supplement to the AD/CVD Petitions, dated July 21, 2009, at Exhibit 95. The Petitioner states that the actual usage rates of the foreign manufacturers of narrow woven ribbon are not reasonably available to it; however, the Petitioner notes that the production of narrow woven ribbon relies on the same basic technology worldwide. The Petitioner asserts that the Taiwanese producers of narrow woven ribbon use largely the same production equipment, material inputs, and production processes as the Petitioner itself. See Volume I of the Petitions at 18 and Exhibit 27.

The Petitioner multiplied the usage quantities of the inputs used to manufacture and pack narrow woven ribbon by the Taiwanese values based on publicly available data. See Volume I of the Petitions, at 25–28 and Supplement to the AD/CVD Petitions, dated July 21, 2009, at Exhibits 105, 106, and 107.

Raw materials (e.g., yarn) are significant inputs used in the production of narrow woven ribbon. The Petitioner determined the consumption of all raw materials and packing materials based on examination and analysis of samples of white single face satin narrow woven ribbon and black single face satin narrow woven ribbon from Taiwan, as well as its own production experience. See Volume I of the Petitions at 18, Volume II of the Petitions, at Exhibit 29, and Supplement to the AD/CVD Petitions, dated July 21, 2009, at Exhibit 95. The Petitioner valued all raw materials and packing materials using Taiwanese import statistics as reflected in the WTA data

for the POI. The Petitioner excluded from these import statistics imports from countries previously determined by the Department to be NME countries and from India, Indonesia, the Republic of Korea, and Thailand as the Department has previously excluded prices from these countries because they maintain broadly available, non-industry-specific export subsidies. See Volume I of the Petitions at 26 and Volume II of the Petitions, at Exhibit 48. Because Taiwanese import statistics report import values in Taiwanese dollars, the Petitioner converted the import values into U.S. dollars using the Department’s POI exchange rates. See Volume I of the Petitions at 28 and Volume II of the Petitions, at Exhibit 56.

The Petitioner determined labor costs using the labor consumption in hours derived from its own experience. As the Petitioner did not have access to the cost of labor inputs in the production of narrow woven ribbon in Taiwan, it relied on data available from the International Labour Organization’s database at <http://laborsta.ilo.org> to determine the average wage rate in Taiwan. See Volume I of the Petitions at 34 and Volume II of the Petitions, at Exhibit 49. The Petitioner adjusted Taiwanese labor rates to make them contemporaneous with the POI using Taiwanese wholesale price indices as published by the Directorate General of Budget, Accounting and Statistics, Republic of China. The Petitioner converted the Taiwanese labor rates into U.S. dollars using the Department’s POI exchange rates. See Volume I of the Petitions at 26, Volume II of the Petitions, at Exhibit 49, and Supplement to the AD/CVD Petitions, dated July 21, 2009, at Exhibit 106.

The Petitioner determined the costs of electricity, water, and natural gas using consumption amounts derived from its own experience. The Petitioner valued electricity and natural gas using the Taiwanese electricity and natural gas rates for the industry reported by the Energy Information Administration at <http://www.eia.doe.gov/emeu/international/>. Because Taiwanese electricity and natural gas rates are reported in U.S. dollars, the Petitioner did not make currency conversions. The Petitioner adjusted the Taiwanese electricity and natural gas rates to make them contemporaneous with the POI using Taiwanese wholesale price indices as published by the Directorate General of Budget, Accounting and Statistics, Republic of China. See Volume I of the Petitions at 26; Volume II of the Petitions, at Exhibits 50, 52, and 55, and Supplement to the AD/CVD Petitions, dated July 21, 2009, at Exhibit

106. The Petitioner valued water using the Taiwanese rates published by Taiwan Water Corporation, which are contemporaneous with the POI. The Petitioner converted the Taiwanese water rates into U.S. dollars using the Department's POI exchange rates. See Volume I of the Petitions at 26; Volume II of the Petitions at Exhibit 51, and Supplement to the AD/CVD Petitions, dated July 21, 2009, at C 2.

To calculate factory overhead, SG&A, interest expenses, and a profit rate, the Petitioner relied on financial statements of a Taiwanese producer of textile products, Far Eastern Textile Ltd. See Supplement to the AD/CVD Petitions, dated July 21, 2009, at C 3, and Exhibits 103 and 104. See also Taiwan Initiation Checklist.

