Pure Magnesium from China

Investigation No. 731-TA-696 (Third Review)

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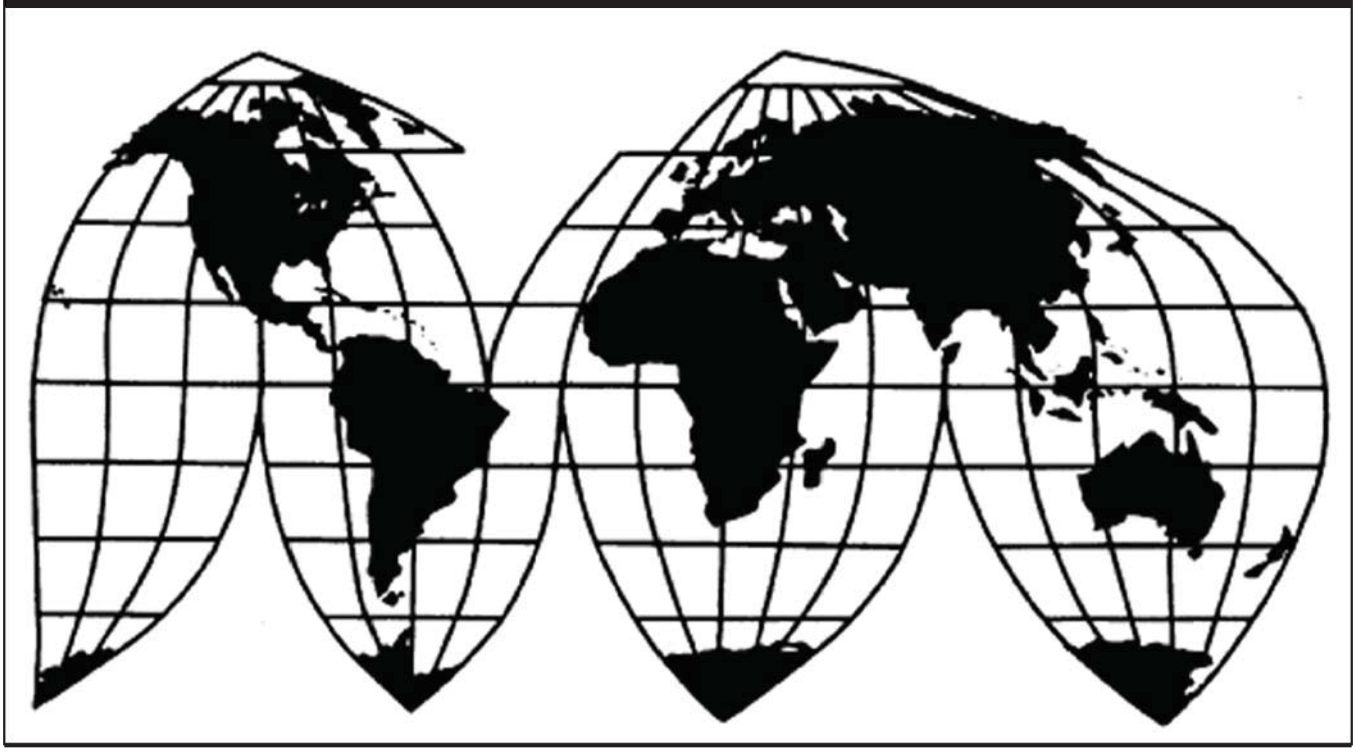

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U.S. International Trade Commission

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Note.–Information that would reveal confidential operations of individual concerns may not be published and therefore has been deleted from this report. Such deletions are indicated by asterisks.

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation No. 731-TA-696 (Third Review)

PURE MAGNESIUM FROM CHINA

DETERMINATION

On the basis of the record[1] developed in the subject five-year review, the United States International Trade Commission (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 pure magnesium 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. [2]

BACKGROUND

The Commission instituted this review on June 1, 2011 (76 F.R. 31635) and determined on September 6, 2011 that it would conduct an expedited review (76 F R 60291, October 6, 2011).

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

[2] Commissioner Dean A. Pinkert did not participate in this review.

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 on pure magnesium 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.[1]

I. BACKGROUND

A. The Original Determination and Prior Reviews

In March 1994, Magnesium Corporation of America ("Magcorp"), the corporate predecessor of US Magnesium LLC ("US Magnesium"), and two labor unions filed a petition alleging material injury and threat by reason of imports of primary magnesium from China, Russia, and Ukraine sold at less than fair value ("LTFV"). In June 1994, producer Dow Chemical Company joined the petition. The Commission issued its final determination in May 1995.[2] The Commission found two separate like products – pure magnesium and alloy magnesium – coextensive with the two classes or kinds of merchandise defined by the Department of Commerce. The Commission cumulated LTFV imports of pure magnesium from China with LTFV imports of pure magnesium from Russia and Ukraine, and found that the domestic industry producing pure magnesium was materially injured by reason of the cumulated imports.[3] On May 12, 1995, Commerce published antidumping duty orders covering the subject merchandise.[4]

In July 2000, in an expedited first five-year review of this order, the Commission made an affirmative determination,[5] and in October 2000, Commerce published a notice of continuation of the order.[6] In July 2005, in a full second five-year review of this order, the Commission made an affirmative determination.[7] Commerce published a notice of continuation of the order in July 2006.[8]

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[1] Commissioner Dean R. Pinkert did not participate in this review.

[2] Magnesium from China, Russia, and Ukraine, Inv. Nos. 731-TA-696-698 (Final), USITC Pub. 2885 (May 1995) ("Original Determination").

[3] Original Determination at 15-16, 22. The Commission made a negative injury determination with respect to imports of alloy magnesium from China. Original Determination at 3.

[4] 60 Fed. Reg. 25691 (May 12, 1995). The antidumping duty order with respect to pure magnesium from Ukraine was revoked following litigation which resulted in a remand to the Commission and a negative determination on remand. Gerald Metals, Inc v. United States, 132 F.3d 716, 720 (Fed. Cir. 1997), Gerald Metals v. United States, 8 F. Supp. 2d 861 (Ct. Int'l Trade 1998); Magnesium from Ukraine, Inv. No. 731-TA-698 (Final) (Remand) (June 1998), aff'd after remand, 27 F. Supp. 2d 1351 (Ct. Int'l Trade, Oct. 1998); and 63 Fed. Reg. 67854-55 (Dec. 9, 1998). The antidumping duty order with respect to pure magnesium from Russia was revoked by Commerce in July 2000, after no domestic interested party filed a notice of intent to participate in Commerce's sunset review of that order. 65 Fed. Reg. 41944 (July 7, 2000).

[5] Pure Magnesium from China, Inv. No. 731-TA-696 (Review), USITC Pub. 3346 (Sept. 2000) ("First Review Determination").

[6] 65 Fed. Reg. 64422 (Oct. 27, 2000).

[7] Pure and Alloy Magnesium From Canada and Pure Magnesium From China, Inv. Nos. 701-TA-309-A-B and 731-TA-696 (Second Review), USITC Pub. 3859 (July 2006) ("Second Review Determination") at 7-11. For administrative convenience and efficiency the Commission conducted this review simultaneously with reviews of countervailing duty orders on pure and alloy magnesium from Canada. The Commission conducted a full review, notwithstanding an inadequate respondent interested party group response, in order to further examine the definition

(continued...)

B. The Current Review

The Commission instituted this review on June 1, 2011.[9] The Commission received two responses to its notice of institution: one from US Magnesium, a U.S. producer of pure and alloy magnesium, and one from Tianjin Magnesium International Co., Ltd. ("TMI"), an exporter of pure magnesium from China. On September 6, 2011, the Commission found these two responses to be adequate, and found the domestic interested party group response to the notice of institution to be adequate and the respondent interested party group response inadequate.[10] The Commission determined that, in the absence of any circumstances that would warrant conducting a full review, it would conduct an expedited review pursuant to section 751(c)(3) of the Act.[11]

II. DOMESTIC LIKE PRODUCT

In making its determination under section 751(c) of the Act, the Commission defines "the domestic like product" and the "industry."[12] 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."[13] The Commission's practice in five-year reviews is to look to the like product definition from the original determination and any completed reviews and consider whether the record indicates any reason to revisit the prior findings.[14]

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[7](...continued)
of the domestic like product. Id. at Appx. A, Explanation of Commission Determination on Adequacy.

[8] 71 Fed. Reg. 38860 (July 10, 2006)

[9] 76 Fed. Reg. 31635 (June 1, 2011).

[10] See Explanation of Commission Determination on Adequacy, CR/PR at Appx. B. US Magnesium accounted for *** percent of estimated total U.S. production of the pure and alloy domestic industries in 2010. US Magnesium's Response to the Commission's Notice of Institution (July 1, 2011) ("US Magnesium Response") at Attachment 5.

[11] Id.

[12] 19 U.S.C. § 1677(4)(A).

[13] 19 U.S.C. § 1677(10); see, e.g., Cleo, Inc. v. United States, 501 F.3d 1291, 1299 (Fed. Cir. 2007); NEC Corp. v. Department of Commerce, 36 F. Supp. 2d 380, 383 (Ct. Int'l Trade 1998); Nippon Steel Corp. v. United States, 19 CIT 450, 455 (1995); Timken Co. v. United States, 913 F. Supp. 580, 584 (Ct. Int'l Trade 1996); Torrington Co. v. United States, 747 F. Supp. 744, 748-49 (Ct. Int'l Trade 1990), aff'd, 938 F.2d 1278 (Fed. Cir. 1991); see also S. Rep. No. 249, 96th Cong., 1st Sess. 90-91 (1979).

[14] See, e.g., Stainless Steel Sheet and Strip from Germany, Italy, Japan, Korea, Mexico, and Taiwan, Inv. Nos. 701-TA-382 and 731-TA-798-803 (Second Review), USITC Pub. 4244 (July 2011) at 6; Certain Carbon Steel Products from Australia, Belgium, Brazil, Canada, Finland, France, Germany, Japan, Korea, Mexico, Poland, Romania, Spain, Sweden, Taiwan, and the United Kingdom, Inv. Nos. AA1921-197 (Second Review), 701-TA-319, 320, 325-27, 348, and 350 (Second Review), and 731-TA-573-74, 576, 578, 582-87, 612, and 614-618 (Second Review), USITC Pub. 3899 (January 2007) at 31, n. 117; Internal Combustion Industrial Forklift Trucks from Japan, Inv. No. 731-TA-377 (Second Review), USITC Pub. 3831 (December 2005) at 8-9; Crawfish Tail Meat from China, Inv. No. 731-TA-752 (Review), USITC Pub. 3614 (July 2003) at 4; Steel Concrete Reinforcing Bar from Turkey, Inv. No. 731-TA-745 (Review), USITC Pub. 3577 (February 2003) at 4.

A. Product Description

In its expedited sunset determination, Commerce defined the subject merchandise as:

pure magnesium regardless of chemistry, form or size, unless expressly excluded from the scope of the order. Pure magnesium is a metal or alloy containing by weight primarily the element magnesium and produced by decomposing raw materials into magnesium metal. Pure primary magnesium is used primarily as a chemical in the aluminum alloying, desulfurization, and chemical reduction industries. In addition, pure magnesium is used as an input in producing magnesium alloy. Pure magnesium encompasses products (including, but not limited to, butt-ends, stubs, crowns and crystals) with the following primary magnesium contents: (1) Products that contain at least 99.95 % primary magnesium, by weight (generally referred to as "ultra–pure" magnesium); (2) Products that contain less than 99.95 % but not less than 99.8 % primary magnesium, by weight (generally referred to as "pure" magnesium); and (3) Products that contain 50 % or greater, but less than 99.8 % primary magnesium, by weight, and that do not conform to ASTM specifications for alloy magnesium (generally referred to as "off–specification pure" magnesium).

"Off–specification pure" magnesium is pure primary magnesium containing magnesium scrap, secondary magnesium, oxidized magnesium or impurities (whether or not intentionally added) that cause the primary magnesium content to fall below 99.8 % by weight. It generally does not contain, individually or in combination, 1.5% or more, by weight, of the following alloying elements: aluminum, manganese, zinc, silicon, thorium, zirconium and rare earths.

Excluded from the scope of the order are alloy primary magnesium (that meets specifications for alloy magnesium), primary magnesium anodes, granular primary magnesium (including turnings, chips and powder), having a maximum physical dimension (i.e., length or diameter) of one inch or less, secondary magnesium (which has pure primary magnesium content of less than 50 % by weight), and remelted magnesium whose pure primary magnesium content is less than 50 % by weight.

Pure magnesium products covered by the order are currently classifiable under the Harmonized Tariff Schedule of the United States ("HTSUS") subheadings 8104.11.00, 8104.19.00, 8104.20.00, 8104.30.00, 8104.90.00, 3824.90.11, 3824.90.19 and 9817.00.90. Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope is dispositive."[15]

[15] Pure Magnesium from the People's Republic of China; Final Results of Expedited Third Sunset Review of the Antidumping Duty Order, 76 FR 62040, 62041 (October 6, 2011).

B. The Commission's Original Determination and Prior Reviews

The definition of the domestic like product in magnesium investigations has a long history.[16] In the original injury determinations underlying this review, the Commission found pure and alloy magnesium to be separate domestic like products.[17] In the first five-year review of this order, the Commission continued to define the like product as pure magnesium.[18]

In the second five-year review of this order (which was conducted simultaneously with five-year reviews for pure and alloy magnesium from Canada), the Commission was evenly divided on the question of whether pure and alloy magnesium were one or two like products. Chairman Pearson and Commissioners Okun and Lane found one domestic like product. These three Commissioners also found that primary and secondary magnesium, and cast and granular magnesium, were part of a single domestic like product, i.e., they also expanded the domestic like product to encompass secondary magnesium and granular magnesium.[19]

Vice Chairman Aranoff and Commissioners Hillman and Koplan found two like products. For these three Commissioners, the question of whether to include secondary magnesium in the like product affected only the alloy magnesium like product, and they expanded that domestic like product to include secondary magnesium. These three Commissioners declined to expand the domestic like product to encompass granular magnesium.[20]

C. Analysis and Conclusion

As noted above, in five-year reviews, the Commission generally begins its analysis with the like product found in the original investigation(s) or subsequent reviews of the original order(s), and has deferred to that definition if no party argues for a different like product and the record does not call that like product definition into question. US Magnesium stated that it agrees with a definition of the domestic like product that includes pure and alloy magnesium, including primary and secondary magnesium, and magnesium in ingot and granular form.[21] TMI did not address the definition of the like product.[22]

Because this review was expedited, the Commission obtained only a very limited amount of new information. In the full second review in this investigation, Chairman Pearson and Commissioners Okun and Lane found one domestic like product. They based this decision on: (I) shared essential physical characteristics between pure and alloy magnesium; (ii) an overlap in the uses of pure and alloy magnesium in aluminum production (the single largest use for magnesium); (iii) shared production facilities and employees in primary pure and alloy magnesium production; (iv) the recognition by some industry participants of increased competition between pure and alloy magnesium; (v) the general similarities in channels of distribution for pure and alloy magnesium; and (vi) a convergence in prices for the two types

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[16] In its first investigations involving imported pure and alloy magnesium the Commission found pure and alloy magnesium to constitute a single like product. Magnesium from Canada, Inv. Nos. 701-TA-309 and 731-TA-528 (Final), USITC Pub. 1992 (the "1992 Investigations")(Aug. 1992) at 8-11. The Commission was reversed on this point by a U.S.-Canada binational panel, which found that pure and alloy magnesium were separate like products.

[17] Original Determination at 7-9. The Commission made a negative injury determination with respect to alloy magnesium Id. at 3.

[18] First Review Determination at .

[19] Second Review Determination at 7-13.

[20] Second Review Determination at 36-42.

[21] US Magnesium Response at 28.

[22] TMI's Response to the Commission's Notice of Institution (July 1, 2011) at 9.

of magnesium.[23] There is no new information obtained during this review that would suggest any reason for Chairman Okun and Commissioners Lane and Pearson to revisit their domestic like product definition in the second review of this order.[24]

Vice Chairman Williamson and Commissioner Aranoff note that, because this review was expedited, the Commission obtained a very limited amount of new information. In addition to the full second review in this investigation, the Commission has recently conducted five-year reviews of antidumping duty orders concerning alloy magnesium from China and pure and alloy magnesium from Russia.[25] They find that the public opinion and staff report from the 2011 China/Russia Review provides the most current factual information on which to base their like product definition in this review.[26] This public opinion and staff report also help inform their analysis of conditions of competition.

Therefore, the Commission defines the domestic like product as consisting of pure and alloy magnesium, including primary and secondary magnesium and cast and granular magnesium.

III. DOMESTIC INDUSTRY

Section 771(4)(A) of the Act defines the relevant industry as the domestic "producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product."[27] In defining the domestic industry, the Commission's general practice has been to include in the industry producers of all domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market.

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[23] Second Review Determination at 7-13.

[24] The Commission has recently conducted five-year reviews of antidumping duty orders concerning alloy magnesium from China and pure and alloy magnesium from Russia. Magnesium From China and Russia, Inv. Nos. 731-TA-1071 and 1072 (Review), USITC Pub. 4214 (Feb. 2011) ("2011 China/Russia Review"). We note that the public opinion and staff report of the 2011 China/Russia Review provide additional evidence to the information that the Commission had in the full second review of this order and continue to support the definition of a single domestic like product, a single domestic industry, and our analysis of the conditions of competition for the domestic industry in the same way the Commission had in the prior review of this order. 2011 China/Russia Review at 7-10.

[25] 2011 China/Russia Review. As a general matter, we note that Commission determinations are not "precedents," and that the Commission is not bound by prior determinations concerning even the same imported product. Nucor Corp. v. United States, 414 F.3d 1331, 1340 (Fed. Cir. 2005); International Imaging Materials, Inc. v. United States, — F. Supp. 2d----, Slip 06-11 (Ct. Int'l Trade January 23, 2006) at 10; Nippon Steel Corp. v. United States, 19 CIT 450, 454-55 (1995).

