

**DEPARTMENT OF COMMERCE****International Trade Administration**

[A-570-928]

**Uncovered Innerspring Units From the People's Republic of China: Initiation of Antidumping Duty New Shipper Review**

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

**DATES:** *Effective Date:* October 7, 2010.

**SUMMARY:** The Department of Commerce ("Department") has determined that a request for a new shipper review ("NSR") of the antidumping duty order on uncovered innerspring units from the People's Republic of China ("PRC"), received on August 20, 2010, meets the statutory and regulatory requirements for initiation. The period of review ("POR") for this NSR is February 1, 2010, through July 31, 2010. The request was filed on behalf of Foshan Nanhai Jiujiang Quan Li Spring Hardware Factory ("Quan Li") and Foshan Yongnuo Import & Export Co. Ltd ("Yongnuo"). Quan Li is the producer of subject merchandise and Yongnuo is the exporter. Therefore, subject merchandise that is produced by Quan Li and exported by Yongnuo is the subject of this NSR. In this instance, Yongnuo's sale of subject merchandise was made during the POR specified by the Department's regulations but the shipment entered four days after the end of that POR. The Department finds that extending the POR to capture this entry would not prevent the completion of the review within the time limits set by the Department's regulations. Therefore, the Department has extended the POR for the new shipper review of Yongnuo by four days.

**FOR FURTHER INFORMATION CONTACT:** Steven Hampton, AD/CVD Operations, Office 9, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: 202-482-0116.

**SUPPLEMENTARY INFORMATION:****Background**

The notice announcing the antidumping duty order on uncovered innerspring units from the PRC was published in the **Federal Register** on February 19, 2009. *See Uncovered Innerspring Units from the People's Republic of China: Notice of Antidumping Duty Order*, 74 FR 7661 (February 19, 2009) ("*Antidumping Duty Order*"). On August 20, 2010, pursuant

to section 751(a)(2)(B)(i) of the Tariff Act of 1930, as amended ("Act"), and 19 CFR 351.214(c), the Department received a NSR request from Yongnuo. Yongnuo's request was properly made during August 2010, which is the semi-annual anniversary of the *Antidumping Duty Order*. Quan Li certified that it is the producer and Yongnuo certified that it is the exporter of the subject merchandise upon which the request was based.

Pursuant to section 751(a)(2)(B)(i)(I) of the Act and 19 CFR 351.214(b)(2)(i), Quan Li and Yongnuo certified that they did not export subject merchandise to the United States during the period of investigation ("POI"). In addition, pursuant to section 751(a)(2)(B)(i)(II) of the Act and 19 CFR 351.214(b)(2)(iii)(A), Quan Li and Yongnuo certified that, since the initiation of the investigation, they have never been affiliated with any Chinese exporter or producer who exported subject merchandise to the United States during the POI, including those respondents not individually examined during the investigation. As required by 19 CFR 351.214(b)(2)(iii)(B), Yongnuo also certified that its export activities were not controlled by the central government of the PRC.

In addition to the certifications described above, pursuant to 19 CFR 351.214(b)(2)(iv), Yongnuo submitted documentation establishing the following: (1) The date on which Yongnuo first shipped subject merchandise for export to the United States and; (2) the volume of its first shipment; and (3) the date of its first sale to an unaffiliated customer in the United States.

When the sale of the subject merchandise occurs within the POR specified by the Department's regulations but the entry occurs after the POR, the specified POR may be extended unless it would be likely to prevent the completion of the review within the time limits set by the Department's regulations. *See* 19 CFR 351.214(f)(2)(ii). Additionally, the preamble to the Department's regulations states that both the entry and the sale should occur during the POR and that under "appropriate" circumstances the Department has the flexibility to extend the POR. *See Antidumping Duties; Countervailing Duties; Final Rule*, 62 FR 27296, 27319-27320 (May 19, 1997).

For purposes of initiation, Department accepts the invoice dated within the POR as evidence that Yongnuo had a sale to the United States during the POR. However, the Department will consider further the proper date of sale in the context of this new shipper

review and whether that sale occurred during the POR.