#### Fair-Value Comparisons

Based on the data provided by the Petitioner, there is reason to believe that imports of narrow woven ribbon from the PRC and Taiwan are being, or are likely to be, sold in the United States at less than fair value. Based on a comparison of EPs and NV calculated in accordance with section 773(c) of the Act, the estimated dumping margins for narrow woven ribbon from the PRC range from 208.80 percent to 231.40 percent. See PRC Initiation Checklist. Based on a comparison of EPs and CV calculated in accordance with section 773(a)(4) of the Act, the estimated dumping margins for narrow woven ribbon from Taiwan range from 116.60 percent to 137.20 percent. See Taiwan Initiation Checklist.

#### Initiation of Antidumping Investigations

Based upon the examination of the Petitions on narrow woven ribbon from the PRC and Taiwan, the Department finds that the Petitions meet the requirements of section 732 of the Act. Therefore, we are initiating antidumping duty investigations to determine whether imports of narrow woven ribbon from the PRC and Taiwan are being, or are likely to be, sold in the United States at less than fair value. In accordance with section 733(b)(1)(A) of the Act and 19 CFR 351.205(b)(1), unless postponed, we will make our preliminary determinations no later than 140 days after the date of this initiation.

#### Targeted-Dumping Allegations

On December 10, 2008, the Department issued an interim final rule for the purpose of withdrawing 19 CFR 351.414(f) and (g), the regulatory provisions governing the targeted-dumping analysis in antidumping duty

investigations, and the corresponding regulation governing the deadline for targeted-dumping allegations, 19 CFR 351.301(d)(5). See *Withdrawal of the Regulatory Provisions Governing Targeted Dumping in Antidumping Duty Investigations*, 73 FR 74930 (December 10, 2008). The Department stated that “{w}ithdrawal will allow the Department to exercise the discretion intended by the statute and, thereby, develop a practice that will allow interested parties to pursue all statutory avenues of relief in this area.” See *id.* at 74931.

In order to accomplish this objective, if any interested party wishes to make a targeted-dumping allegation in any of these investigations pursuant to section 777A(d)(1)(B) of the Act, such allegations are due no later than 45 days before the scheduled date of the country-specific preliminary determination.

#### Respondent Selection

##### The PRC

For this investigation, the Department will request quantity and value information from all known exporters and producers identified with complete contact information in the Petitions. The quantity and value data received from NME exporters/producers will be used as the basis to select the mandatory respondents.

The Department requires that the respondents submit a response to both the quantity and value questionnaire and the separate-rate application by the respective deadlines in order to receive consideration for separate-rate status. See *Circular Welded Austenitic Stainless Pressure Pipe from the People's Republic of China: Initiation of Antidumping Duty Investigation*, 73 FR 10221, 10225 (February 26, 2008); *Initiation of Antidumping Duty Investigation: Certain Artist Canvas From the People's Republic of China*, 70 FR 21996, 21999 (April 28, 2005). The Department will post the quantity and value questionnaire along with the filing instructions on the Import Administration website at <http://ia.ita.doc.gov/ia-highlights-and-news.html> and a response to the quantity and value questionnaire is due no later than August 19, 2009. Also, the Department will send the quantity and value questionnaire to those PRC companies identified in the Supplement to the AD/CVD Petitions, dated July 21, 2009, at Exhibit 116, and Second Supplemental to the AD/CVD Petitions, dated July 27, 2009, at B1-B4.

#### Taiwan

For this investigation, the Department intends to select respondents based on U.S. Customs and Border Protection (“CBP”) data for U.S. imports under the Harmonized Tariff Schedule of the United States (“HTSUS”) numbers 5806.32.1020, 5806.32.1030, 5806.32.1050, and 5806.32.1060, the four HTSUS categories most specific to the subject merchandise, during the POI. We intend to release the CBP data under Administrative Protective Order (“APO”) to all parties with access to information protected by APO within five days of publication of this **Federal Register** notice and make our decision regarding respondent selection within 20 days of publication of this notice. The Department invites comments regarding the CBP data and respondent selection within ten days of publication of this **Federal Register** notice.

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305. Instructions for filing such applications may be found on the Department's website at <http://ia.ita.doc.gov/apo>.