[26] In the 2011 China/Russia Review, the Commission found pure and alloy magnesium to be a single like product. It based this decision on the Commission's findings in the original investigations, and on the record in the review, which showed: (I) shared essential physical characteristics; (ii) overlap in the uses of pure and alloy magnesium in aluminum production (the single largest use for magnesium); (iii) shared production facilities and employees in primary pure and alloy magnesium production; (iv) the recognition by some industry participants of increased competition between pure and alloy magnesium; (v) general similarities in channels of distribution for pure and alloy magnesium; and (vi) a correlation in prices for the two types of magnesium for much of the period of review. 2011 China/Russia Review at 7-10. The Commission also found no reason to reexamine its decision in the original injury determinations that primary and secondary magnesium, and cast and granular magnesium, are part of the same domestic like product. Id. at 7 n. 23.

[27] 19 U.S.C. § 1677(4)(A). The definitions in 19 U.S.C. § 1677 are applicable to the entire subtitle containing the antidumping and countervailing duty laws, including 19 U.S.C. §§ 1675 and 1675a. See 19 U.S.C. § 1677.

A. The Commission's Original Determination and Prior Reviews

In the original determination and the first review the Commission defined the domestic industry as consisting of all domestic producers of pure magnesium.[28] In the second review, those Commissioners who defined the domestic like product as including pure and alloy magnesium defined the domestic industry as consisting of the domestic producers of pure and alloy magnesium, including primary and secondary magnesium, and magnesium in ingot and granular form. These Commissioners considered whether grinders and certain magnesium diecasters that produced secondary magnesium by recycling scrap engaged in sufficient production-related activity to qualify as domestic producers. Based on limited information in the record and the Commission's decision in another magnesium investigation, these Commissioners included grinders in the domestic industry but did not include the diecasters.[29] [30] Those Commissioners who found pure and alloy magnesium to be separate domestic like products defined the domestic industry producing pure magnesium as consisting of the sole domestic producer of pure magnesium at that time, U.S. Magnesium.[31]

B. Analysis and Conclusion

Consistent with our definition of the domestic like product, we define the domestic industry in this review as consisting of all domestic producers of pure and alloy magnesium, including primary and secondary magnesium, and magnesium in ingot and granular form.[32] We note, however, that only US Magnesium responded to the notice of institution of this review and provided us with data on its operations in 2010.

IV. LIKELIHOOD OF CONTINUATION OR RECURRENCE OF MATERIAL INJURY IF THE ANTIDUMPING DUTY ORDER IS REVOKED

A. Legal Standard

In a five-year review conducted under section 751© of the Act, Commerce will revoke an antidumping or countervailing duty order unless (1) it makes a determination that dumping or subsidization is likely to continue or recur and (2) the Commission makes a determination that revocation of the antidumping or countervailing duty order "would be likely to lead to continuation or recurrence of

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[28] Original Determination at 10 and First Review Determination at 6.

[29] Second Review Determination at 13-15. Although the Commission included grinders in the domestic industry, it noted that it had not obtained any industry data from grinders. Id. at 14.

[30] In the most recent magnesium proceeding, the 2011 China/Russia Review (which involved different antidumping duty orders than the one currently at issue), the Commission also defined the domestic industry as consisting of the domestic producers of pure and alloy magnesium, including primary and secondary magnesium, and magnesium in ingot and granular form. 2011 China/Russia Review at 11-12. The Commission considered whether Spartan Light Metal Products, a diecaster that recycled magnesium scrap, engaged in sufficient production related activity to be deemed a domestic producer, and concluded that it did. Id. at 12.

[31] Second Review Determination at 43.

[32] Reportedly, there are currently 10 producers of the domestic like product: US Magnesium, MagPro, AMACOR, MagReTech, Rossborough, ESM Group, Hart Metals, Reade Advanced Materials, Meridian Technologies, and Spartan. US Magnesium Response at Exh. 8. There is no information in the record indicating that any of these producers are related parties as defined in 19 U.S.C. §1677(4)(B).

material injury within a reasonably foreseeable time."[33] The SAA states that "under the likelihood standard, the Commission will engage in a counterfactual analysis; it must decide the likely impact in the reasonably foreseeable future of an important change in the status quo – the revocation or termination of a proceeding and the elimination of its restraining effects on volumes and prices of imports."[34] Thus, the likelihood standard is prospective in nature.[35] The U.S. Court of International Trade has found that "likely," as used in the five-year review provisions of the Act, means "probable," and the Commission applies that standard in five-year reviews.[36] [37] [38]

The Act states that "the Commission shall consider that the effects of revocation or termination may not be imminent, but may manifest themselves only over a longer period of time."[39] 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 original investigations."[40]

Although the standard in a five-year review is not the same as the standard applied in an original antidumping duty investigation, 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

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[33] 19 U.S.C. § 1675a(a).

[34] SAA at 883-84. 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). Likewise, the standard applies to suspended investigations that were never completed." Id. at 883.

[35] 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.

[36] See NMB Singapore Ltd. v. United States, 288 F. Supp. 2d 1306, 1352 (Ct. Int'l Trade 2003) ("'likely' means probable within the context of 19 U.S.C. § 1675(c) and 19 U.S.C. § 1675a(a)"), aff'd mem., 140 Fed. Appx. 268 (Fed. Cir. 2005); Nippon Steel Corp. v. United States, 26 CIT 1416, 1419 (2002) (same); Usinor Industeel, S.A. v. United States, 26 CIT 1402, 1404 nn.3, 6 (2002) ("more likely than not" standard is "consistent with the court's opinion"; "the court has not interpreted 'likely' to imply any particular degree of 'certainty'"); Indorama Chemicals (Thailand) Ltd. v. United States, Slip Op. 02-105 at 20 (Ct. Int'l Trade Sept. 4, 2002) ("standard is based on a likelihood of continuation or recurrence of injury, not a certainty"); Usinor v. United States, 26 CIT 767, 794 (2002) ("'likely' is tantamount to 'probable,' not merely 'possible'").

[37] For a complete statement of Chairman Okun's interpretation of the likely standard, see Additional Views of Vice Chairman Deanna Tanner Okun Concerning the "Likely" Standard in Certain Seamless Carbon and Alloy Steel Standard, Line and Pressure Pipe From Argentina, Brazil, Germany, and Italy, Invs. Nos. 701-TA-362 (Review) and 731-TA-707 to 710 (Review)(Remand), USITC Pub. 3754 (Feb. 2005).

[38] Commissioner Lane notes that, consistent with her views in Pressure Sensitive Plastic Tape From Italy, Inv. No. AA1921-167 (Second Review), USITC Pub. 3698 (June 2004), she does not concur with the U.S. Court of International Trade's interpretation of "likely," but she will apply the Court's standard in these reviews and all subsequent reviews until either Congress clarifies the meaning or the U.S. Court of Appeals for the Federal Circuit addresses this issue.

[39] 19 U.S.C. § 1675a(a)(5).

[40] 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.

merchandise on the industry if the orders are revoked or the suspended investigation is terminated."[41] 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 or the suspension agreement under review, whether the industry is vulnerable to material injury if the orders are revoked or the suspension agreement is terminated, and any findings by Commerce regarding duty absorption pursuant to 19 U.S.C.§ 1675(a)(4).[42] 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.[43]

As discussed above, the Commission received responses to its notice of institution from one domestic producer, US Magnesium, and one respondent interested party, TMI, an exporter of the subject merchandise from China. Accordingly, when appropriate in this review, we have relied on the facts otherwise available, which consist of information from the original investigation and the first and second five-year reviews, the public opinion and staff report of the 2011 China/Russia Review, as well as information submitted in this review, including information provided by US Magnesium and TMI, and information available from published sources.[44] [45]

B. Conditions of Competition and Business Cycle

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."[46]

1. The Commission's Original Determination and Prior Reviews

In its original injury determination the Commission identified a number of conditions of competition pertinent to the domestic pure magnesium industry, including: the relationship between the

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[41] 19 U.S.C. § 1675a(a)(1).

[42] 19 U.S.C. § 1675a(a)(1). We note that Commerce made no duty absorption findings. CR at I-8, PR at I-7.

[43] 19 U.S.C. § 1675a(a)(5). Although the Commission must consider all factors, no one factor is necessarily dispositive. SAA at 886.

[44] 19 U.S.C. § 1677e(a) 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 19 U.S.C. § 1677m(i). The verification requirements in 19 U.S.C. § 1677m(i) are applicable only to Commerce. See Titanium Metals Corp. v. United States, 155 F. Supp. 2d 750, 765 (Ct. Int'l Trade 2002) ("the ITC correctly responds that Congress has not required the Commission to conduct verification procedures for the evidence before it, or provided a minimum standard by which to measure the thoroughness of Commission investigations.").

[45] Chairman Okun notes that the statute authorizes the Commission to take adverse inferences in five-year reviews, but such authorization does not relieve the Commission of its obligation to consider the record evidence as a whole in making its determination. See 19 U.S.C. § 1677e. She generally gives credence to the facts supplied by the participating parties and certified by them as true, but bases her decision on the evidence as a whole, and does not automatically accept participating parties' suggested interpretations of the record evidence. Regardless of the level of participation, 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." SAA at 869.

[46] 19 U.S.C. § 1675a(a)(4).

demand for pure magnesium and the demand for the products in which it is used, and the need to keep electrolytic cells in constant operation to avoid their deterioration.[47]

In the first and second reviews, the Commission reiterated these conditions and also described a number of others affecting the domestic industry, including: that the production processes for pure and alloy magnesium are very similar and are typically performed at common manufacturing facilities by the same employees; that domestic pure magnesium and subject imports are substitutable with each other and with non-subject imports; that the market for pure magnesium is price competitive; and that non-subject imports play a role in the U.S. market.[48] [49]

2. The Current Review

In this review, we find that the conditions of competition relied upon by the Commission in making its determinations in the prior reviews of this order generally continued in the current period. Demand for magnesium is dictated largely by the demand in its end-use markets.[50] Pure magnesium is typically used in the production of aluminum alloys for use in beverage cans and in some automotive parts, in iron and steel desulfurization, as a reducing agent for various nonferrous metals, in magnesium anodes for the protection of iron and steel in underground pipe and water tanks and various marine applications, and in the production of titanium sponge.[51] Alloy magnesium is principally used in structural applications, primarily in castings and extrusions for the automotive industry.[52] Some alloy magnesium is used in aluminum production.[53] U.S. demand for magnesium has reportedly declined as a result of the general recession and its impact on the automotive and aluminum alloying industries.[54]

As noted above, there are reportedly ten domestic producers of the domestic like product. One of these, MagPro, entered the market since the last review of this order, ***.[55] During the period of this review, US Magnesium ***[56] Primary magnesium producers that use the electrolytic process (i.e., US Magnesium) have a strong incentive to maintain a continuous level of production because the electrolytic

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[47] Original Determination at 10.

[48] First Review Determination at 8-10 and Second Review Determination at 27-29 and 59-61.

[49] In the most recent magnesium proceeding, the 2011 China/Russia Review (which involved different antidumping duty orders than the one currently at issue), the conditions of competition identified by the Commission included: demand that is derived from the applications in which magnesium is used; mixed expectations as to future demand by industry participants; capacity expansions by US Magnesium during the review period; the entry of a new producer, MagPro, into the market; an apparent sharp expansion of the Chinese alloy magnesium industry's capacity during the period of review; the continued significant presence of nonsubject suppliers in the U.S. market (with a shutdown of most or all of the Canadian industry and a subsequent increase in imports from Israel); the continued fungibility of magnesium of the same type; and the continued price competitiveness of the magnesium market. 2011 China/Russia Review at 23-25.

[50] 2011 China/Russia Review at 23.

[51] CR at I-16, PR at I-14 and 2011 China/Russia Review at 8.

[52] Id.

[53] 2011 China/Russia Review at 9.

[54] CR at I-21, PR at I-17.

[55] CR at I-20, PR at I-16.

[56] CR at I-22, PR at I-17.

cells used to make primary magnesium must be kept in constant operation to avoid their deterioration and significant rebuilding costs.[57]

Non-subject imports continue to play a role in the U.S. market, albeit a declining one. Nonsubject imports declined from 31,948 metric tons in 2006 to 18,147 metric tons in 2010.[58]

Based on the limited record evidence, we find that the conditions of competition in the magnesium market are not likely to change significantly in the reasonably foreseeable future.[59] We find that these conditions of competition provide us with a reasonable basis on which to assess the likely effects of revocation.

C. Likely Volume of Subject Imports

In evaluating the likely volume of imports of subject merchandise if the order under review were 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.[60] 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.[61]

1. The Commission's Original Determination and Prior Reviews

In the original investigation, the Commission found that the volume of cumulated LTFV imports was significant and increased substantially from 1992 through the first half of 1994. The Commission further found that market penetration of the LTFV imports of pure magnesium, by both quantity and value, increased significantly during the period of investigation.[62]

In the first five-year review the Commission found that subject import volume would likely be significant if the antidumping duty order were revoked, based on the rapid growth and substantial capacity of the Chinese magnesium industry, that industry's significant dependence on export markets, the presence of import barriers against pure magnesium from China in third country markets, the surge in U.S. imports of subject merchandise under temporary importation bonds since the imposition of the order, and the ability of Chinese producers to switch production from alloy magnesium to pure magnesium if the order on pure magnesium were revoked.[63]

In the second five-year review the Commission again found that subject import volume would likely be significant if the antidumping duty order were revoked, based on the continued rapid growth and

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[57] Second Review Determination at 60.

[58] CR/PR at Table I-6.

[59] In the 2011 China/Russia Review the Commission found that magnesium of the same type continues to be a fungible, commodity product, and that the market for magnesium continues to be price competitive. 2011 China/Russia Review at 9. There is no indication on the record of this review that these conditions have changed.

[60] 19 U.S.C. § 1675a(a)(2).

[61] 19 U.S.C. § 1675a(a)(2)(A-D).

[62] Original Determination at 19-20.

[63] First Review Determination at 10-12.

substantial capacity of the Chinese magnesium industry, that industry's significant dependence on export markets, actual and potential import barriers against pure magnesium from China in third country markets, the strong interest of Chinese producers in supplying the U.S. market (as demonstrated by their shift to exporting other types of magnesium to the United States whenever an order on one type of magnesium was imposed), and the ability of Chinese producers to switch production from alloy magnesium to pure magnesium if the order on pure magnesium were revoked.[64]

2. The Current Review

A number of factors support the conclusion that the subject import volume is likely to be significant if the order is revoked. Notwithstanding the antidumping duty order, subject imports from China have continued to enter the U.S. market in significant quantities in some years of the period of review, indicating that the United States is still a market of interest to the Chinese industry.[65] Chinese producers also have massive production capacity and considerable unused capacity. China reportedly accounts for 80 percent of world capacity for primary magnesium.[66] The U.S. Geological Survey reports that in 2009 China had the capacity to produce 1,030,000 metric tons of primary magnesium and that it actually produced 501,000 metric tons in that year, indicating a capacity utilization rate of only 48.6 percent.[67] Moreover, substantial further capacity expansions are planned.[68] Even though the proportion of China's magnesium production that was exported reportedly declined in 2010, exports still accounted for more than half of total production, showing that the industry remains export oriented.[69]

Chinese producers can easily switch production from alloy magnesium to pure magnesium. Until the imposition of antidumping measures on alloy magnesium from China in 2004, Chinese producers exported substantial quantities of alloy magnesium to the United States. Given the existing antidumping orders now in place against Chinese alloy and granular magnesium, which have drastically reduced Chinese participation in the U.S. market for both of these products, and the relative ease with which Chinese producers can change production from alloy magnesium to pure magnesium, Chinese magnesium producers would have a powerful incentive to switch production and to export large volumes of pure magnesium to the United States if this order were revoked.

Furthermore, the United States is an attractive market for Chinese producers as prices for pure magnesium in the United States are higher than prices in other markets.[70] With respect to barriers to entry into other export markets, we note the Chinese industry faces restrictions on its access to the Brazilian

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[64] Second Review Determination at 29-31 and 61-62.

[65] Subject imports were 1 metric ton in 2006, 3,453 metric tons in 2007, 19,113 metric tons in 2008, 4,968 metric tons in 2009, and 93 metric tons in 2010. CR/PR at Table I-6.

[66] CR at I-34, PR at I-24.

[67] US Magnesium Response at Attachment 3.

[68] The China Non-Ferrous Metals Industry Association ("CNFMIA") reported that the Chinese magnesium industry's capacity is expected to nearly quadruple in the next five years. CR at I-36, PR at I-25.

[69] The CNFMIA reported that the proportion of magnesium exported in the first eight months of 2010 fell to 59 percent from around 70 percent a year earlier. CR at I-36, PR at I-25.

[70] See U.S. Magnesium's Final Comments (Oct. 6, 2011) at 8. Even TMI acknowledged "a significant price disparity between the U.S. and other major markets for pure magnesium." TMI's Response to Notice of Institution at 8.

market. Brazil has maintained antidumping duties on imports of pure magnesium from China since 2004.[71] [72]

Accordingly, based on the demonstrated ability of Chinese pure magnesium producers to increase imports into the U.S. market rapidly, their substantial production capacity and excess capacity, their export orientation, the attractiveness of the U.S. market, and the antidumping duty measures on Chinese pure magnesium in Brazil, we find that the likely volume of subject imports, both in absolute terms and as a share of the U.S. market, would be significant if the order were revoked.

D. Likely Price Effects of Subject Imports

In evaluating the likely price effects of subject imports if the order under review were revoked, the Commission is directed to consider whether there is likely to be significant underselling by the subject imports in relation to the domestic like product and whether the subject imports are likely to enter the United States at prices that otherwise would have a significant depressing or suppressing effect on the price of the domestic like product.[73]

1. Original Investigation and Prior Reviews

In the original investigation the Commission found that the large and increasing volume of subject imports during the period of investigation depressed prices or prevented price increases to a significant degree. Noting the general substitutability between domestic product and subject imports, the Commission observed that prices for domestic pure magnesium rose and fell in relation to the presence in the U.S. market of unfairly traded imports. Additionally, the cumulated subject imports undersold domestically produced pure magnesium in the vast majority of pricing comparisons. In particular, price data collected from U.S. purchasers during the original investigation showed underselling by imports from China in 9 of 13 price comparisons.[74]

In the first five-year review the Commission determined that revocation of the antidumping duty order would be likely to lead to significant underselling of the domestic like product by subject imports, as well as significant price depression and suppression. The Commission relied on pricing patterns for subject imports, both during the original period of investigation and since then, to conclude that subject imports would likely be priced aggressively if the order were revoked.[75]

In the second five-year review the Commission again found that revocation of the antidumping duty order would be likely to lead to significant underselling of the domestic like product by subject imports, as well as significant price depression and suppression. The Commission relied on limited average unit value ("AUV") data in the second review, as well as pricing patterns for subject imports

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[71] CR at I-38, PR at I-26.