**Initiation of New Shipper Reviews**

Pursuant to section 751(a)(2)(B) of the Tariff Act of 1930, as amended (the "Act") and 19 CFR 351.214(d)(1), we find that the request submitted by Yongnuo meets the threshold requirements for initiation of a new shipper review for shipments of uncovered innerspring units from the PRC produced by Quan Li and exported by Yongnuo. The Department intends to issue the preliminary results of this NSR no later than 180 days from the date of initiation, and the final results no later than 270 days from the date of initiation. *See* section 751(a)(2)(B)(iv) of the Act.

It is the Department's usual practice, in cases involving non-market economies, to require that a company seeking to establish eligibility for an antidumping duty rate separate from the country-wide rate provide evidence of *de jure* and *de facto* absence of government control over the company's export activities. Accordingly, we will issue questionnaires to Yongnuo, which will include a section requesting information with regard to its export activities for separate rates purposes. The review will proceed if the response provides sufficient indication that Yongnuo is not subject to either *de jure* or *de facto* government control with respect to its export of subject merchandise.

We will instruct U.S. Customs and Border Protection to allow, at the option of the importer, the posting, until the completion of the review, of a bond or security in lieu of a cash deposit for each entry of the subject merchandise from Yongnuo in accordance with section 751(a)(2)(B)(iii) of the Act and 19 CFR 351.214(e). Because Quan Li certified it produced the subject merchandise, and Yongnuo certified that it exported the subject merchandise, the sale of which is the basis for this new shipper review request, we will apply the bonding privilege to Quan Li and Yongnuo only for subject merchandise which Quan Li produced and Yongnuo exported.

Interested parties requiring access to proprietary information in this NSR should submit applications for disclosure under administrative protective order in accordance with 19 CFR 351.305 and 19 CFR 351.306.

This initiation and notice are in accordance with section 751(a)(2)(B) of the Act and 19 CFR 351.214 and 19 CFR 351.221(c)(1)(i).

Dated: September 29, 2010.

**Susan H. Kuhbach,**

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

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## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-570-851]

#### **Certain Preserved Mushrooms From the People's Republic of China: Notice of Initiation of Antidumping Duty New Shipper Reviews**

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

**SUMMARY:** The Department of Commerce (the Department) has received requests for new shipper reviews (NSRs) of the antidumping duty order on certain preserved mushrooms from the People's Republic of China (PRC). *See Notice of Amendment of Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order: Certain Preserved Mushrooms From the People's Republic of China*, 64 FR 8308 (February 19, 1999). In accordance with section 751(a)(2)(B) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.214(d), we are initiating antidumping duty NSRs of Guangxi Hengyong Industrial & Commercial Dev. Ltd., (Hengyong) and Zhangzhou Hongda Import & Export Trading Co., Ltd. (Hongda). The period of review (POR) of these NSRs is February 1, 2010 through July 31, 2010.

**DATES:** *Effective Date:* October 7, 2010.

**FOR FURTHER INFORMATION CONTACT:** Fred Baker, Scott Hoefke, or Robert James, AD/CVD Operations, Office 7, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230, telephone: (202) 482-2924, (202) 482-4947, or (202) 482-0649, respectively.

#### **SUPPLEMENTARY INFORMATION:**

##### **Background**

On February 19, 1999, the Department published the antidumping duty order on certain preserved mushrooms from the PRC. *See Notice of Amendment of Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order: Certain Preserved Mushrooms From the People's Republic of China*, 64 FR 8308 (February 19, 1999). Thus, the antidumping duty order on certain preserved mushrooms from the PRC has

a February anniversary month. On August 31, 2010, the Department received requests for NSRs from Hengyong and Hongda.