#### Separate Rates

In order to obtain separate-rate status in NME investigations, exporters and producers must submit a separate-rate status application. See Policy Bulletin 05.1: Separate-Rates Practice and Application of Combination Rates in Antidumping Investigations Involving Non-Market Economy Countries (April 5, 2005) (Separate Rates and Combination Rates Bulletin), available on the Department's website at <http://ia.ita.doc.gov/policy/bull05-1.pdf>. Based on our experience in processing the separate-rate applications in previous antidumping duty investigations, we have modified the application for this investigation to make it more administrable and easier for applicants to complete. See, e.g., *Initiation of Antidumping Duty Investigation: Certain New Pneumatic Off-the-Road Tires From the People's Republic of China*, 72 FR 43591, 43594-95 (August 6, 2007). The specific requirements for submitting the separate-rate application in this investigation are outlined in detail in the application itself, which will be available on the Department's website at <http://ia.ita.doc.gov/ia-highlights-and-news.html> on the date of publication of this initiation notice in the **Federal Register**. The separate-rate application will be due 60 days after publication of this initiation notice. For exporters and producers who submit a separate-rate status application and subsequently are

selected as mandatory respondents, these exporters and producers will no longer be eligible for consideration for separate rate status unless they respond to all parts of the questionnaire as mandatory respondents. As noted in the "Respondent Selection" section above, the Department requires that respondents submit a response to both the quantity and value questionnaire and the separate-rate application by the respective deadlines in order to receive consideration for separate-rate status. The quantity and value questionnaire will be available on the Department's website at <<http://ia.ita.doc.gov/ia-highlights-and-news.html>> on the date of the publication of this initiation notice in the **Federal Register**.

#### Use of Combination Rates in an NME Investigation

The Department will calculate combination rates for certain respondents that are eligible for a separate rate in this investigation. The Separate Rates and Combination Rates Bulletin states:

{w}hile continuing the practice of assigning separate rates only to exporters, all separate rates that the Department will now assign in its NME investigations will be specific to those producers that supplied the exporter during the period of investigation. Note, however, that one rate is calculated for the exporter and all of the producers which supplied subject merchandise to it during the period of investigation. This practice applies both to mandatory respondents receiving an individually calculated separate rate as well as the pool of non-investigated firms receiving the weighted-average of the individually calculated rates. This practice is referred to as the application of "combination rates" because such rates apply to specific combinations of exporters and one or more producers. The cash-deposit rate assigned to an exporter will apply only to merchandise both exported by the firm in question *and* produced by a firm that supplied the exporter during the period of investigation.

See Separate Rates and Combination Rates Bulletin at 6 (emphasis added).

#### Distribution of Copies of the Petitions

In accordance with section 732(b)(3)(A) of the Act and 19 CFR 351.202(f), copies of the public versions of the Petitions have been provided to the representatives of the Governments of the PRC and Taiwan. Because of the

large number of producers/exporters identified in the Petition, the Department considers the service of the public version of the Petition to the foreign producers/exporters satisfied by the delivery of the public version to the Government of the PRC, consistent with 19 CFR 351.203(c)(2).

#### ITC Notification

We have notified the ITC of our initiations, as required by section 732(d) of the Act.

#### Preliminary Determinations by the ITC

The ITC will preliminarily determine, no later than August 24, 2009, whether there is a reasonable indication that imports of narrow woven ribbon from the PRC and Taiwan are materially injuring, or threatening material injury to a U.S. industry. A negative ITC determination with respect to any country will result in the investigation being terminated for that country; otherwise, these investigations will proceed according to statutory and regulatory time limits.

This notice is issued and published pursuant to section 777(i) of the Act.

Dated: July 29, 2009.

**Ronald K. Lorentzen,**

*Assistant Secretary for Import Administration.*

#### Appendix I

##### Scope of the Investigations

The merchandise subject to the investigations is narrow woven ribbons with woven selvedge, in any length, but with a width (measured at the narrowest span of the ribbon) less than or equal to 12 centimeters, composed of, in whole or in part, man-made fibers (whether artificial or synthetic, including but not limited to nylon, polyester, rayon, polypropylene, and polyethylene terephthalate), metal threads and/or metalized yarns, or any combination thereof. Narrow woven ribbons subject to the investigations may:

- also include natural or other non-man-made fibers;
- be of any color, style, pattern, or weave construction, including but not limited to single-faced satin, double-faced satin, grosgrain, sheer, taffeta, twill, jacquard, or a combination of two or more colors, styles, patterns, and/or weave constructions;
- have been subjected to, or composed of materials that have been subjected to, various treatments, including but not limited to dyeing, printing, foil stamping, embossing, flocking, coating, and/or sizing;
- have embellishments, including but

not limited to appliqué, fringes, embroidery, buttons, glitter, sequins, laminates, and/or adhesive backing;

- have wire and/or monofilament in, on, or along the longitudinal edges of the ribbon;
- have ends of any shape or dimension, including but not limited to straight ends that are perpendicular to the longitudinal edges of the ribbon, tapered ends, flared ends or shaped ends, and the ends of such woven ribbons may or may not be hemmed;
- have longitudinal edges that are straight or of any shape, and the longitudinal edges of such woven ribbon may or may not be parallel to each other;
- consist of such ribbons affixed to like ribbon and/or cut-edge woven ribbon, a configuration also known as an "ornamental trimming;"
- be wound on spools; attached to a card; hanked (*i.e.*, coiled or bundled); packaged in boxes, trays or bags; or configured as skeins, balls, bateaus or folds; and/or
- be included within a kit or set such as when packaged with other products, including but not limited to gift bags, gift boxes and/or other types of ribbon.

Narrow woven ribbons subject to the investigations include all narrow woven fabrics, tapes, and labels that fall within this written description of the scope of the investigations.

Excluded from the scope of the investigations are the following:

- (1) formed bows composed of narrow woven ribbons with woven selvedge;
- (2) "pull-bows" (*i.e.*, an assemblage of ribbons connected to one another, folded flat and equipped with a means to form such ribbons into the shape of a bow by pulling on a length of material affixed to such assemblage) composed of narrow woven ribbons;
- (3) narrow woven ribbons comprised at least 20 percent by weight of elastomeric yarn (*i.e.*, filament yarn, including monofilament, of synthetic textile material, other than textured yarn, which does not break on being extended to three times its original length and which returns, after being extended to twice its original length, within a period of five minutes, to a length not greater than one and a half times its original length as defined in the Harmonized Tariff Schedule of the United States (HTSUS), Section XI, Note 13) or rubber thread;
- (4) narrow woven ribbons of a kind used for the manufacture of typewriter or printer ribbons;

(5) narrow woven labels and apparel tapes, cut-to-length or cut-to-shape, having a length (when measured across the longest edge-to-edge span) not exceeding 8 centimeters;

(6) narrow woven ribbons with woven selvage attached to and forming the handle of a gift bag;

(7) cut-edge narrow woven ribbons formed by cutting broad woven fabric into strips of ribbon, with or without treatments to prevent the longitudinal edges of the ribbon from fraying (such as by merrowing, lamination, sonobonding, fusing, gumming or waxing), and with or without wire running lengthwise along the longitudinal edges of the ribbon;

(8) narrow woven ribbons comprised at least 85 percent by weight of threads having a denier of 225 or higher;

(9) narrow woven ribbons constructed from pile fabrics (*i.e.*, fabrics with a surface effect formed by tufts or loops of yarn that stand up from the body of the fabric) ;

(10) narrow woven ribbon affixed (including by tying) as a decorative detail to non-subject merchandise, such as a gift bag, gift box, gift tin, greeting card or plush toy, or affixed (including by tying) as a decorative detail to packaging containing non-subject merchandise;

(11) narrow woven ribbon affixed to non-subject merchandise as a working component of such non-subject merchandise, such as where narrow woven ribbon comprises an apparel trimming, book marker, bag cinch, or part of an identity card holder; and

(12) narrow woven ribbon(s) comprising a belt attached to and imported with an item of wearing apparel, whether or not such belt is removable from such item of wearing apparel.

The merchandise subject to the investigations is classifiable under the HTSUS statistical categories 5806.32.1020; 5806.32.1030; 5806.32.1050 and 5806.32.1060. Subject merchandise also may enter under subheadings 5806.31.00; 5806.32.20; 5806.39.20; 5806.39.30; 5808.90.00; 5810.91.00; 5810.99.90; 5903.90.10; 5903.90.25; 5907.00.60; and 5907.00.80 and under statistical categories 5806.32.1080; 5810.92.9080; 5903.90.3090; and 6307.90.9889. The HTSUS statistical categories and subheadings are provided for convenience and customs purposes; however, the written description of the merchandise under investigation is dispositive.