[72] We have no information regarding any inventories of the subject merchandise held by importers or Chinese producers and exporters.

[73] See 19 U.S.C. § 1675a(a)(3). The SAA states that "{c}onsistent with its practice in investigations, in 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.

[74] Original Determination at 20-21.

[75] First Review Determination at 10-12.

during the original period of investigation and the first review, to conclude that subject imports would likely be priced aggressively if the order were revoked.[76]

3. The Current Review

The specific price comparison data on the record in this expedited review is limited to AUVs for the U.S.-produced pure magnesium and imports from China in 2010.[77] Although this information shows that the AUV of Chinese imports was considerably higher than that of the domestic product in that year,[78] we place little weight on these data given that the volume of subject imports was so small.[79] According to the U.S. Geological Survey ("USGS"), magnesium prices were significantly lower at year end 2009 than those at year end 2008, due to the weak global economy and weak magnesium demand.[80]

As discussed above, magnesium of the same type is a fungible, commodity product, and price continues to be an important factor in purchasing decisions. Also, there is evidence that prices for pure magnesium in the United States are higher than prices in other markets.[81] Given this price differential, if the antidumping duty order were revoked, Chinese producers and exporters would have an incentive to price significantly below the prevailing U.S. price to induce U.S. purchasers to switch to Chinese pure magnesium, as they did in the original investigation.[82]

As discussed above, if the order were revoked, the United States would be an attractive export market for Chinese producers, given their substantial unused capacity, their export orientation, and the current prices in the U.S. market. Because of the interchangeability between subject imports and domestic pure magnesium and the importance of price in purchasing decisions, underselling is likely to result in significant adverse price effects, similar to those found in the original investigation.[83]

Accordingly, given the likely significant volume of subject imports, we conclude that subject imports from China likely would significantly undersell the domestic like product to gain market share and likely would have significant depressing or suppressing effects on the prices of the domestic like product if the antidumping duty order were revoked.

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[76] Second Review Determination at 31-32 and 62-63.

[77] We acknowledge that, as the U.S. Court of Appeals for the Federal Circuit has observed, Allegheny Ludlum Corp. v. United States, 287 F.3d 1365, 1373-74 (Fed. Cir. 2002), the use of AUVs may be problematic where there are serious issues involving product mix. Such issues are not present here where we are dealing with a commodity product.

[78] The AUV of U.S.-produced pure magnesium was $*** and that of imports from China was $3.13. CR/PR at I-24.

[79] The volume of subject imports from China in 2010 was 93 metric tons. CR/PR at Table I-6.

[80] CR at I-23, PR at I-18.

[81] There is evidence in the record indicating that Chinese export prices to third country markets are well below spot prices in the United States. US Magnesium's Final Comments (Oct. 6, 2011) at 10-11.

[82] Original Determination at 20-21.

[83] Original Determination at 20-21.

E. Likely Impact of Subject Imports[84]

In evaluating the likely impact of imports of subject merchandise if the order under review were 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 the following: (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.[85] 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. As instructed by the statute, we have considered the extent to which any improvement in the state of the domestic industry is related to the order at issue and whether the industry is vulnerable to material injury if the order were revoked.[86]

1. The Commission's Original Determination and Prior Reviews

In the original investigation the Commission found that the significant and increasing LTFV imports and the declines in their prices from 1992 to mid-1994 had a significant adverse impact on the domestic pure magnesium industry. The entry of these imports resulted in increased domestic inventories and placed significant pressure on the domestic producers to lower their prices. The Commission determined that the losses in market share and price pressures resulted in reductions in industry-wide capacity to produce pure magnesium, and declines in employment of workers producing pure magnesium.[87]

In the first five-year review the Commission found that the domestic industry was not vulnerable. Nonetheless, the Commission found that, given the vast amounts of Chinese production capacity and increasing worldwide magnesium capacity, the likely return of significant volumes of pure magnesium

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[84] The SAA states that in assessing whether the domestic industry is vulnerable to injury if the order is 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, 19 U.S.C. § 1675a(a)(4). Section 752(a)(6) of the Tariff Act states that "the Commission may consider the magnitude of the margin of dumping or the magnitude of the net countervailable subsidy" in making its determination in a five-year review. 19 U.S.C. § 1675a(a)(6). The statute defines the "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 expedited sunset review of the antidumping duty order on pure magnesium from China, Commerce found likely antidumping duty margins of 108.26 percent for the PRC-wide entity. Pure Magnesium from the People's Republic of China; Final Results of Expedited Third Sunset Review of the Antidumping Duty Order, 76 FR 62040, 62041 (October 6, 2011).

[85] 19 U.S.C. § 1675a(a)(4).

[86] The SAA states that in assessing whether the domestic industry is vulnerable to injury if the order is 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.

[87] Original Injury Determination at 22.

from China upon revocation of the order would likely send the domestic industry into decline. It concluded that, in light of the likely significant increases in the volume of subject imports at prices that would undersell the domestic like product and significantly depress U.S. prices, revocation of the order would likely have a significant adverse impact on the domestic industry.[88]

In the second five-year review the Commission found that domestic industry was vulnerable. It found that the industry's trade and financial indicators were mixed during the 2000-2005 period of review. The Commission found that, given the vast amounts of Chinese production capacity, the likely return of significant volumes of pure magnesium from China upon revocation of the order would likely push the domestic industry back into decline and prevent it from improving its financial condition. It concluded that in light of the likely significant increases in the volume of subject imports at prices that would undersell the domestic like product and significantly depress U.S. prices, revocation of the order would likely have a significant adverse impact on the domestic industry [89]

3. The Current Review

In this expedited review, the record information on the domestic industry's condition is based on data for 2010 provided in response to the notice of institution by only one (albeit the largest) domestic producer, US Magnesium.[90] The limited record is insufficient for us to make a finding on whether the domestic industry is vulnerable to the continuation or recurrence of material injury in the event of revocation of the order.

In 2010, US Magnesium's capacity was *** metric tons, its production was *** metric tons, its rate of capacity utilization was *** percent, and its U.S. shipments were *** metric tons.[91] In that year, US Magnesium had net sales of $***, earned operating income of $***, and reported an operating margin of *** percent.[92]

Based on the record of this review, we find that, should the order be revoked, the likely adverse volume and price effects of the subject imports would likely have a significant adverse impact on the production, shipments, sales, market share, and revenues of the domestic industry. Declines in these indicators of industry performance would have a direct adverse impact on the industry's profitability and employment, as well as its ability to raise capital, to make and maintain capital investments, and to fund research and development.

We also have considered the role of factors other than subject imports, including weakened demand due to the 2009 recession and the presence of nonsubject imports, so as not to attribute injury from other factors to the subject imports. We recognize that the United States suffered an economic downturn in 2009, which depressed demand for magnesium, and that the recovery from this downturn has not been complete. While nonsubject imports declined irregularly since the last review, they continue to be a significant factor in the U.S. market.[93] We find that any lingering effects of the economic downturn and the continued presence of nonsubject imports are not likely to sever the causal nexus between subject imports and their likely significant adverse impact on the domestic industry if the order were revoked.

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[88] First Review Determination at 14-16.

[89] Second Review Determination at 32-33 and 63-65.

[90] As noted above, US Magnesium accounted for *** percent of estimated total U.S. production of the domestic like product in 2010. US Magnesium Response at Attachment 5.

[91] CR/PR at Table C-1.

[92] CR/PR at Table C-1.

[93] Nonsubject imports declined from 31,948 metric tons in 2006 to 18,147 metric tons in 2010. CR/PR at Table I-6.

Accordingly, we conclude that, if the antidumping duty order were revoked, subject imports from China would likely have a significant adverse impact on the domestic industry within a reasonably foreseeable time.

CONCLUSION

For the above reasons, we determine that revocation of the antidumping duty order on pure magnesium 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.

INFORMATION OBTAINED IN THE THIRD REVIEW

INTRODUCTION AND OVERVIEW

Background

On June 1, 2011, in accordance with section 751(c) of the Tariff Act of 1930, as amended ("the Act"),[1] the U.S. International Trade Commission ("Commission" or "USITC") gave notice that it had instituted a review to determine whether revocation of the antidumping duty order on pure magnesium from China would be likely to lead to a continuation or recurrence of material injury within a reasonably foreseeable time.[2] [3] On September 6, 2011, the Commission determined that the domestic interested party response to the notice of institution was adequate;[4] the Commission also determined that the respondent interested party response was inadequate. The Commission found no other circumstances that would warrant conducting a full review.[5] Accordingly, the Commission determined that it would conduct an expedited review pursuant to section 751(c)(3) of the Act.[6] [7] The Commission is scheduled to vote on this review on October 19, 2011, and will notify Commerce of its determination on October 31, 2011. Selected information relating to the schedule of the current review is presented in the following tabulation.[8]

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[1] 19 U.S.C. 1675 (c).

[2] 76 FR 31635, June 1, 2011. All interested parties were requested to respond to this notice by submitting the information requested by the Commission. The Commission's notice of institution is presented in app. A.

[3] In accordance with section 751(c) of the Act, the U.S. Department of Commerce ("Commerce") published a notice of initiation of a five-year review of the subject antidumping duty order concurrently with the Commission's notice of institution. 76 FR 31588, June 1, 2011.

[4] The domestic producer, US Magnesium LLC ("US Magnesium"), and a foreign exporter, Tianjin Magnesium International Co., Ltd. ("TMI"), submitted responses to the Commission's notice of institution for the subject review. US Magnesium is represented by the law firm of King & Spalding LLP. US Magnesium indicated in its response that there were four commercial U.S. producers of pure magnesium in the United States in 2010 (US Magnesium, MagPro, Amacor, and MagReTech), which for purposes of the antidumping law, constitute the "Domestic Industry." Response of US Magnesium to the notice of institution ("Response"), July 1, 2011, attachment 8. TMI is represented by the law firm of Riggle & Craven. TMI indicated in its response that since 2005 the direct importers of pure magnesium have included TMI as well as Shanxi Datuhe Coking and Chemicals Co., Ltd. And China Direct Industries, Inc., producers of pure magnesium in China, or their affiliates or agents, as well as others. Response of TMI to the notice of institution, July 1, 2011, p. 3.

[5] The Commission's statement on adequacy is presented in app. B.

[6] 10 U.S.C. § 1675(c)(3).

[7] 76 FR 60291, October 6, 2011. The Commission's notice of scheduling of the expedited review appears in app. A.

[8] Cited *Federal Register* notices beginning with the Commission's institution of the five-year review are presented in app. A.

Effective date	Action	*Federal Register* citation
May 12, 1995	Commerce's antidumping duty order	60 FR 25691
October 27, 2000	Commerce's continuation of antidumping duty order after first five-year review	65 FR 64422
July 10, 2006	Commerce's continuation of antidumping duty order after second five-year review	71 FR 38860
June 1, 2011	Commerce's initiation and Commission's institution of third five-year review	76 FR 31588 and 76 FR 31635
September 6, 2011	Commission's determination to conduct expedited third five-year review and scheduling of expedited review	76 FR 60291
October 6, 2011	Commerce's final results of expedited review	76 FR 62040
October 19, 2011	Scheduled date for the Commission's vote	NA
October 31, 2011	Commission's determination due to Commerce	NA

The Original Investigation and Five-year Reviews

Beginning in 1991, the Commission has conducted a series of Title VII investigations and five-year reviews of existing orders on magnesium from six countries: Canada, China, Israel, Norway, Russia, and Ukraine. The following tabulation presents actions taken by the Commission and Commerce with respect to these proceedings. As shown in the following tabulation, there are currently three separate orders covering magnesium products from China, all of which are antidumping duty orders concerning imports of the following magnesium products: pure ingot, pure granular, and alloy.

Action	Date
Canada:[1]	
Commission's affirmative determinations in 701-TA-309 and 731-TA-528 (Final)	08/26/1992
Countervailing duty ("CVD") orders issued (C-122-814) *(pure and alloy ingot)*	08/31/1992
Antidumping duty ("AD") order issued (A-122-814) *(pure ingot)*	08/31/1992
Institution of first five-year reviews of AD and CVD orders (full)	08/02/1999
Commission's affirmative determinations in first five-year reviews	08/02/2000
Continuation of AD and CVD orders	08/16/2000
Revocation of AD order	12/07/2004
Institution of second five-year reviews of CVD orders (full)	07/01/2005
Commission's negative CVD determinations in second five-year reviews	06/26/2006
Revocation of CVD orders	07/06/2006
China (Inv. No. 731-TA-696):[2]	
Commission's affirmative determination in 731-TA-696 (Final)	05/17/1995
AD order issued (A-570-832) *(pure ingot)*	05/12/1995
Institution of first five-year review (expedited)	04/03/2000
Commission's affirmative determination in first five-year review	09/12/2000
Continuation of AD order	10/27/2000
Institution of second five-year review (full)	07/01/2005
Commission's affirmative determination in second five-year review	06/26/2006
Continuation of AD order	07/10/2006
Institution of third five-year review	06/01/2011

Tabulation continued on next page.

China (Inv. No. 731-TA-895):	
Commission's affirmative determination in 731-TA-895 (Final)	11/20/2001
AD order issued (A-570-864) *(pure granular)*	11/19/2001
Institution of first five-year review (expedited)	10/02/2006
Commission's affirmative determination in first five-year review	03/07/2007
Continuation of AD order	03/26/2007
China (Inv. No. 731-TA-1071):	
Commission's affirmative determination in 731-TA-1071 (Final)	04/15/2005
AD order issued (A-570-896) *(alloy)*	04/15/2005
Institution of first five-year review (full)	03/01/2010
Continuation of AD order	03/11/2011
Israel:	
Commission's institution of 701-TA-403 and 731-TA-896 (Preliminary)	10/25/2000
Commission's negative determinations in 701-TA-403 and 731-TA-896 (Final)	11/20/2001
Norway:	
Commission's institution of 701-TA-310 and 731-TA-529 (Preliminary)	09/12/1991
Commerce's dismissal of CVD petition and termination of CVD proceeding	10/01/1991
Commission's termination of CVD investigation (701-TA-310 (Preliminary))	10/23/1991
Commerce's final negative AD determination (A-403-803) *(pure)* and rescission of nvestigation and partial dismissal of petition *(alloy)*	07/13/1992
Commission terminates 731-TA-529 (Final)	08/04/1992
Russia (731-TA-697):[3]	
Commission's affirmative determination in 731-TA-697 (Final)	05/17/1995
AD issued (A-821-805) *(pure ingot)*	05/12/1995
Institution of five-year review (expedited)	04/03/2000
Revocation of AD order	07/07/2000
Termination of five-year review	7/17/2000
Russia (731-TA-897):	
Institution of 731-TA-897 (Preliminary)	10/25/2000
Commerce's negative final AD determination (A-821-813) *(pure ingot and granules)*	09/27/2001
Commission terminates 731-TA-897 (Final)	10/04/2001
Russia (731-TA-1072):[4]	
Commission's affirmative determination in 731-TA-1072 (Final)	04/15/2005
AD order issued (A-821-819) *(pure and alloy)*	04/15/2005
Institution of first five-year review (full)	03/01/2010
Revocation of the AD order	03/10/2011
Ukraine:[5]	
Commission's affirmative determination in 731-TA-698 (Final)	05/17/1995
AD order issued (A-823-806) *(pure ingot)*	05/12/1995
Commission's negative determination on remand	June 1998
Revocation of the AD order	08/24/1999

[1] On October 7, 2004, an Extraordinary Challenge Committee issued a determination which affirmed the final remand opinion of the Binational panel concerning alloy magnesium from Canada. Subsequently, Commerce revoked the AD order on pure magnesium ingot from Canada retroactively effective August 1, 2000, after the NAFTA Binational Panel's final decision. Commerce revoked the CVD orders on pure and alloy magnesium ingot from Canada retroactively effective August 16, 2005 after the Commission's negative second five-year review determinations.

[2] The Commission made a negative determination with respect to alloy magnesium.

[3] The Commission made a negative determination with respect to alloy magnesium. On September 5, 2000, Commerce issued a correction to the revocation order making the effective date of revocation May 12, 2000, the fifth anniversary of the date of publication of the original order (65 FR 53700, September 5, 2000).

[4] The Commission made a negative determination in the first five-year review. That determination has been appealed by U.S. Magnesium.

[5] The Commission made a negative determination with respect to alloy magnesium.

Source: *Federal Register* notices.

Commerce's Original Determinations and Subsequent Review Determinations

The original antidumping duty margin in 1995 for pure magnesium from China was 108.26 percent for the People's Republic of China ("PRC"). Since the antidumping duty order was issued in 1995, Commerce has completed three administrative reviews on pure magnesium from China. The order remains in effect for all manufacturers, producers, and exporters of pure magnesium from China. Information on Commerce's final AD determinations, orders, and administrative reviews is presented in table I-1.

Table I-1
Pure magnesium: Commerce's final determination, antidumping duty order, administrative and new shipper reviews, and results of sunset reviews

Period	Type of proceeding and date results published	Weighted-average margin (*percent ad valorem*)
4/1/93-3/31/94	**Final determination** (60 FR 16437, March 30, 1995) **AD order** (60 FR 25691, May 12, 1995)	Country-wide rate for China..... 108.26
5/1/96-10/31/96	**New Shipper Review Final Result** (63 FR 3085, January 21, 1998)	Taiyuan Heavy Machinery Import and Export Corp..... 69.53
	Final Results of Sunset Review (65 FR 47713, August 3, 2000) **Continuation of AD Order** (65 FR 64422, October 23, 2000)	Country-wide rate for China..... 108.26
	Final Results of Sunset Review (71 FR 580, January 5, 2006) **Continuation of AD Order** (70 FR 35630, July 10, 2006)	Country-wide rate for China..... 108.24
5/1/06-4/30/07	**Administrative Review Final Result** (73 FR 76336, December 16, 2008)	Datuhe..... 111.73 TMI .....0.63 Country-wide rate for China..... 108.24
5/1/07-4/30/08	**Administrative Review Final Result** (74 FR 66089, December 14, 2009)	TMI.....111.73
5/1/08-4/30/09	**Administrative Review Final Result** (75 FR 80791, December 23, 2010) **Amended Result of Administrative Review** (76 FR 7813, February 11, 2011)	TMI .....0.73 Country-wide rate for China..... 111.73 TMI..... 0.80
5/1/09-4/30/10	**Administrative Review Preliminary Result** (76 FR 33194, June 8, 2011) **Extension of Time for Final Results** (76 FR 59111, September 23, 2011)	TMI..... 0.00
Source: Cited *Federal Register* notices.		