In its request for review Hongda identified itself as the exporter of the subject merchandise, and Fujian Haishan Foods Co., Ltd. (Haishan) as the producer. In contrast, Hengyong identified itself as the exporter of the subject merchandise, and its affiliated branch supplier Hengyong Industrial and Commercial Dev. Ltd. Hengxian Food Division (collectively, "Hengyong") as the producer. The Department determined that both requests contained certain deficiencies and requested that both respondents correct their submissions. *See* September 23, 2010 letters from Robert James, Program Manager, to Hengyong and Hongda, respectively. In accordance with the Department's requests, Hengyong and Hongda corrected the deficiencies in their initial submissions in revised submissions dated September 24, 2010. For the purpose of initiating these NSRs, the Department determines that Hengyong's and Hongda's original submissions were timely filed.

Pursuant to the requirements set forth in section 751(a)(2)(B)(i) of the Act and 19 CFR 351.214(b)(2), Hengyong, Hongda, and Haishan certified that (1) they did not export subject merchandise to the United States during the original period of investigation (POI) (*see* section 751(a)(2)(B)(i)(I) of the Act and 19 CFR 351.214(b)(2)(i) & (ii)); (2) since the initiation of the investigation they have never been affiliated with any company that exported subject merchandise to the United States during the POI, including those companies not individually examined during the investigation (*see* section 751(a)(2)(B)(i)(II) of the Act and 19 CFR 351.214(b)(2)(iii)(A)); and (3) their export activities were not controlled by the central government of the PRC (*see* 19 CFR 351.214(b)(2)(iii)(B)). Additionally, in accordance with 19 CFR 351.214(b)(2)(iv), Hengyong and Hongda submitted documentation establishing the following: (1) The date on which they first shipped subject merchandise to the United States; (2) the volume of their first shipments; and (3) the date of their first sales to unaffiliated customers in the United States. They also certified they had no shipments to the United States during the period subsequent to their first shipments.

##### **Initiation of Reviews**

Based on information on the record and in accordance with section 751(a)(2)(B) of the Act and section 351.214(d) of the Department's

regulations, we find the requests Hengyong and Hongda submitted meet the statutory and regulatory requirements for initiation of NSRs. *See* Memoranda to the File through Richard Weible, "Request for AD New Shipper Review: Certain Preserved Mushrooms from the People's Republic of China (A-570-851)," dated September 29, 2010. Accordingly, we are initiating a NSR of the antidumping duty order on certain preserved mushrooms from the PRC manufactured and exported by Hengyong, and a NSR on certain preserved mushrooms from the PRC manufactured by Haishan and exported by Hongda. These reviews cover the period February 1, 2010 through July 31, 2010. We intend to issue the preliminary results of these reviews no later than 180 days after the date on which these reviews are initiated, and the final results within 90 days after the date on which we issue the preliminary results. *See* section 751(a)(2)(B)(iv) of the Act and 19 CFR 351.214(h)(i).

In cases involving non-market economies, the Department requires that a company seeking to establish eligibility for an antidumping duty rate separate from the country-wide rate provide evidence of *de jure* and *de facto* absence of government control over the company's export activities. *See, e.g., Wooden Bedroom Furniture from the People's Republic of China: Initiation of Antidumping Duty New Shipper Reviews*, 75 FR 10214, 10215 (March 5, 2010). Accordingly, we will issue questionnaires to Hengyong and Hongda that will include a separate rates section.<sup>1</sup> These reviews will proceed if these responses provide sufficient indication that Hengyong and Hongda are not subject to either *de jure* or *de facto* government control with respect to their exports of preserved mushrooms. However, if Hengyong and Hongda do not demonstrate eligibility for separate rates, they will be deemed not to have met the requirements of section 751(2)(B)(i) of the Act and 19 CFR 351.214(b)(2)(i), and therefore not separate from the PRC-wide entity. We will therefore rescind the NSRs. *See, e.g., Certain Preserved Mushrooms from the People's Republic of China: Notice of Initiation of Antidumping Duty New Shipper Review*, 74 FR 15698 (April 7, 2009).

We will instruct the CBP to allow, at the option of the importer, the posting, until the completion of the review, of a bond or security in lieu of a cash deposit for certain entries of the subject

<sup>1</sup> Both companies did provide information regarding their eligibility for separate rates in their requests for review.