[FR Doc. E9-18732 Filed 8-5-09; 8:45 am]

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## DEPARTMENT OF COMMERCE

### Foreign-Trade Zones Board

[Docket 31-2009]

#### Foreign-Trade Zone 54—Clinton County, NY; Application for Reorganization Under Alternative Site Framework

An application has been submitted to the Foreign-Trade Zones (FTZ) Board (the Board) by Clinton County, New York, grantee of FTZ 54, requesting authority to reorganize the zone under the alternative site framework (ASF) adopted by the Board (74 FR 1170, 01/12/09; correction 74 FR 3987, 01/22/09). The ASF is an option for grantees for the establishment or reorganization of general-purpose zones and can permit significantly greater flexibility in the designation of new "usage-driven" FTZ sites for operators/users located within a grantee's "service area" in the context of the Board's standard 2,000-acre activation limit for a general-purpose zone project. The application was submitted pursuant to the Foreign-Trade Zones Act, as amended (19 U.S.C. 81a-81u), and the regulations of the Board (15 CFR Part 400). It was formally filed on July 31, 2009.

The grantee's proposed service area under the ASF would be Clinton County, New York. If approved, the grantee would be able to serve sites throughout the service area based on companies' needs for FTZ designation. The proposed service area is adjacent to the Champlain Customs and Border Protection port of entry.

FTZ 54 was approved on February 14, 1980 (Board Order 153, 45 FR 12469, 02/26/80), and expanded on: September 23, 1982 (Board Order 196, 47 FR 43012, 09/30/82); May 29, 1996 (Board Order 829, 61 FR 28840, 06/06/96); May 29, 2001 (Board Order 1169, 66 FR 31612, 06/12/01); and November 16, 2001 (Board Order 1199, 66 FR 59235, 11/27/01). The applicant is requesting to include its current sites in the reorganized zone as "magnet" sites. The applicant proposes that Site 4 be exempt from "sunset" time limits that otherwise apply to sites under the ASF. No usage-driven sites are being proposed at this time. Because the ASF only pertains to establishing or reorganizing a general-purpose zone, the application would have no impact on FTZ 54's authorized subzones.

In accordance with the Board's regulations, Kathleen Boyce of the FTZ Staff is designated examiner to evaluate and analyze the facts and information presented in the application and case

record and to report findings and recommendations to the Board.

Public comment is invited from interested parties. Submissions (original and 3 copies) shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is October 5, 2009. Rebuttal comments in response to material submitted during the foregoing period may be submitted during the subsequent 15-day period (to October 20, 2009).

A copy of the application will be available for public inspection at the Office of the Executive Secretary, Foreign-Trade Zones Board, Room 2111, U.S. Department of Commerce, 1401 Constitution Avenue, NW., Washington, DC 20230-0002, and in the "Reading Room" section of the Board's Web site, which is accessible via <http://www.trade.gov/ftz>. For further information, contact Kathleen Boyce at [Kathleen\\_Boyce@ita.doc.gov](mailto:Kathleen_Boyce@ita.doc.gov) or 202-482-1346.

Dated: July 31, 2009.

**Andrew McGilvray,**  
Executive Secretary.

[FR Doc. E9-18874 Filed 8-5-09; 8:45 am]

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## DEPARTMENT OF COMMERCE

### International Trade Administration

[C-570-953]

#### Narrow Woven Ribbons With Woven Selvage From the People's Republic of China: Initiation of Countervailing Duty Investigation

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

**DATES:** *Effective Date:* August 6, 2009.

**FOR FURTHER INFORMATION CONTACT:** Robert Copyak, Shelly Atkinson, or Justin Neuman, AD/CVD Operations, Office 1, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-2209, (202) 482-0116, and (202) 482-0486, respectively.

#### SUPPLEMENTARY INFORMATION:

##### The Petition

On July 9, 2009, the Department of Commerce ("the Department") received countervailing duty ("CVD") and antidumping duty ("AD") petitions concerning imports of narrow woven ribbons with woven selvage ("narrow woven ribbons") from the People's Republic of China ("PRC"). The petitions were filed in proper form by