Commerce's Scope Reviews

In response to a July 22, 1999 request by Rossborough Manufacturing Co., LP, Commerce ruled on July 7, 2000 that AZ10A magnesium is off-specification pure magnesium within the scope.[9] On July 19, 2005, US Magnesium requested a scope ruling as to whether pure and alloy magnesium processed in Canada, France, or any third country and exported to the United States using pure magnesium ingots originally produced in the PRC is within the scope of the antidumping duty order.[10] In response to US magnesium's July 19, 2005 request, Commerce ruled on February 7, 2007 that pure magnesium produced in France using pure magnesium from the PRC is within the scope of the antidumping duty order.[11] In response to a another request by US Magnesium, also Commerce ruled on February 7, 2007 that alloy magnesium extrusion billets produced in Canada by Timminco, Ltd., from pure magnesium of Chinese origin are not within the scope of the antidumping duty order.[12]

Commerce's Final Results of Expedited Review

Commerce conducted an expedited review with respect to pure magnesium from China and issued the final results of its review based on the facts available on September 29, 2011. Commerce determined that revocation of the antidumping duty order on pure magnesium from China would be likely to lead to continuation or recurrence of dumping at the China-wide weighted average percentage margin of 108.26.[13] Commerce has not issued a duty absorption determination with respect to this order.

Distribution of Continued Dumping and Subsidy Offset Funds to Affected Domestic Producers

Since federal fiscal year 2001, qualified U.S. producers of pure magnesium have been eligible to receive disbursements from the U.S. Bureau of Customs and Border Protection ("Customs") under the Continued Dumping and Subsidy Offset Act of 2000 ("CDSOA"), also known as the Byrd Amendment.[14] Table I-2 presents U.S. producers' CDSOA claims and Customs' disbursements for federal fiscal years 2001-10.

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[9] 65 FR 41959, July 7, 2000.

[10] 70 FR 70785, November 23, 2005.

[11] 72 FR 5678, February 7, 2007.

[12] Ibid.

[13] 76 FR 62040, October 6, 2011.

[14] 19 CFR 159.64(g).

Table I-2
Pure magnesium: CDSOA claims and disbursements, federal fiscal years 2001-10

Year	Firm	Amount of claim filed[1]	Amount disbursed[2]
	Dollars		
2001	MagCorp	11,936,000	164,745
2002	US Magnesium	38,757,000	0
2003	US Magnesium	37,649,478	0
2004	US Magnesium	37,647,980	0
2005	US Magnesium	37,596,763	43,541
2006	US Magnesium	37,532,629	2,867
2007	US Magnesium	399,223,099	7,722
2008	US Magnesium	399,215,576	0
2009	US Magnesium	399,174,190	8,194
2010	US Magnesium	399,046,253	38,116
			Total amount dispersed 2001-10: 265,185

[1] Qualifying expenditures incurred by domestic producers since the issuance of an order, as presented in Section I of the *CDSOA Annual Reports*.
[2] As presented in Section I of Customs' *CDSOA Annual Reports*.

Source: U.S. Customs and Border Protection's *CDSOA Annual Reports*.

THE PRODUCT

Scope

In its continuation order, Commerce defined the subject merchandise as:

"... pure primary magnesium regardless of chemistry, form or size, unless expressly excluded from the scope of this order. Pure magnesium is a metal or alloy containing by weight primarily the element magnesium and produced by decomposing raw materials into magnesium metal. Pure primary magnesium is used primarily as a chemical in the aluminum alloying, desulfurization, and chemical reduction industries. In addition, pure magnesium is used as an input in producing magnesium alloy. Pure magnesium encompasses products (including, but not limited to, butt-ends, stubs, crowns and crystals) with the following primary magnesium contents: (1) Products that contain at least 99.95 percent primary magnesium, by weight (generally referred to as "ultra–pure" magnesium); (2) Products that contain less than 99.95 percent but not less than 99.8 percent primary magnesium, by weight (generally referred to as "pure" magnesium); and (3) Products that contain 50 percent or greater, but less than 99.8 percent primary magnesium, by weight, and that do not conform to ASTM specifications for alloy magnesium (generally referred to as "off–specification pure" magnesium). "Off–specification pure" magnesium is pure primary magnesium containing magnesium scrap, secondary magnesium, oxidized magnesium, or impurities (whether or not intentionally added) that cause the primary magnesium content to fall below 99.8 percent by weight. It generally does not contain, individually or in combination, 1.5 percent or more, by weight, of the following alloying elements: aluminum, manganese, zinc, silicon, thorium, zirconium and rare earths.

Excluded from the scope of this order are alloy primary magnesium (that meets specifications for alloy magnesium), primary magnesium anodes, granular primary magnesium (including turnings, chips and powder), having a maximum physical dimension (i.e., length or diameter) of one inch or less, secondary magnesium (which has pure primary magnesium content of less than 50 percent by weight), and remelted magnesium whose pure primary magnesium content is less than 50 percent by weight. Pure magnesium products covered by this order are currently classifiable under the Harmonized Tariff Schedule of the United States ("HTSUS") subheadings 8104.11.00, 8104.19.00, 8104.20.00, 8104.30.00, 8104.90.00, 3824.90.11, 3824.90.19 and 9817.00.90. Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope is dispositive." [15]

[15] *Pure Magnesium from the People's Republic of China; Notice of Final Results of Expedited Sunset Review of Antidumping Duty Order*, 76 FR 62040, October 6, 2011. As described, the scope of this review investigation is somewhat broader than that of the review investigation covering pure magnesium from Canada, which did not include off-specification ("off-spec") pure magnesium.

U.S. Tariff Treatment

Pure and ultra-pure magnesium is classified under HTS subheading 8104.11.00 ("unwrought magnesium: containing at least 99.8 percent by weight of magnesium"); however, the subject pure primary magnesium products may also be imported under the following HTS subheadings: 8104.20.00 (magnesium waste and scrap); 8104.30.00 (magnesium raspings, turnings, and powders); 8104.90.00 (other magnesium shapes); 3824.90.11 and 3824.90.19 (chemical products and preparations . . . not elsewhere specified or included); and 9817.00.90 (remelt scrap ingot). The HTS does not specify the chemistry of the magnesium (i.e., pure or alloy) under the latter HTS subheadings; however, the Commission reported in the second five-year review that alloy magnesium is generally classified under HTS subheading 8104.19.00 (other unwrought magnesium) and that most of the product imported under HTS subheadings 8104.20.00, 8104.30.00, and 9817.00.90[16] was believed to be alloy magnesium, that was not subject to the current review on China. Additionally, HTS subheadings 3824.90.11 and 3824.90.19 refer to magnesium-containing products (possibly desulfurizing agents) that are not subject to the current review on China. Therefore, data on imports of subject pure magnesium from China presented throughout this report are based on HTS subheading 8104.11.00 only. To the extent that some subject merchandise enters the United States under the other identified HTS subheadings, the subject import data for China presented in this report may be slightly understated. Pure magnesium tariff rates for 2011 are presented in table I-3.

[16] Subheading 9817.00.90 provides duty-free entry to certain unwrought metal products classifiable in other chapters upon proper importer claim.

Table I-3
Pure magnesium:[1] Tariff rates, 2011

HTS subheading[2]	Article description[3]	General[4]	Special[5]	Column 2[6]
		Rates *(percent ad valorem)*		
8104.11.00	Magnesium and articles thereof, including waste and scrap: Unwrought magnesium: Containing at least 99.8 percent by weight of magnesium	8.0	Free	100.0
8104.19.00	Magnesium and articles thereof, including waste and scrap: Unwrought magnesium: Other	6.5	Free	60.5
8104.20.00	Magnesium and articles thereof, including waste and scrap: Waste and scrap	Free	([7])	Free
8104.30.00	Magnesium and articles thereof, including waste and scrap: Raspings, turnings and granules, graded according to size; powders	4.4	Free	60.5
8104.90.00	Magnesium and articles thereof, including waste and scrap: Other	14.8¢/kg on magnesium content + 3.5 percent	Free	88¢/kg on magnesium content + 20 percent

[1] According to Commerce, the subject pure magnesium products covered by the China antidumping duty order also include goods in the following HTS subheadings: 8104.20.00 (magnesium waste and scrap); 8104.30.00 (magnesium raspings, turnings, and powders); 8104.90.00 (other magnesium shapes); 3824.90.11 and 3824.90.19 (prepared binders for foundry molds and cores); and 9817.00.90 (remelt scrap ingot).
[2] While HTS subheadings are provided for convenience and customs purposes, the written description of the scope is dispositive.
[3] An abridged description is provided for convenience; however, an unabridged description may be obtained from the respective headings, subheadings, and legal notes of the HTS.
[4] Normal trade relations rates, formerly known as the most-favored-nation duty rate. Imports from China enter under the general rate.
[5] For eligible goods under the Generalized System of Preferences, Australia Free Trade Agreement, Bahrain Free Trade Agreement, Caribbean Basin Economic Recovery Act, Andean Trade Preference Act, Israel Free Trade Agreement, Central American Free Trade Agreement, Jordan Free Trade Agreement, Chile Free Trade Agreement, Morocco Free Trade Agreement,Oman free Trade Agreement, Peru Free Trade Agreement, Singapore Free Trade Agreement, and NAFTA-originating goods of Canada and Mexico. Imports from Canada are eligible to enter duty-free.
[6] Applies to imports from a small number of countries that do not enjoy normal trade relations duty status.
[7] Not applicable.

Source: Harmonized Tariff Schedule of the United States (2011).

Domestic Like Product and Domestic Industry

Both before and since the time of the original investigation that is the subject of this review, there have been a number of other investigations and reviews involving various types of magnesium products (see previous tabulation). The domestic like products and domestic industries, as defined by the Commission (or Commission majority), and the corresponding scopes of the investigations and reviews, as defined by Commerce, have varied over the years. In its first investigations involving imported pure and alloy magnesium, the Commission found pure and alloy magnesium to constitute a single domestic like product.[17] The Commission was reversed on this point by a U.S.-Canada binational panel, which found that pure and alloy magnesium were separate domestic like products. In a subsequent investigation and a sunset review involving magnesium of both types, the Commission found pure and alloy magnesium to be separate domestic like products.[18]

Commerce's scope of the imported subject merchandise in the original 1995 investigation underlying this current third five-year review consisted of pure and alloy magnesium. In its preliminary determinations, the Commission found that pure and alloy magnesium constituted a single domestic like product. However, in its final determinations, the Commission found two separate domestic like products (pure magnesium and alloy magnesium) corresponding to each class or kind defined by Commerce, and accordingly defined two domestic industries composed respectively of the domestic producers of pure magnesium and the domestic producers of alloy magnesium.[19] The Commission also found the domestic product like the imported pure magnesium to include off-spec pure magnesium. The Commission made affirmative final determinations with respect to imports of pure magnesium from China, Russia, and Ukraine, and negative final determinations with respect to imports of alloy magnesium from China and Russia.[20] In the expedited initial five-year review, which concerned pure magnesium only, the Commission defined the domestic like product as pure magnesium, including off-spec pure magnesium, coextensive with Commerce's scope definition, and found the domestic industry to consist of all domestic producers of pure magnesium.[21] In the full second five-year review of this order, different Commissioners defined the domestic like product and domestic industry in different ways.[22]

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[17] *Magnesium from Canada, Inv. Nos. 701-TA-309 and 731-TA-528 (Final)*, USITC Pub. 1992 (August 1992), pp. 8-11.

[18] *Magnesium from China, Russia, and Ukraine, Inv. Nos. 731-TA-696-698 (Final)*, USITC Pub. 2885 (May 1995), pp. 7-9; *Magnesium from Canada, Inv. Nos. 701-TA-309-A-B and 731-TA-528 (Review)*, USITC Pub. 3324 (July 2000), pp. 5-6.

[19] Commissioner Crawford dissented from the majority in the final investigations with respect to the definition of the domestic like product, instead finding a single domestic like product consisting of primary magnesium. *Magnesium from China, Russia, and Ukraine, Inv. Nos. 731-TA-696-698 (Final)*, USITC Pub. 2885 (May 1995), pp. 39-41.

[20] *Magnesium from China, Russia, and Ukraine, Inv. Nos. 731-TA-696-698 (Final)*, USITC Pub. 2885 (May 1995), pp. 5-10.

[21] *Pure Magnesium from China, Inv. No. 731-TA-696 (Review)*, USITC Pub. 3346 (August 2000), p. 5.

[22] In the second review concerning pure magnesium from China, where the scope of the subject merchandise was pure magnesium in cast or ingot form, Commissioners Pearson, Okun, and Lane found one domestic like product encompassing pure and alloy magnesium, including primary and secondary magnesium, and magnesium in ingot and granular form. They also determined that there was one domestic industry composed of the domestic producers of pure and alloy magnesium, including primary and secondary magnesium, and magnesium in ingot and granular form and included grinders but not magnesium diecasters in the domestic industry. Commissioners Aranoff, Hillman, and Koplan determined not to expand the domestic like product beyond the scope definition to include alloy magnesium, secondary magnesium, and granular magnesium. Instead, they found one domestic like product encompassing pure magnesium coextensive with the scope of the review and one domestic industry composed of the domestic producer

(continued...)

The Commission's most recent domestic like product and domestic industry determinations concerning magnesium were made in *Magnesium from China and Russia, Inv. Nos. 731-TA-1071-1072 (Review)*, USITC Publication 4214 (February 2011), in which the scope of the subject merchandise concerning China was alloy magnesium and the scope of the subject merchandise concerning Russia was pure and alloy magnesium. In those most recent magnesium determinations, the Commission found pure and alloy magnesium to be part of the same domestic like product and defined the domestic industry to include all domestic producers of pure and alloy magnesium, including primary and secondary magnesium, and magnesium in ingot and granular form.[23] [24] [25]

Noting the Commission's domestic like product determination in its most recently completed proceedings concerning magnesium, US Magnesium indicated in its response to the Commission's notice of institution that the Commission should likewise find the domestic like product in this review to encompass pure and alloy magnesium, including primary and secondary magnesium,[26] and magnesium in ingot and granular form. Tianjin Magnesium International Co. ("TMI") indicated in its response that it has

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[22] (...continued)
of pure magnesium, US Magnesium. *Pure and Alloy Magnesium From Canada and Pure Magnesium From China,* Inv. Nos. 701-TA-309-A-B and 731-TA-696 (Second Review), USITC Pub. 3859 (July 2006), pp. 13 and 42-43.

[23] Although having previously defined pure and alloy magnesium as separate domestic like products in *Pure and Alloy Magnesium From Canada and Pure Magnesium From China, Inv. Nos. 701-TA-309-A-B and 731-TA-696 (Second Review),* USITC Pub. 3859 (July 2006) and *Pure Magnesium From China, Inv. No. 731-TA-895 (Review),* USITC Pub. 3908 (March 2007), Commissioner Aranoff concurred with the definition of a single domestic like product consisting of pure and alloy magnesium, noting that the record in those previous cases presented different circumstances and fact patterns.

[24] Domestic die casters were found by the Commission to be part of the domestic industry in its original 2005 determinations underlying those reviews; however, in the second five-year reviews on pure and alloy magnesium from Canada and pure magnesium from China completed in 2006, the Commission concluded that domestic die casters did not engage in sufficient production-related activities in their scrap recycling operations to be included in the domestic industry(ies). *Magnesium from China and Russia, Inv. Nos. 731-TA-1071-1072 (Final),* USITC Pub. 3763 (April 2005), p. 12, fn. 62; and *Pure and Alloy Magnesium from Canada and Pure Magnesium from China, Inv. Nos. 701-TA-309-A-B and 731-TA-696 (Second Review),* USITC Pub. 3859 (July 2006), pp. 14-5. In its most recent determinations involving magnesium, the Commission found that a die caster that recycled magnesium scrap engaged in sufficient production-related activity tobe treated as a domestic producer. *Magnesium from China and Russia, Inv. Nos. 731-TA-1071-1071 (Review),* USITC Publication 4214 (February 2011), pp. 11-12.

[25] Domestic grinders were also found by the Commission majority to be part of a single domestic industry in its original 2005 determinations underlying those reviews, although two Commissioners making determinations in the original investigations found cast and granular magnesium to be separate domestic like products and found grinders to be a separate industry. *Magnesium from China and Russia, Inv. No. 731-TA-1071-1072 (Final),* USITC Pub. 3763 (April 2005), p. 12. In the second five-year reviews on pure and alloy magnesium from Canada and pure magnesium from China completed in 2006, the Commission included grinders in the domestic industry producing magnesium, but noted the lack of information with respect to such producers. *Pure and Alloy Magnesium from Canada and Pure Magnesium from China, Inv. Nos. 701-TA-309-A-B and 731-TA-696 (Second Review),* USITC Pub. 3859 (July 2006), p. 14. Likewise, in its 2007 review determination concerning pure magnesium from China, the Commission majority included grinders in the domestic industry producing magnesium, although one Commissioner did not include grinders in the domestic industry based on the finding that such firms did not engage in sufficient production-related activities. *Pure Magnesium from China, Inv. No. 731-TA-895 (Review),* USITC Pub. 3908 (March 2007), pp. 14-15.

[26] Primary magnesium refers to unwrought magnesium metal shapes (principally ingot) which are produced from virgin raw materials, as opposed to secondary magnesium, or unwrought metal shapes produced from scrap magnesium.

> "no specific comments on the scope definition. The antidumping duty order has been in place for 15 years and the scope is well established. However, the scope is confusing to many observers as the actual industry is split between pure magnesium and alloy magnesium, but the antidumping duty order for Pure Magnesium includes alloy magnesium ("off specification pure") while the Magnesium Metal antidumping duty order includes only alloy which meets an ASTM standard."[27]

As reported during the second five-year full review, pure magnesium is widely used in commercial and industrial applications because it is easily machined and lightweight, has a high strength-to-weight ratio, and has special chemical and electrical properties. Pure magnesium also has special metallurgical and chemical properties that allow it to alloy well with metals such as aluminum. Pure magnesium is typically used in the production of aluminum alloys for use in beverage cans and in some automotive parts, in iron and steel desulfurization, as a reducing agent for various nonferrous metals (titanium, zirconium, hafnium, uranium, beryllium), and in magnesium anodes for the protection of iron and steel in underground pipe and water tanks and various marine applications.[28]

Alloy magnesium is principally used in structural applications, primarily in castings (die, permanent mold, and sand) and extrusions for the automotive industry. Alloy magnesium has certain properties that improve its strength, ductility, workability, corrosion resistance, density, or castability compared to pure magnesium. Pure magnesium is seldom used in structural applications, because its tensile and yield strengths are low.[29]

Primary magnesium is magnesium produced by decomposing raw materials into magnesium metal. Secondary magnesium is magnesium produced by recycling magnesium-based scrap, containing less than 50 percent of primary magnesium.[30]

Granular magnesium consists of all physical forms of unwrought magnesium other than ingots, such as raspings, turnings, granules, and powders. Granular magnesium is typically used in the production of magnesium-based desulfurizing reagent mixtures that are used in the steelmaking process to reduce the sulfur content of steel. Lesser amounts of granular magnesium are used in defense applications, such as military ordnance and flares.[31]

Manufacturing Process and Production Employees

Primary Magnesium

Worldwide, most magnesium is derived from magnesium-bearing ores (dolomite, magnesite, brucite, and olivine) or seawater and well and lake brines. Large deposits of dolomite are widely distributed throughout the world, and dolomite is the principal magnesium-bearing ore found in the United States. Magnesium-bearing ores are mined by the open-pit method. In the United States, the production of primary magnesium is currently solely from the extraction of magnesium from brines of the

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[27] TMI's *Response to the Notice of Initiation*, p. 9.

[28] *Pure and Alloy Magnesium from Canada and Pure Magnesium from China, Inv. Nos. 701-TA-309-A-B and 731-TA-696 (Second Review)*, USITC Pub. 3859 (July 2006), p. 18.

[29] Ibid.

[30] Ibid.

[31] Ibid.

surface waters of the Great Salt Lake in Utah by US Magnesium, while former U.S. producer Northwest Alloys used dolomite in its process.[32]

Magnesium metal is normally produced by either an *electrolytic process* or a *silicothermic process*, with the electrolytic process dominating in terms of the volume of United States and world production. The silicothermic process (also known as the Pidgeon process) is used by a majority of the largest producers in China. The silicothermic process is said to be less cost-effective than the electrolytic process for production of magnesium.[33]

US Magnesium uses the electrolytic method to produce magnesium. In the electrolytic process, seawater or brine is evaporated and treated to produce a concentrated solution of magnesium chloride, which is further concentrated and dried to yield magnesium chloride powder. The powder is then melted, further purified, and fed into electrolytic cells operating at 700° Celsius. Direct electrical current is sent through the cells to break down the magnesium chloride into chlorine gas and molten magnesium metal. The metal rises to the surface where it is guided into storage wells and cast into ingots.[34]

In the silicothermic process, magnesium-bearing ores, typically dolomite, are the primary feed material. Calcined dolomite, ferrosilicon, and alumina are ground, heated, and briquetted. The briquets are subsequently reduced in a heated vacuum, producing magnesium vapor. The vapor is crystallized in a condensing chamber, melted, and ladled into casting forms.[35]

Once the electrolytic or silicothermic reduction of magnesium is completed, the manufacturing processes used for the production of both pure and alloy magnesium ingot are very similar. In US Magnesium's facility that produces both pure magnesium and alloy magnesium, the same production workers tend to work on both lines.[36]

Primary magnesium is typically cast into ingots or slabs. Aluminum producers typically purchase larger pure cast shapes such as rounds, billets, peg-lock ingots, or T-shapes. Producers of magnesium powder for steel desulfurization applications typically purchase smaller ingots or magnesium "chips" that are then ground into powder and used internally to produce magnesium-based reagent mixtures or, to a lesser extent, pyrotechnic products. Diecasters can purchase ingots and granular primary alloy magnesium for use in magnesium alloy castings, and/or recycle scrap magnesium generated in their diecasting operations into secondary alloy magnesium.[37]

"Off-Specification Pure" Magnesium

"Off-specification pure" magnesium is pure primary magnesium containing magnesium scrap, secondary magnesium, oxidized magnesium, or impurities (whether or not intentionally added) that cause the primary magnesium content to fall below 99.8 percent by weight. "Off-specification pure" magnesium products contain 50 percent or greater, but less than 99.8 percent primary magnesium, by weight, do not conform to ASTM specifications for alloy magnesium, and generally do not contain individually or in combination, 1.5 percent or more, by weight, of the following alloying elements: aluminum, manganese, zinc, silicon, thorium, zirconium, and rare earths. No U.S. producers reported

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[32] *Pure and Alloy Magnesium from Canada and Pure Magnesium from China, Inv. Nos. 701-TA-309-A-B and 731-TA-696 (Second Review)*, Publication 3859 (June 2, 2006), p. I-21.

[33] Ibid., pp. I-21-I-22.

[34] Ibid., p. I-22.

[35] Ibid., p. I-23.

[36] Ibid., pp. I-23-I-24.

[37] Ibid., p. I-24.

producing "off-specification pure" magnesium during the second review of the antidumping order on pure magnesium from China.[38]

Secondary Magnesium

Secondary magnesium is produced from recycling magnesium-based "scrap." Magnesium scrap arrives at the recycler either in a loose form or contained in boxes. After the magnesium is separated from other alloys by the recycler, the sorted magnesium is heated in a steel crucible to nearly 675 degrees Celsius. Alloying elements such as aluminum, manganese, or zinc can then be added to the liquid magnesium and the alloyed magnesium can then be transferred to ingot molds by hand ladling, pumping, or tilt pouring. Magnesium scrap can also be generated by the direct grinding of scrap into powder for iron and steel desulfurization applications. Finally, recycled aluminum alloys that contain magnesium such as used aluminum beverage cans typically remain with the recycled can since virtually all aluminum beverage can scrap is melted and converted into body stock and then converted into new aluminum beverage cans.[39]

Interchangeability

Pure magnesium and alloy magnesium generally have different end uses, but there is some overlap in that both pure magnesium and alloy magnesium produced in the United States have been used to varying degrees by aluminum producers. Pure magnesium is generally used in aluminum alloys and in certain other applications because of its special metallurgical and chemical properties. At the same time, pure magnesium's lack of structural integrity excludes it from structural applications served by alloy magnesium, which is primarily used in diecasting of various structural parts for automobiles. Because of the need for structural integrity, automotive manufacturers must certify that suppliers possess both the physical equipment and the technical ability to produce automotive-grade alloy magnesium.[40]

Customer and Producer Perceptions

Historically, customers of domestically produced pure magnesium were largely distinct from customers of domestically produced alloy magnesium. However, aluminum alloyers, which historically purchased solely pure magnesium for its metallurgical properties as it alloys well with aluminum, have also purchased alloy magnesium. Other firms, such as pharmaceutical manufacturers and nuclear fuel producers, purchase pure magnesium for its chemical properties. On the other hand, customers, principally automotive diecasters, purchase alloy magnesium because of its structural and mechanical properties. [41]

THE U.S. MARKET

US Magnesium reported that since the imposition of the orders (and addition of orders covering granular and alloy magnesium from China) a new producer, MagPro LLC ("Magpro") has entered the U.S. market, establishing production facilities in Tennessee. US Magnesium reported that it increased nameplate capacity by over 30 percent and is currently undergoing an additional expansion of capacity.[42]

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[38] Ibid., pp. I-24-I-25.

[39] Ibid., p. I-24.

[40] Ibid., p. I-29.

[41] Ibid.

[42] US Magnesium's response to the Commission's notice of institution, July 1, 2011, p. 10 and attachment 1.

Channels of Distribution

The vast majority of pure and alloy magnesium is transported directly from a magnesium production facility (in the case of U.S. producers) and from a distribution or warehouse center (in the case of the imported product) to end users in full truckload lots by either contract or common carriers, with lesser amounts transported by rail. Most pure magnesium ingots are shipped in standard 12-, 25-, 50-, 250-, and 500-pound bar sizes; most alloy magnesium ingots are shipped in standard 12-, 25-, and 50-pound bar sizes. Alloy ingots may vary somewhat in dimension as some diecasters require bar of a certain dimension to fit the specific configuration of their furnace. In 2005, domestically produced pure magnesium was *** sold to aluminum producers, whereas a *** of U.S. producers' alloy magnesium was sold to diecasters.[43]

U.S. Demand

US Magnesium reported that a significant change in "demand conditions" has been the decline in U.S. demand for magnesium, arising from the general recession and the impact on the automotive industry and the aluminum alloying industry. Moreover, the global nature of the recession appears to have had a similar dampening effect on global magnesium demand. As a result, Chinese producers and exporters are said to be highly motivated to resume large-volume sales to the U.S. market.[44]

According to US Magnesium, demand for magnesium remains closely correlated with general economic activity and although the economy has started to improve, the recovery is far from robust. US Magnesium cited a recent article in the China Magnesium Industry & Market Bulletin in which a member of the industry in China stated: "I think the magnesium price won't climb higher because the market is really weak."[45]

Trends in U.S. Supply and Demand

US Magnesium reported that ***.[46]

US Magnesium reported that it spent *** from 2005 through 2009 to *** by 2008. US Magnesium ***. According to US Magnesium, practical capacity in 2010 ***.[47]

US Magnesium indicated that it is currently engaged in *** another major expansion effort, increasing nameplate capacity to 63,500 metric tons. This project ***.[48] US Magnesium further indicated that it ***.[49]

US Magnesium also reported that an engineering and cost analysis was prepared for ***.[50]

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[43] *Pure and Alloy Magnesium from Canada and Pure Magnesium from China, Inv. Nos. 701-TA-309-A-B and 731-TA-696 (Second Review)*, Confidential Staff Report (June 2, 2006), p. I-48.

[44] US Magnesium Response, pp. 27-28.

[45] Ibid., p. 28.

[46] Ibid., p. 23.

[47] Ibid.

[48] Ibid., pp. 23-24.

[49] Ibid., p. 24.

[50] Ibid.

Prices

In its original determination, the Commission discussed magnesium pricing as follows, "pricing data indicate that prices for (domestic pure magnesium) began to rise in 1992 after the suspension of liquidation in the investigation of Canadian magnesium, and continued to rise through the middle of 1993. However, following the importation of lower-priced LTFV pure magnesium from the subject countries in the second and third quarters of 1993, prices for U.S.-produced pure magnesium ... fell in the fourth quarter of 1993 and remained low in the first half of 1994. In the second half of 1994, when the LTFV imports were withdrawn from the market, U.S. producers were again able to raise their prices for pure magnesium." [51] During the first five-year expedited review, pricing data were based on a June 26, 2000 staff report price data from an investigation concerning pure magnesium from Canada which indicated that domestic prices for pure magnesium in the first half of 1998 were well above those reported during the period of original investigation concerning China. However, pure magnesium prices from Canada declined from the second half of 1998 through calendar year 1999.[52] During the second review, pricing data for pure magnesium from China were limited to data on average unit values ("AUVs") and showed that very limited volumes of pure magnesium entered from China in 2005 at very low AUVs of $0.83 per pound.[53]

According to the U.S. Geological Survey ("USGS"), during the current period of review magnesium prices were significantly lower at year end 2009 than those at year end 2008 in response to the weak global economy and weak magnesium demand. The USGS reported that most of the decline in U.S. prices early in 2009 resulted from renegotiations of contracts, not spot sales. The USGS indicated that consumers were delaying deliveries because of the slowdown in the magnesium end-use markets and in consumption in secondary aluminum products. According to the USGS, by mid-2009, consumers had significant quantities of magnesium left in 2009 contracts, were not yet negotiating contracts for 2010, and spot sales were reported as almost non-existent.[54]

Average unit values for periods during the original investigation, the first five-year review, the second five-year review, and the current third review are presented in the following tabulation:

Item	1994	1998	2005	2010
		Average unit values (*dollars per pound*)		
U.S.-produced product	$***	$***	$***	$***
Imports from China	$0.97	$1.13	$0.83	$3.13

[51] *Magnesium from China, Russia, and Ukraine*, Inv. Nos. 731-TA-696-698 (Final), USITC Pub. 2885, May 1995, p. 21.

[52] *Pure Magnesium from China*, Inv. No. 731-TA-696 (Review), USITC Pub. 3346, August 2000, p. I-11.

[53] *Pure and Alloy Magnesium from Canada and Pure Magnesium from China*, Inv. Nos. 701-TA-309-A-B and 731-TA-696 (Second Review), USITC Pub. 3859, July 2006, p. 63.

[54] US Magnesium's *Response*, attachment 3.

THE INDUSTRY IN THE UNITED STATES

U.S. Producers

At the time of the original investigation, there were three producers of pure magnesium: Magcorp, Northwest Alloys (a wholly owned subsidiary of Alcoa), and Dow. During the period of the first review, Magcorp and Northwest Alloys were the only known and operating U.S. producers of pure magnesium. Dow shut down its domestic pure magnesium operations in November 1998 after its 65,000 metric ton facility in Texas suffered extensive damage from lightening strikes and flooding.[55] During the period of the second review there were initially two producers of pure magnesium, US Magnesium (formerly Magcorp) and Northwest Alloys. However, Northwest Alloys, ceased production of magnesium in October 2001.[56]

US Magnesium, the successor to the petitioner in the original investigations, is a wholly owned subsidiary of Renco Metals, Inc., Salt Lake City, UT. US Magnesium has production facilities in Rowley, UT, and produces a variety of magnesium products, including both pure and alloy magnesium, using the electrolytic process with lake brine as the raw material.[57] [58] [59]

U.S. Production, Capacity, Shipments, and Financial Data

Trade and financial data for pure magnesium reported in the Commission's original investigation and second five-year review and in response to the Commission's notice of institution for the first and third five-year reviews are presented in table I-4. From 1992 to 1994, the period for which data were collected in the original investigation, the U.S. industry's production declined, capacity utilization increased, shipments and net sales decreased irregularly, and operating margins were negative. During the 1998-99 period of first five-year review, production and capacity utilization declined irregularly, shipments, and net sales exhibited further decline, yet operating margins were positive. During the 2000-05 period of the second five-year review, production, shipments, net sales, and operating margins decreased irregularly while capacity utilization increased irregularly. During the current third five-year

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[55] *Pure Magnesium from China*, Inv. No. 731-TA-696, USITC Publication 3346, August 2000, p. I-10.

[56] *Pure and Alloy Magnesium from Canada and Pure Magnesium from China*, Inv. Nos. 701-TA-309-A-B and 731-TA-696 (Second Review) USITC Pub. 3859, July 2006, p. III-1.

[57] Ibid.

[58] Environmental issues are important in the magnesium industry. According to the USGS, after an investigation begun in late 2008, the Environmental Protection Agency ("EPA") added US magnesium's Toole County, UT, operations to the national priorities list of Superfund sites. (Designation as a Superfund site allows the EPA to clean up such sites and to compel responsible parties to perform cleanups or reimburse the Government for EPA-led cleanups. The USGS indicated that contaminants at he site included acidic wastewater, dioxins, furans, heavy metals, hexachlorobenzene, polychlorinated biphenyls, and polycyclic aromatic hydrocarbons. The USGS reported that as of 2009 US Magnesium planned to challenge the designation. (US Magnesium's *Response*, attachment 3.)

According to TMI, ongoing environmental problems at US Magnesium's production facility in Utah raises concern about its ability to supply magnesium to the U.S. market at prices which allow U.S. users to remain competitive in the world. (TMI's *Response*, p. 8.)

[59] In 2001, the EPA brought a suit that alleged US Magnesium violated the Resource Conservation and Recovery Act. The EPA alleged that dioxins and other cancer-causing agents that are byproducts of the magnesium extraction process are a threat to workeres, wildlife, and public health. US Magnesium claimed that Congress excluded the company from the law and that he EPA was retroactively applying new guidelines. In a 2007 ruling, a U.S. District Court judge ruled in favor of US Magnesium, and the EPA appealed the decision. (US Magnesium's *Response*, attachment 3.)

review, 2010 production and capacity utilization decreased in comparison with 2005, and shipment, net sales, and operating margins increased.

Analogous trade, employment, and financial data for pure and alloy magnesium combined are presented in appendix C.

Table I-4
Pure magnesium: Trade, employment, and financial data, 1992-94, 1998-99, 2000-05, and 2010

* * * * * * *

U.S. IMPORTS AND CONSUMPTION

U.S. Importers and Imports

In the original 1992 investigation concerning China, the Commission indicated that there were 20 U.S. importers of the subject merchandise from China. In its response to the Commission's notice of institution for the first review, Magcorp indicated that nine U.S. importers were listed in PIERS as having imported the subject merchandise during the period from 1998 to February 2000.[60] During the second review, the Commission sent importers' questionnaires to 60 firms believed to be importing pure or alloy magnesium from Canada or China from 2000-05; however, no responding U.S. importers were believed to account for imports of pure magnesium from China as there were virtually no U.S. imports of pure magnesium from China during the period 2000-05.[61] In response to the Commission's request in its notice of institution in the third review for a list of all known and currently operating U.S. importers of the subject merchandise and producers of the subject merchandise in the subject country that currently export or have exported subject merchandise to the United States or other countries after 2005, US Magnesium listed two U.S. importers, China Direct Industries, Inc. and Tianjin Magnesium International Co., Ltd. ("TMI").[62] US Magnesium listed twelve Chinese producers/exporters (including TMI) that have the interest and ability to export substantial quantities of pure magnesium from China.[63]

Official import statistics for pure magnesium are presented in tables I-5 and 1-6. During the current third review, data show that imports of the subject product from China increased from one metric ton in 2006 to 3,453 metric tons in 2007 and further increased to 19,113 metric tons in 2008 before falling to 4,968 metric tons in 2009 and decreasing further to 93 metric tons in 2010.

Analogous import data for pure and alloy magnesium combined are presented in appendix C.

Table I-5
Pure magnesium: U.S. imports, by sources, 1992-94, 1998-99, and 2000-05

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[60] *Pure Magnesium from China*, Inv. No. 731-TA-696 (Review), USITC Pub. 3346, August 2000, p. I-12.

[61] *Pure and Alloy Magnesium from Canada and Pure Magnesium from China*, Inv. Nos. 701-TA-309-A-B and 731-TA-696, USITC Pub. 3859, July 2006, p. IV-1.

[62] US Magnesium's response to the Commission's notice of institution, July 1, 2011, attachment 9.

[63] Ibid., attachment 10.

Table I-6
Pure magnesium: U.S. imports, by sources, 2005-10

Source	Calendar year				
	2006	2007	2008	2009	2010
	Quantity (*metric tons*)				
Subject:					
China	1	3,453	19,113	4,968	93
Nonsubject:					
Brazil	784	854	778	427	805
Canada	8,782	1,073	6	22	30
Israel	7,917	14,539	21,800	15,339	15,817
Kazakhstan	1,298	974	256	333	875
Russia	13,038	6,105	2,210	307	618
All others	128	153	100	36	3
Subtotal, nonsubject	31,948	23,699	25,151	16,465	18,147
Total imports	31,948	27,152	44,264	21,433	18,240
	Value (*$1,000*)				
Subject:					
China	8	11,305	106,024	25,196	642
Nonsubject:					
Brazil	2,159	3,004	5,213	3,269	4,397
Canada	21,901	4,016	22	118	124
Israel	22,638	43,076	83,196	60,341	74,597
Kazakhstan	3,285	2,897	772	1,044	3,874
Russia	29,616	14,198	8,475	1,340	2,024
All others	346	554	572	276	20
Subtotal, nonsubject	79,945	67,745	98,251	66,387	85,036
Total imports	79,953	79,050	204,275	91,583	85,679
	Unit value (*dollars per pound*)				
Subject:					
China	$4.80	$1.49	$2.52	$2.30	$3.12
Nonsubject:					
Brazil	1.25	1.60	3.04	3.47	2.48
Canada	1.13	1.70	1.64	2.39	1.89
Israel	1.30	1.34	1.73	1.78	2.14
Kazakhstan	1.15	1.35	1.37	1.42	2.01
Russia	1.03	1.05	1.74	1.98	1.49
All others	1.22	1.64	2.59	3.52	3.48
Subtotal, nonsubject	1.14	1.30	1.77	1.83	2.13
Total imports	1.14	1.32	2.09	1.94	2.13

Table I-6–*Continued*
Pure magnesium: U.S. imports, by sources, 2005-10

Source	Calendar Year				
	2006	2007	2008	2009	2010
	Share of quantity (*percent*)				
Subject:					
China	0.0	12.7	43.2	23.2	0.5
Nonsubject:					
Brazil	2.5	3.1	1.8	2.0	4.4
Canada	27.5	4.0	0.0	0.1	0.2
Israel	24.8	53.5	49.3	71.6	86.7
Kazakhstan	4.1	3.6	0.6	1.6	4.8
Russia	40.8	22.5	5.0	1.4	3.4
All others	0.4	0.6	0.2	0.2	0.0
Subtotal, nonsubject	100.0	87.3	56.8	76.8	99.5
Total imports	100.0	100.0	100.0	100.0	100.0
	Share of value (*percent*)				
Subject:					
China	0.0	14.3	51.9	27.5	0.7
Nonsubject:					
Brazil	2.7	3.8	2.6	3.6	5.1
Canada	27.4	5.1	0.0	0.1	0.1
Israel	28.3	54.5	40.7	65.9	87.1
Kazakhstan	4.1	3.7	0.4	1.1	4.5
Russia	37.0	18.0	4.1	1.5	2.4
All others	0.4	0.7	0.3	0.3	0.0
Subtotal, nonsubject	100.0	85.7	48.1	72.5	99.3
Total imports	100.0	100.0	100.0	100.0	100.0

[1] Landed, duty-paid.

Source: Compiled from official Commerce statistics (HTS 8104.11.0000).

Apparent U.S. Consumption

U.S. consumption data for pure magnesium are presented in table I-7. Between 1992 and 1994, the domestic industry's share of apparent U.S. consumption of pure magnesium fell from *** percent in 1992 to *** percent in 1994. During the first review, the domestic industry's share was *** percent in 1998, which declined to *** percent in 1999. The domestic industry's share of apparent consumption of pure magnesium for the second five-year review decreased irregularly from *** percent in 2000 to *** percent in 2005. During the third review, the domestic industry's share of apparent consumption of pure magnesium was *** percent in 2010. The share of apparent consumption accounted for by imports of pure magnesium from China increased from *** percent in 1992 to *** percent in 1993 before decreasing to *** percent in 1994. During 1998, the share of apparent consumption accounted for by imports of pure magnesium from China was *** percent. In 1999, China had no imports or negligible imports of subject merchandise. During the second review, imports of pure magnesium from China accounted for *** percent of apparent consumption in 2000, and *** percent of apparent consumption during 2001-03. Imports of pure magnesium from China accounted for *** percent of apparent consumption in 2004 and 2005. The share of apparent consumption accounted for by imports of pure magnesium from all other sources rose from *** percent in 1992 to *** percent in 1993, then slipped to *** percent in 1994. The share of apparent consumption accounted for by imports of pure magnesium from all other sources increased irregularly from *** percent in 2000 to *** percent in 2005. Specifically, imports of pure magnesium from all other sources were *** percent in 2000; *** percent in 2001; *** percent in 2002; *** percent in 2003; *** percent in 2004; and *** percent in 2005. During the current third review, imports of pure magnesium from all other sources accounted for *** percent of apparent consumption in 2010.

Analogous apparent consumption data for pure and alloy magnesium combined are presented in appendix C.

Table I-7
Pure magnesium: U.S. apparent consumption and market shares, 1992-94, 1998-99, and 2005-10

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THE INDUSTRY IN CHINA

During its original investigation concerning China, the Commission identified four producers of primary magnesium in China: Fushon, Min He, Ning-Xia, and Yin Chuan. At the time, only Yin Chuan did not export the magnesium it produced in China. The number of magnesium plants in China was reported to have grown from one plant in 1987 to 300 plants in 1995 before a period of production adjustment and consolidation reduced the number of plants to 85 in 1999 during the first five-year review.[64] In response to the Commission's notice of institution of the second five-year review, US Magnesium reported that pure magnesium was produced by 136 companies in 10 provinces in China in 2004 and that China accounts for over 80 percent of world capacity for primary magnesium.[65]

In its response to the notice of institution for the third five-year review, US Magnesium reported 12 foreign producers/exporters of the subject merchandise in China.[66] According to the China Nonferrous Metals Industry Association, China produced 500,000 metric tons of magnesium in 2009, five percent lower than production in 2008.[67] In January 2009, Taiyuan Tongxiang Magnesium Co. Ltd. (Shanxi Province) reportedly cut its production to 3,000 metric tons per month from the 10,000 metric ton per month rate at which it had been producing in 2008. Taiyuan Tongxing's total magnesium production capacity was 100,000 metric tons per year. Only five of the company's 25 magnesium plants were in operation in 2001. Persistent weakness in demand in China's automotive sector and a forecast for this weakness to continue were the principal reasons for the shutdown. Other magnesium producers in China also reported that they would cut production and delay expansions until the market improves.[68]

Although magnesium production has declined in China, companies were still announcing capacity increases in 2009. Qinghai Salt Lake Industry Group Co. Ltd. (Quinghai Province) reportedly bought equipment from North America to construct a 50,000 metric ton per year magnesium metal plant. The equipment was scheduled to be delivered by October 2010 and construction was expected to be completed by 2011. Qinghai also planned to expand capacity to 100,000 metric tons in the future. The proposed plant would recover magnesium from magnesium chloride extracted from salt lakes in the Qinghai-Tibet plateau from which the company produced salt.[69] Fugu Coal & Chemical Group Co. Ltd. (Shaanxi Province) planned to complete a magnesium production facility with a total production capacity of 180,000 metric tons per year by year end 2010. Production capacity at the facility was 40,000 to 50,000 metric tons per year.[70]

Ningxia Huiye Magnesium Co. Ltd. (Ningxia Autonomous Region) completed its magnesium ingot expansion project in June 2010, increasing production capacity to 66,000 tons per year from 40,000 tons per year. The company, which has five plants in Ningxia Hue Autonomous Region and Shanxi Province, had originally planned to finish the expansion project before year end 2008, but delayed the expansion because of rapidly falling magnesium prices and the global economic crisis.[71]

China Direct Industries (Deerfield Beach, FL) signed a letter of intent with Taiyuan Yiwei Magnesium Group Ltd. (Ningxia Autonomous Region) to acquire the minority interest in Taiyuan Changxin Golden Magnesium Co. Ltd. (Shanxi Province), and Baotou Xinjin Magnesium Industry Co.

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[64] *Magnesium from China, Investigation No. 731-TA-696 (Review)* (Publication 3346) August 2000, p. I-20.

[65] *Pure and Alloy Magnesium from Canada and Pure Magnesium from China, Investigation Nos. 701-TA-309-A-B and 731-TA-696 (Second Review)* (Publication 3859), July 2006, p. IV-7, and US Magnesium's *Response*, p. 26 .

[66] US Magnesium's *Response*, p. 21 and attachment 10.

[67] Ibid., attachment 3.

[68] Ibid.

[69] Ibid.

[70] Ibid.

[71] Ibid.

Ltd. (Inner Mongolia Autonomous Region) (subsidiaries of Yiwei Magnesium). In addition, China Direct was seeking to acquire up to five additional magnesium facilities from Yiwei Magnesium. These five facilities have a combined production capacity of 40,000 metric tons per year of pure magnesium ingot, 10,000 metric tons per year of magnesium powder, and 10,000 metric tons per year of magnesium alloy. China Direct also planned to sell its interest in Pan Asia Magnesium Co. Ltd.[72]

The municipal government of Anshan, Liaoning Province, secured investment through Magnesium Resources Corp. of China Ltd. to build a magnesium plant in the city's Haicheng district. Magnesium Resources was expected to invest up to $1.5 billion in the construction of the facility, which would have a capacity of 200,000 metric tons per year of magnesium metal and 50,000 metric tons per year of magnesium alloys. The first phase of the project was expected to be completed in mid-2010.[73]

According to the China Non-Ferrous Metals Industry Association ("CNFMIA"), China's oversupplied magnesium industry is set to nearly quadruple capacity in the next five years. As of October 2010, China's magnesium capacity stood at 1.3 million metric tons per year, and another three million metric tons of capacity is under construction and due to be completed within the next five years.[74]

CNFMIA further indicated that Chinese smelters produced 426,884 metric tons of magnesium metal in the first eight months of 2010, up 51 percent from the same period in 2009. Although production rose quickly, the proportion of magnesium exported in the first eight months of 2010 fell to 59 percent from around 70 percent a year earlier. Magnesium producers are reported to be shunning exports due to the rising value of the yuan, which strengthened about two percent versus the dollar since June 19, 2010, when the People's Bank of China freed the currency from the dollar peg. According to a producer in Shanxi province that used to export half of its output, "We are now just maintaining relationships with long-term and major overseas clients, and not actively developing any new clients."[75]

According to another major producer in Shanxi, a relatively healthy local market demand is also a contributing factor, citing no magnesium left for export now - it all went to the domestic market. According to a producer in neighboring Shaanxi province, export prices are too low at the moment so they are focusing on the domestic market.[76]

However, according to market sources, based on ex-works prices of $2,600 to $2,705 per metric ton, f.o.b. prices are well above $3,000 per metric ton with value-added tax and export tax, and importers are unwilling to accept $2,950 to $3,000 per metric ton.[77]

According to the general manager of a 20,000 metric ton per year magnesium smelter in Ningxia province, not everyone thinks there is an overcapacity issue. The general manager indicated that the supply-demand balance is dynamic and downstream sectors like magnesium alloy and new magnesium materials are developing fast.[78] Another market source indicated that the magnesium sector is still a promising one - citing that it just needs some consolidation and upgrading as most current (producers) are small, private companies not operating very efficiently.[79] About 50 percent of China's magnesium usage

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[72] Ibid.

[73] Ibid.

[74] US Magnesium's *Response*, attachment 4.

[75] Ibid.

[76] Ibid.

[77] Ibid.

[78] Ibid.

[79] Ibid.

is in desulfurizing agents in steel and aluminum output, but many magnesium alloy makers are expanding.[80]

According to the China Magnesium Industry & Market Bulletin, China's output of primary magnesium totaled 212.6 thousand tons in the first four months of 2011. However, a source in Fugu reported that he felt uncertain about the next week's market and another producer in Fugu reported that he is not optimistic about the future market, citing steadily increasing production in the Shaanxi as a major reason for decreasing prices.[81]

According to the trading company TMI, revocation of the antidumping duty order on pure magnesium from China would not likely cause adverse price effects as imported Chinese products are likely to be sold at prices higher than U.S. manufactured magnesium.[82] TMI further opined that import levels of Chinese magnesium would likely remain stable if the order is revoked.[83]

Antidumping Duty Orders in Third-Country-Markets

India reportedly applied definitive antidumping duties on imports of magnesium from China from July 24, 1998, until May 1, 2003. The duties were withdrawn upon a request by the affected domestic industry. Beginning in 1999, the European Union had an antidumping duty order on imports of pure magnesium (unwrought unalloyed magnesium) from China; the order expired in 2003.[84]

On April 29, 2003, Brazil initiated antidumping investigations on imports from China of magnesium ingot and magnesium powder and on October 11, 2004, imposed antidumping duties of $1.18 per kilogram ($0.535 per pound) on pure magnesium ingot and $0.99 per kilogram ($0.449 per pound) on magnesium granules. Furthermore, in October 2005 Brazil expanded duties to include alloy magnesium (magnesium content less than 99.8 percent) from China.[85]

On June 7, 2011, following a request from Brazilian magnesium producer Rima Industrial, Brazil's Ministry of Development, industry and Exterior Commerce opened an investigation into dumping of Russian magnesium. According to press accounts, the Brazilian government decided to tax magnesium imports in retaliation for the Russian freeze on Brazilian meat exports. These allegations were denied by a ministry spokesman.[86]

THE WORLD MARKET

The USGS reported world magnesium production capacity of 1.2 million metric tons and world magnesium production of 608,000 metric tons in 2009.[87] According to US Magnesium, most of the

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[80] Ibid.

[81] US Magnesium's *Response*, attachment 6.

[82] TMI was not active in the U.S. market during calendar year 2010, but was active previously. TMI's *Response*, p. 6.

[83] Ibid., p. 2.

[84] *Pure and alloy Magnesium from Canada and Pure Magnesium from China, Investigation Nos. 701-TA-309-A-B and 731-TA-696*(Publication 3859) July 2006, p. IV-9.

[85] Ibid.

[86] US Magnesium's *Response*, attachment 18.

[87] Ibid., p. 26.

increases in world magnesium capacity are in China; however, there are other additional new sources of magnesium capacity, such as in Malaysia.[88]

The primary sources of U.S. imports of pure magnesium in 2010 are Brazil (4.4 percent), Canada (0.2 percent), Israel (86.7 percent), Kazakhstan (4.8 percent), and Russia (3.4 percent). Cumulatively, these five countries accounted for 99.5 percent of U.S. imports of pure magnesium in 2010.

Brazil

No information on the pure magnesium industry in Brazil is on the record for the current review.

Canada

According to the USGS Minerals Yearbook for 2009, Timminco Ltd. Completed the divestiture of its magnesium business in July. The company merged its remaining extrusion businesses with the magnesium operations of China-based Winca Tech Ltd. to form Applied Magnesium International Ltd. Timminco's facility in Nuevo Laredo, Mexico, and Winca's facilities in Hebi, Henan Province, and Linyi, Shandong Province, China, were included in the new company. Former managers and employees of Timminco's magnesium business were expected to form the core management team of its North American operations, based in Denver, CO, where Timminco's magnesium extrusion facility was located. In connection with the sale, Timminco received a 19.5 percent equity interest in Applied Magnesium; Winca held the remaining equity.[89]

The USGS also reported that Trimag L.P. announced that it was closing its Boisbriand, Quebec, diecasting plant in June 2009 following the loss of its major customer, General Motors Corp. ("GM"), to which Trimag had supplied nearly all of its high-pressure diecastings. The USGS indicated that GM canceled its business with Trimag because of low automotive demand. The plant had been idle since late 2008, and 160 workers were permanently laid off. Trimag also had shut down an Ontario magnesium diecasting plant in 2007.[90]

The USGS further indicated that in November 2009, the Swiss firm Xstrata plc began to demolish the 63,000 metric ton per year Magnola magnesium plant in Asbestos, Quebec. The plant had been constructed in 2000 by the former Noranda Inc. to recover magnesium from asbestos tailings but was closed in 2003 because magnesium produced at Magnola cold not compete with lower priced magnesium from China in the world market. The USGS also reported that Norsk Hydro ASA's 48,000 metric ton per year magnesium plant in Becancour, Quebec, had been demolished earlier in 2009.[91]

Israel

According to the USGS Minerals Yearbook for 2009, in July 2009, Israel Chemicals Ltd. ("ICL") and Volkswagen AG reached a compromise regarding Volkswagen's demand to pull out of its partnership in Dead Sea Magnesium Ltd. USGS reported that under the accord, Volkswagen would provide $30 million to Dead Sea Magnesium's 35,000 metric ton per year primary magnesium plant and transfer its 35 percent share in the company to ICL, which owns the other 65 percent. At the same time, ICL would

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[88] Ibid.

[89] US Magnesium's *Response*, attachment 3.

[90] Ibid.

[91] Ibid.

provide $55.7 million in funds to Dead Sea Magnesium. The companies had been negotiating Volkswagen's withdrawal from the venture since December 2008.[92]

Kazakhstan

No information on the pure magnesium industry in Kazakhstan is on the record for the current review.

Malaysia

US Magnesium indicated that CVM Minerals ("CVM") built a 15,000 metric ton magnesium plant in Perak, Malaysia, that is expected to reach full capacity in 2012, and is designed to reach a total capacity of 30,000 metric tons per year. According to US Magnesium, production has started at CVM and product was shipped to the U.S. market, citing official U.S. import statistics which show 100 metric tons of pure magnesium entering the U.S. market from Malaysia in February 2011.[93]

Russia

According to the USGS, magnesium shipments at Solikamsk in 2009 totaled 12,120 metric tons of metal and alloy, nearly 27 percent less than Solikamsk shipments in 2008. USGS reported that Solikmansk cited the global economic downturn and a significant stockpile of product at producers' and customers' warehouses as factors contributing to the decrease in shipments. USGS indicated that because of the slump in demand, the company shut down 65 percent of its electrolytic magnesium production capacity and reduced the workweek of its employees.[94]

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[92] Ibid.

[93] US Magnesium's *Response*, pp. 26-27.

[94] Ibid., attachment 3.

APPENDIX A

FEDERAL REGISTER NOTICES

DEPARTMENT OF COMMERCE

International Trade Administration

Initiation of Five-Year ("Sunset") Review

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

SUMMARY: In accordance with section 751(c) of the Tariff Act of 1930, as amended ("the Act"), the Department of Commerce ("the Department") is automatically initiating a five-year review ("Sunset Review") of the antidumping duty orders listed below. The International Trade Commission ("the Commission") is publishing concurrently with this notice its notice of *Institution of Five-Year Review* which covers the same orders.

DATES: *Effective Date:* June 1, 2011.

FOR FURTHER INFORMATION CONTACT: The Department official identified in the *Initiation of Review* section below at AD/CVD Operations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230. For information from the Commission contact Mary Messer, Office of Investigations, U.S. International Trade Commission at (202) 205–3193.

SUPPLEMENTARY INFORMATION:

Background

The Department's procedures for the conduct of Sunset Reviews are set forth in its *Procedures for Conducting Five-Year ("Sunset") Reviews of Antidumping and Countervailing Duty Orders,* 63 FR 13516 (March 20, 1998) and 70 FR 62061 (October 28, 2005). Guidance on methodological or analytical issues relevant to the Department's conduct of Sunset Reviews is set forth in the Department's Policy Bulletin 98.3 —*Policies Regarding the Conduct of Five-Year ("Sunset") Reviews of Antidumping and Countervailing Duty Orders: Policy Bulletin,* 63 FR 18871 (April 16, 1998).

Initiation of Review

In accordance with 19 CFR 351.218(c), we are initiating the Sunset Review of the following antidumping duty orders:

DOC case no.	ITC case no.	Country	Product	Department contact
A–588–854	731–TA–860	Japan	Tin Mill Products (2nd Review)	Dana Mermelstein (202) 482–1391.
A–570–832	731–TA–696	PRC	Pure Magnesium (Ingot) (3rd Review)	Julia Hancock (202) 482–1394.
A–570–822	731–TA–624	PRC	Helical Spring Lock Washers (3rd Review)	David Goldberger (202) 482–4136.
A–583–820	731–TA–625	Taiwan	Helical Spring Lock Washers (3rd Review)	David Goldberger (202) 482–4136.

Filing Information

As a courtesy, we are making information related to Sunset proceedings, including copies of the pertinent statue and Department's regulations, the Department schedule for Sunset Reviews, a listing of past revocations and continuations, and current service lists, available to the public on the Department's Internet Web site at the following address: "*http://ia.ita.doc.gov/sunset/*." All submissions in these Sunset Reviews must be filed in accordance with the Department's regulations regarding format, translation, and service of documents. These rules can be found at 19 CFR 351.303.

This notice serves as a reminder that any party submitting factual information in an AD/CVD proceeding must certify to the accuracy and completeness of that information. *See* section 782(b) of the Act. Parties are hereby reminded that revised certification requirements are in effect for company/government officials as well as their representatives in all AD/CVD investigations or proceedings initiated on or after March 14, 2011. *See Certification of Factual Information to Import Administration During Antidumping and Countervailing Duty Proceedings: Interim Final Rule,* 76 FR 7491 (February 10, 2011) (*Interim Final Rule*) amending 19 CFR 351.303(g)(1) and (2). The formats for the revised certifications are provided at the end of the *Interim Final Rule.* The Department intends to reject factual submissions in investigations/proceedings initiated on or after March 14, 2011 if the submitting party does not comply with the revised certification requirements.

Pursuant to 19 CFR 351.103(d), the Department will maintain and make available a service list for these proceedings. To facilitate the timely preparation of the service list(s), it is requested that those seeking recognition as interested parties to a proceeding contact the Department in writing within 10 days of the publication of the Notice of Initiation.

Because deadlines in Sunset Reviews can be very short, we urge interested parties to apply for access to proprietary information under administrative protective order ("APO") immediately following publication in the **Federal Register** of this notice of initiation by filing a notice of intent to participate. The Department's regulations on submission of proprietary information and eligibility to receive access to business proprietary information under APO can be found at 19 CFR 351.304–306.

Information Required From Interested Parties

Domestic interested parties defined in section 771(9)(C), (D), (E), (F), and (G) of the Act and 19 CFR 351.102(b) wishing to participate in a Sunset Review must respond not later than 15 days after the date of publication in the **Federal Register** of this notice of initiation by filing a notice of intent to participate. The required contents of the notice of intent to participate are set forth at 19 CFR 351.218(d)(1)(ii). In accordance with the Department's regulations, if we do not receive a notice of intent to participate from at least one domestic interested party by the 15-day deadline, the Department will automatically revoke the order without further review. *See* 19 CFR 351.218(d)(1)(iii).

If we receive an order-specific notice of intent to participate from a domestic interested party, the Department's regulations provide that *all parties* wishing to participate in the Sunset Review must file complete substantive responses not later than 30 days after the date of publication in the **Federal Register** of this notice of initiation. The required contents of a substantive response, on an order-specific basis, are set forth at 19 CFR 351.218(d)(3). Note that certain information requirements differ for respondent and domestic parties. Also, note that the Department's information requirements are distinct from the Commission's information requirements. Please consult the Department's regulations for information regarding the Department's conduct of Sunset Reviews.[1] Please consult the Department's regulations at 19 CFR part 351 for definitions of terms and for other general information concerning antidumping and countervailing duty proceedings at the Department.

This notice of initiation is being published in accordance with section 751(c) of the Act and 19 CFR 351.218(c).

[1] In comments made on the interim final sunset regulations, a number of parties stated that the proposed five-day period for rebuttals to substantive responses to a notice of initiation was insufficient. This requirement was retained in the final sunset regulations at 19 CFR 351.218(d)(4). As provided in 19 CFR 351.302(b), however, the Department will consider individual requests to extend that five-day deadline based upon a showing of good cause.

Dated: May 23, 2011.

Christian Marsh,

Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations.

[FR Doc. 2011–13556 Filed 5–31–11; 8:45 am]

BILLING CODE 3510–DS–P

INTERNATIONAL TRADE COMMISSION

[Investigation No. 731–TA–696 (Third Review)]

Pure Magnesium From China; Institution of a Five-Year Review Concerning the Antidumping Duty Order on Pure Magnesium From China.

AGENCY: United States International Trade Commission.

ACTION: Notice.

SUMMARY: The Commission hereby gives notice that it has instituted a review pursuant to section 751(c) of the Tariff Act of 1930 (19 U.S.C. 1675(c)) (the Act) to determine whether revocation of the antidumping duty order on pure magnesium from China would be likely to lead to continuation or recurrence of material injury. Pursuant to section

751(c)(2) of the Act, interested parties are requested to respond to this notice by submitting the information specified below to the Commission;[1] to be assured of consideration, the deadline for responses is July 1, 2011. Comments on the adequacy of responses may be filed with the Commission by August 15, 2011. For further information concerning the conduct of this review and rules of general application, consult the Commission's Rules of Practice and Procedure, part 201, subparts A through E (19 CFR part 201), and part 207, subparts A, D, E, and F (19 CFR part 207), as most recently amended at 74 FR 2847 (January 16, 2009).

DATES: *Effective Date:* June 1, 2011.

FOR FURTHER INFORMATION CONTACT: Mary Messer (202–205–3193), Office of Investigations, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting the Commission's TDD terminal on 202–205–1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202–205–2000. General information concerning the Commission may also be obtained by accessing its Internet server (*http://www.usitc.gov*). The public record for this review may be viewed on the Commission's electronic docket (EDIS) at *http://edis.usitc.gov*.

SUPPLEMENTARY INFORMATION:

Background.—On May 12, 1995, the Department of Commerce issued an antidumping duty order on imports of pure magnesium from China (60 FR 25691). Following first five-year reviews by Commerce and the Commission, effective October 27, 2000, Commerce issued a continuation of the antidumping duty order on imports of pure magnesium from China (65 FR 64422). Following second five-year reviews by Commerce and the Commission, effective July 10, 2006, Commerce issued a continuation of the antidumping duty order on imports of pure magnesium from China (71 FR 38860). The Commission is now conducting a third review to determine whether revocation of the order would be likely to lead to continuation or recurrence of material injury to the domestic industry within a reasonably foreseeable time. It will assess the adequacy of interested party responses to this notice of institution to determine whether to conduct a full review or an expedited review. The Commission's determination in any expedited review will be based on the facts available, which may include information provided in response to this notice.

Definitions.—The following definitions apply to this review:

(1) *Subject Merchandise* is the class or kind of merchandise that is within the scope of the five-year review, as defined by the Department of Commerce.

(2) The *Subject Country* in this review is China.

(3) The *Domestic Like Product* is the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the *Subject Merchandise.* In the last five-year review of this order, different Commissioners at the Commission defined the *Domestic Like Product* in different ways. Therefore, for purposes of responding to the items in this notice, please provide the requested information separately for the following two *Domestic Like Product* definitions: (1) All pure magnesium ingot, including off-spec pure magnesium[1] and (2) pure and alloy magnesium, including primary and secondary magnesium, and magnesium in ingot and granular form.

(4) The *Domestic Industry* is the U.S. producers as a whole of the *Domestic Like Product,* or those producers whose collective output of the *Domestic Like Product* constitutes a major proportion of the total domestic production of the product. In the last five-year review of this order, different Commissioners at the Commission defined the *Domestic Industry* in different ways. Therefore, for purposes of responding to the items in this notice, please provide the requested information separately for the following two *Domestic Industry* definitions: (1) All producers of pure magnesium ingot, including off-spec pure magnesium and (2) all producers of pure and alloy magnesium, including primary and secondary magnesium, and magnesium in ingot and granular form.

(5) An *Importer* is any person or firm engaged, either directly or through a parent company or subsidiary, in importing the *Subject Merchandise* into the United States from a foreign manufacturer or through its selling agent.

Participation in the review and public service list.—Persons, including industrial users of the *Subject Merchandise* and, if the merchandise is sold at the retail level, representative consumer organizations, wishing to participate in the review as parties must file an entry of appearance with the Secretary to the Commission, as provided in section 201.11(b)(4) of the Commission's rules, no later than 21 days after publication of this notice in the **Federal Register.** The Secretary will maintain a public service list containing the names and addresses of all persons, or their representatives, who are parties to the review.

Former Commission employees who are seeking to appear in Commission five-year reviews are advised that they may appear in a review even if they participated personally and substantially in the corresponding underlying original investigation. The Commission's designated agency ethics official has advised that a five-year review is not considered the "same particular matter" as the corresponding underlying original investigation for purposes of 18 U.S.C. 207, the post employment statute for Federal employees, and Commission rule 201.15(b) (19 CFR 201.15(b)), 73 FR 24609 (May 5, 2008). This advice was developed in consultation with the Office of Government Ethics. Consequently, former employees are not required to seek Commission approval to appear in a review under Commission rule 19 CFR 201.15, even if the corresponding underlying original investigation was pending when they were Commission employees. For further ethics advice on this matter, contact Carol McCue Verratti, Deputy Agency Ethics Official, at 202–205–3088.

Limited disclosure of business proprietary information (BPI) under an administrative protective order (APO) and APO service list.—Pursuant to section 207.7(a) of the Commission's rules, the Secretary will make BPI submitted in this review available to authorized applicants under the APO issued in the review, provided that the application is made no later than 21 days after publication of this notice in the **Federal Register**. Authorized

[1] No response to this request for information is required if a currently valid Office of Management and Budget (OMB) number is not displayed; the OMB number is 3117–0016/USITC No. 11–5–247, expiration date June 30, 2011. Public reporting burden for the request is estimated to average 15 hours per response. Please send comments regarding the accuracy of this burden estimate to the Office of Investigations, U.S. International Trade Commission, 500 E Street, SW., Washington, DC 20436.

[1] Off-spec pure magnesium is magnesium containing between 50 percent and 99.8 percent primary magnesium, by weight, that does not conform to ASTM specifications for alloy magnesium. Off-spec pure magnesium is pure primary magnesium containing magnesium scrap, secondary magnesium, oxidized magnesium, or impurities (whether or not intentionally added) that cause the primary magnesium content to fall below 99.8 percent by weight. It generally does not contain, individually or in combination, 1.5 percent or more, by weight, of the following alloying elements: aluminum, manganese, zinc, silicon, thorium, zirconium, and rare earths.

applicants must represent interested parties, as defined in 19 U.S.C. 1677(9), who are parties to the review. A separate service list will be maintained by the Secretary for those parties authorized to receive BPI under the APO.

Certification.—Pursuant to section 207.3 of the Commission's rules, any person submitting information to the Commission in connection with this review must certify that the information is accurate and complete to the best of the submitter's knowledge. In making the certification, the submitter will be deemed to consent, unless otherwise specified, for the Commission, its employees, and contract personnel to use the information provided in any other reviews or investigations of the same or comparable products which the Commission conducts under Title VII of the Act, or in internal audits and investigations relating to the programs and operations of the Commission pursuant to 5 U.S.C. Appendix 3.

Written submissions.—Pursuant to section 207.61 of the Commission's rules, each interested party response to this notice must provide the information specified below. The deadline for filing such responses is July 1, 2011. Pursuant to section 207.62(b) of the Commission's rules, eligible parties (as specified in Commission rule 207.62(b)(1)) may also file comments concerning the adequacy of responses to the notice of institution and whether the Commission should conduct an expedited or full review. The deadline for filing such comments is August 15, 2011. All written submissions must conform with the provisions of sections 201.8 and 207.3 of the Commission's rules and any submissions that contain BPI must also conform with the requirements of sections 201.6 and 207.7 of the Commission's rules. The Commission's rules do not authorize filing of submissions with the Secretary by facsimile or electronic means, except to the extent permitted by section 201.8 of the Commission's rules, as amended, 67 FR 68036 (November 8, 2002). Also, in accordance with sections 201.16(c) and 207.3 of the Commission's rules, each document filed by a party to the review must be served on all other parties to the review (as identified by either the public or APO service list as appropriate), and a certificate of service must accompany the document (if you are not a party to the review you do not need to serve your response).

Inability to provide requested information.—Pursuant to section 207.61(c) of the Commission's rules, any interested party that cannot furnish the information requested by this notice in the requested form and manner shall notify the Commission at the earliest possible time, provide a full explanation of why it cannot provide the requested information, and indicate alternative forms in which it can provide equivalent information. If an interested party does not provide this notification (or the Commission finds the explanation provided in the notification inadequate) and fails to provide a complete response to this notice, the Commission may take an adverse inference against the party pursuant to section 776(b) of the Act in making its determination in the review.

Information to be Provided In Response to This Notice of Institution: Please provide the requested information *separately* for each of the following *Domestic Like Product* definitions: (1) all pure magnesium ingot, including off-spec pure magnesium and (2) pure and alloy magnesium, including primary and secondary magnesium, and magnesium in ingot and granular form. As used below, the term "firm" includes any related firms.

(1) The name and address of your firm or entity (including World Wide Web address) and name, telephone number, fax number, and E-mail address of the certifying official.

(2) A statement indicating whether your firm/entity is a U.S. producer of the *Domestic Like Product,* a U.S. union or worker group, a U.S. importer of the *Subject Merchandise,* a foreign producer or exporter of the *Subject Merchandise,* a U.S. or foreign trade or business association, or another interested party (including an explanation). If you are a union/worker group or trade/business association, identify the firms in which your workers are employed or which are members of your association.

(3) A statement indicating whether your firm/entity is willing to participate in this review by providing information requested by the Commission.

(4) A statement of the likely effects of the revocation of the antidumping duty order on the *Domestic Industry* in general and/or your firm/entity specifically. In your response, please discuss the various factors specified in section 752(a) of the Act (19 U.S.C. 1675a(a)) including the likely volume of subject imports, likely price effects of subject imports, and likely impact of imports of *Subject Merchandise* on the *Domestic Industry.*

(5) A list of all known and currently operating U.S. producers of the *Domestic Like Product.* Identify any known related parties and the nature of the relationship as defined in section 771(4)(B) of the Act (19 U.S.C. 1677(4)(B)).

(6) A list of all known and currently operating U.S. importers of the *Subject Merchandise* and producers of the *Subject Merchandise* in the *Subject Country* that currently export or have exported *Subject Merchandise* to the United States or other countries after 2005.

(7) A list of 3–5 leading purchasers in the U.S. market for the *Domestic Like Product* and the *Subject Merchandise* (including street address, World Wide Web address, and the name, telephone number, fax number, and E-mail address of a responsible official at each firm).

(8) A list of known sources of information on national or regional prices for the *Domestic Like Product* or the *Subject Merchandise* in the U.S. or other markets.

(9) If you are a U.S. producer of the *Domestic Like Product,* provide the following information on your firm's operations on that product during calendar year 2010, except as noted (report quantity data in metric tons and value data in U.S. dollars, f.o.b. plant). If you are a union/worker group or trade/business association, provide the information, on an aggregate basis, for the firms in which your workers are employed/which are members of your association.

(a) Production (quantity) and, if known, an estimate of the percentage of total U.S. production of the *Domestic Like Product* accounted for by your firm's(s') production;

(b) Capacity (quantity) of your firm to produce the *Domestic Like Product* (i.e., the level of production that your establishment(s) could reasonably have expected to attain during the year, assuming normal operating conditions (using equipment and machinery in place and ready to operate), normal operating levels (hours per week/weeks per year), time for downtime, maintenance, repair, and cleanup, and a typical or representative product mix);

(c) The quantity and value of U.S. commercial shipments of the *Domestic Like Product* produced in your U.S. plant(s);

(d) The quantity and value of U.S. internal consumption/company transfers of the *Domestic Like Product* produced in your U.S. plant(s); and

(e) The value of (i) Net sales, (ii) cost of goods sold (COGS), (iii) gross profit, (iv) selling, general and administrative (SG&A) expenses, and (v) operating income of the *Domestic Like Product* produced in your U.S. plant(s) (include both U.S. and export commercial sales, internal consumption, and company transfers) for your most recently

completed fiscal year (identify the date on which your fiscal year ends).

(10) If you are a U.S. importer or a trade/business association of U.S. importers of the *Subject Merchandise* from the *Subject Country,* provide the following information on your firm's(s') operations on that product during calendar year 2010 (report quantity data in metric tons and value data in U.S. dollars). If you are a trade/business association, provide the information, on an aggregate basis, for the firms which are members of your association.

(a) The quantity and value (landed, duty-paid but not including antidumping duties) of U.S. imports and, if known, an estimate of the percentage of total U.S. imports of *Subject Merchandise* from the *Subject Country* accounted for by your firm's(s') imports;

(b) The quantity and value (f.o.b. U.S. port, including antidumping duties) of U.S. commercial shipments of *Subject Merchandise* imported from the *Subject Country;* and

(c) The quantity and value (f.o.b. U.S. port, including antidumping duties) of U.S. internal consumption/company transfers of *Subject Merchandise* imported from the *Subject Country.*

(11) If you are a producer, an exporter, or a trade/business association of producers or exporters of the *Subject Merchandise* in the *Subject Country,* provide the following information on your firm's(s') operations on that product during calendar year 2010 (report quantity data in metric tons and value data in U.S. dollars, landed and duty-paid at the U.S. port but not including antidumping duties). If you are a trade/business association, provide the information, on an aggregate basis, for the firms which are members of your association.

(a) Production (quantity) and, if known, an estimate of the percentage of total production of *Subject Merchandise* in the *Subject Country* accounted for by your firm's(s') production;

(b) Capacity (quantity) of your firm to produce the *Subject Merchandise* in the *Subject Country* (i.e., the level of production that your establishment(s) could reasonably have expected to attain during the year, assuming normal operating conditions (using equipment and machinery in place and ready to operate), normal operating levels (hours per week/weeks per year), time for downtime, maintenance, repair, and cleanup, and a typical or representative product mix); and

(c) The quantity and value of your firm's(s') exports to the United States of *Subject Merchandise* and, if known, an estimate of the percentage of total exports to the United States of *Subject Merchandise* from the *Subject Country* accounted for by your firm's(s') exports.

(12) Identify significant changes, if any, in the supply and demand conditions or business cycle for the *Domestic Like Product* that have occurred in the United States or in the market for the *Subject Merchandise* in the *Subject Country* after 2005, and significant changes, if any, that are likely to occur within a reasonably foreseeable time. Supply conditions to consider include technology; production methods; development efforts; ability to increase production (including the shift of production facilities used for other products and the use, cost, or availability of major inputs into production); and factors related to the ability to shift supply among different national markets (including barriers to importation in foreign markets or changes in market demand abroad). Demand conditions to consider include end uses and applications; the existence and availability of substitute products; and the level of competition among the *Domestic Like Product* produced in the United States, *Subject Merchandise* produced in the *Subject Country,* and such merchandise from other countries.

(13) (OPTIONAL) A statement of whether you agree with the above definitions of the *Domestic Like Product* and *Domestic Industry;* if you disagree with either or both of these definitions, please explain why and provide alternative definitions.

Authority: This review is being conducted under authority of title VII of the Tariff Act of 1930; this notice is published pursuant to section 207.61 of the Commission's rules.

By order of the Commission.

Issued: May 25, 2011.

James R. Holbein,

Secretary to the Commission.

[FR Doc. 2011–13448 Filed 5–31–11; 8:45 am]

BILLING CODE 7020–02–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–832]

Pure Magnesium From the People's Republic of China: Final Results of Expedited Third Sunset Review of the Antidumping Duty Order

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

SUMMARY: On June 1, 2011, the Department of Commerce (''the Department'') initiated the third five-year (''sunset'') review of the antidumping duty order on pure magnesium from the People's Republic of China (''PRC'') pursuant to section 751(c) of the Tariff Act of 1930, as amended (''the Act''). On the basis of a notice of intent to participate and adequate substantive response filed on behalf of the domestic interested party, and no adequate response from a respondent interested party, the Department conducted an expedited (120-day) sunset review of the antidumping duty order. As a result of this review, the Department finds that

revocation of the antidumping duty order on pure magnesium from the PRC would be likely to lead to continuation or recurrence of dumping at the levels indicated in the ''Final Results of Review'' section of this notice.

DATES: *Effective Date:* October 6, 2011.

FOR FURTHER INFORMATION CONTACT: Brooke Kennedy, AD/CVD Operations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; *telephone:* (202) 482–3818.

SUPPLEMENTARY INFORMATION:

Background

On June 1, 2011, the Department initiated the third sunset review of the antidumping duty order on pure magnesium from the PRC, pursuant to section 751(c) of the Act. *See Initiation of Five-Year ''Sunset'' Review,* 76 FR 31588 (June 1, 2011); *see also Notice of Antidumping Duty Orders: Pure Magnesium From the People's Republic of China, the Russian Federation and Ukraine; Notice of Amended Final Determination of Sales at Less Than Fair Value: Antidumping Duty Investigation of Pure Magnesium From the Russian Federation,* 60 FR 25691 (May 12, 1995) (''*Order''*). On June 13, 2011, the Department received notice of intent to participate on behalf of US Magnesium LLC (''US Magnesium''), within the applicable deadline specified in 19 CFR 351.218(d)(1)(i). *See* Letter from US Magnesium, Third Five-Year (''Sunset'') Review of Antidumping Duty Order On Pure Magnesium (Ingot) From the People's Republic of China: The Domestic Industry's Notice of Intent To Participate, dated June 13, 2011. The domestic interested party claimed interested party status under section 771(9)(C) of the Act, as a manufacturer of pure magnesium in the United States. On July 1, 2011, the Department received a complete substantive response from the domestic interested party within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i). We received no substantive response from a respondent interested party in this proceeding. As a result, pursuant to 19 CFR 351.218(e)(1)(ii)(C), the Department conducted an expedited, 120-day, sunset review of this *Order.*

Scope of the Order

Merchandise covered by the order is pure magnesium regardless of chemistry, form or size, unless expressly excluded from the scope of the order. Pure magnesium is a metal or alloy containing by weight primarily the element magnesium and produced by decomposing raw materials into magnesium metal. Pure primary magnesium is used primarily as a chemical in the aluminum alloying, desulfurization, and chemical reduction industries. In addition, pure magnesium is used as an input in producing magnesium alloy. Pure magnesium encompasses products (including, but not limited to, butt ends, stubs, crowns and crystals) with the following primary magnesium contents:

(1) Products that contain at least 99.95% primary magnesium, by weight (generally referred to as ''ultra pure'' magnesium);

(2) Products that contain less than 99.95% but not less than 99.8% primary magnesium, by weight (generally referred to as ''pure'' magnesium); and

(3) Products that contain 50% or greater, but less than 99.8% primary magnesium, by weight, and that do not conform to ASTM specifications for alloy magnesium (generally referred to as ''off-specification pure'' magnesium).

''Off-specification pure'' magnesium is pure primary magnesium containing magnesium scrap, secondary magnesium, oxidized magnesium or impurities (whether or not intentionally added) that cause the primary magnesium content to fall below 99.8% by weight. It generally does not contain, individually or in combination, 1.5% or more, by weight, of the following alloying elements: Aluminum, manganese, zinc, silicon, thorium, zirconium and rare earths.

Excluded from the scope of the order are alloy primary magnesium (that meets specifications for alloy magnesium), primary magnesium anodes, granular primary magnesium (including turnings, chips and powder) having a maximum physical dimension (*i.e.,* length or diameter) of one inch or less, secondary magnesium (which has pure primary magnesium content of less than 50% by weight), and remelted magnesium whose pure primary magnesium content is less than 50% by weight.

Pure magnesium products covered by the order are currently classifiable under Harmonized Tariff Schedule of the United States (''HTSUS'') subheadings 8104.11.00, 8104.19.00, 8104.20.00, 8104.30.00, 8104.90.00, 3824.90.11, 3824.90.19 and 9817.00.90. Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope is dispositive.[1]

Analysis of Comments Received

All issues raised by parties to this sunset review are addressed in the Issues and Decision Memorandum for the Final Results of the Expedited Third Sunset Review of the Antidumping Duty Order on Pure Magnesium from the People's Republic of China from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Ronald K. Lorentzen, Deputy Assistant Secretary for Import Administration (''Decision Memorandum''), dated concurrently with this notice. The issues discussed in the Decision Memorandum include the likelihood of continuation or recurrence of dumping and the magnitude of the margins likely to prevail were the order revoked. Parties may 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 CRU. In addition, a complete version of the Decision Memorandum may 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.

Final Results of Review

We determine that revocation of the *Order* would likely lead to continuation or recurrence of dumping at the following weighted-average percentage margins:

Manufacturers/Exporters/ Producers	Weighted-average margin
PRC-wide	108.26%

Notification Regarding Administrative Protective Order

This notice also serves as the only reminder to parties subject to administrative protective order (''APO'') of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305. 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

[1] The Department has made two scope rulings regarding the subject merchandise. On November 9, 2006, the Department issued a scope ruling, finding that alloy magnesium extrusion billets produced in Canada by Timminco, Ltd. from pure magnesium of Chinese origin are not within the scope of *Order. See* Memorandum regarding Final Ruling in the Scope Inquiry on Russian and Chinese Magnesium Processed in Canada, dated November 9, 2006. On December 4, 2006, the Department issued a scope ruling, finding that pure magnesium produced in France using pure magnesium from the PRC is within the scope of the *Order. See* Memorandum regarding Final Ruling in the Scope Inquiry on Chinese Magnesium Processed in France, dated December 4, 2006.

APO is a violation which is subject to sanction.

This sunset review and notice are in accordance with sections 751(c), 752, and 777(i)(1) of the Act.

Dated: September 29, 2011.

Ronald K. Lorentzen,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 2011–25890 Filed 10–5–11; 8:45 am]

BILLING CODE 3510–DS–P

INTERNATIONAL TRADE COMMISSION

[Investigation No. 731–TA–696 (Third Review)]

Pure Magnesium From China; Scheduling of an Expedited Five-Year Review Concerning the Antidumping Duty Order on Pure Magnesium From China

AGENCY: United States International Trade Commission.

ACTION: Notice.

SUMMARY: The Commission hereby gives notice of the scheduling of an expedited review pursuant to section 751(c)(3) of the Tariff Act of 1930 (19 U.S.C. 1675(c)(3)) (the Act) to determine whether revocation of the antidumping duty order on pure magnesium from China would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time. For further information concerning the conduct of this review and rules of general application, consult the Commission's Rules of Practice and Procedure, part 201, subparts A through E (19 CFR part 201), and part 207, subparts A, D, E, and F (19 CFR part 207).

DATES: *Effective Date:* September 6, 2011.

FOR FURTHER INFORMATION CONTACT: Cynthia Trainor (202–205–3354), Office of Investigations, U.S. International Trade Commission, 500 E Street, SW., Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting the Commission's TDD terminal on 202–205–1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202–205–2000. General information concerning the Commission may also be obtained by accessing its internet server (*http://www.usitc.gov*). The public record for this review may be viewed on the Commission's electronic docket (EDIS) at *http://www.edis.usitc.gov.*

SUPPLEMENTARY INFORMATION:

Background. On September 6, 2011, the Commission determined that the domestic interested party group response to its notice of institution (76 FR 31635, June 1, 2011) of the subject five-year review was adequate and that the respondent interested party group response was inadequate. The Commission did not find any other circumstances that would warrant conducting a full review.[1] Accordingly, the Commission determined that it would conduct an expedited review pursuant to section 751(c)(3) of the Act.[2]

Staff report. A staff report containing information concerning the subject matter of the review will be placed in the nonpublic record on October 3, 2011, and made available to persons on the Administrative Protective Order service list for this review. A public version will be issued thereafter, pursuant to section 207.62(d)(4) of the Commission's rules.

Written submissions. As provided in section 207.62(d) of the Commission's rules, interested parties that are parties to the review and that have provided individually adequate responses to the notice of institution,[3] and any party other than an interested party to the review may file written comments with the Secretary on what determination the Commission should reach in the review. Comments are due on or before October 6, 2011 and may not contain new factual information. Any person that is neither a party to the five-year review nor an interested party may submit a brief written statement (which shall not contain any new factual information) pertinent to the review by October 6, 2011. However, should the Department of Commerce extend the time limit for its completion of the final results of its review, the deadline for comments (which may not contain new factual information) on Commerce's final results is three business days after the issuance of Commerce's results. If comments contain business proprietary information (BPI), they must conform with the requirements of sections 201.6, 207.3, and 207.7 of the Commission's rules. The Commission's rules do not authorize filing of submissions with the Secretary by facsimile or electronic means, except to the extent permitted by section 201.8 of the Commission's rules, as amended, 67 FR 68036 (November 8, 2002). Even where electronic filing of a document is permitted, certain documents must also be filed in paper form, as specified in II(C) of the Commission's Handbook on Electronic Filing Procedures, 67 FR 68168, 68173 (November 8, 2002).

In accordance with sections 201.16(c) and 207.3 of the rules, each document filed by a party to the review must be served on all other parties to the review (as identified by either the public or BPI service list), and a certificate of service must be timely filed. The Secretary will not accept a document for filing without a certificate of service.

Authority: This review is being conducted under authority of title VII of the Tariff Act of 1930; this notice is published pursuant to section 207.62 of the Commission's rules.

Issued: September 16, 2011.

[1] A record of the Commissioners' votes, the Commission's statement on adequacy, and any individual Commissioner's statements will be available from the Office of the Secretary and at the Commission's web site (*http://www.usitc.gov*).

[2] Commissioner Dean A. Pinkert is not participating in this review.

[3] The Commission has found the responses submitted by US Magnesium LLC, a domestic producer of pure and alloy magnesium, and Tianjin Magnesium International Co., Ltd., an exporter of pure magnesium from China, to be individually adequate. Comments from other interested parties will not be accepted (*see* 19 CFR 207.62(d)(2)).

By order of the Commission.

James R. Holbein,

Secretary to the Commission.

[FR Doc. 2011–25805 Filed 10–5–11; 8:45 am]

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APPENDIX B

STATEMENT ON ADEQUACY

EXPLANATION OF COMMISSION DETERMINATION ON ADEQUACY
in
Pure Magnesium from China
Inv. No. 731-TA-696 (Third Review)

On September 6, 2011, the Commission determined that it should proceed to an expedited review in the subject five-year review pursuant to section 751(c)(3)(B) of the Tariff Act of 1930, as amended, 19 U.S.C. § 1675(c)(3)(B).[1]

The Commission received one response from a U.S. producer of magnesium, US Magnesium LLC ("US Mag"). The Commission determined that the individual response of US Mag was adequate. The Commission also determined that the domestic interested party group response was adequate given that US Mag accounts for a substantial majority of domestic production.

The Commission received a response to the notice of institution from Tianjin Magnesium International Co., Ltd. ("TMI"), an exporter of pure magnesium from China. The Commission determined that TMI's individual response was adequate. The Commission also determined that the respondent interested party group response was inadequate, notwithstanding the individually adequate response of TMI. We note that TMI was not an exporter of subject merchandise to the United States in 2010, and did not, and apparently cannot, provide information on subject producers in China. As we stated when promulgating final rules for the conduct of five-year reviews, "[w]hen interested parties do not show a sufficient willingness to participate in a review and to submit requested information, conducting a full review may not be an efficient exercise of the resources of either the Commission or the parties. That a single domestic interested party or respondent interested party has filed an adequate response to the notice of institution is not *per se* sufficient indication that either pertinent group of interested parties as a whole is interested in a full review. 63 Fed. Reg. 30599, 30603 (June 5, 1998). The Commission also stated that, in assessing respondent group adequacy, the Commission would examine "responding parties' share . . . of subject imports or foreign production or exports to the United States of the subject merchandise . . . for the most recent calendar year." *Id.* Accordingly, the Commission determined to proceed to an expedited review.

A record of the Commissioners' votes is available from the Office of the Secretary and the Commission's web site (http://www.usitc.gov).

[1] Commissioner Pinkert is not participating in this review.

APPENDIX C

DATA FOR PURE AND ALLOY MAGNESIUM

Table C-1
Pure and alloy magnesium: Trade, employment, and financial data, 1992-94, 1998-99, 2000-05, and 2010

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Table C-2
Pure and alloy magnesium: U.S. imports, by sources, 1992-94, 1998-99, and 2000-05

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Table C-3
Pure and alloy magnesium: U.S. imports, by sources, 2006-10

Source	Calendar year				
	2006	2007	2008	2009	2010
	Quantity (*metric tons*)				
Subject:					
China	35	3,500	19,400	5,110	115
Nonsubject:					
Canada	28,138	14,393	2,205	173	30
Israel	10,757	17,188	26,102	16,470	18,558
Russia	13,038	6,105	2,210	307	618
All others	5,786	8,787	7,518	3,860	9,090
Subtotal, nonsubject	57,718	46,473	38,036	20,809	28,295
Total imports	57,753	49,973	57,436	25,919	28,410
	Value[1] (*$1,000*)				
Subject:					
China	109	11,434	107,721	25,919	720
Nonsubject:					
Canada	85,307	50,125	14,526	850	133
Israel	31,316	50,915	100,815	65,250	87,950
Russia	29,616	14,198	8,475	1,340	2,024
All others	20,737	30,917	46,581	25,680	44,709
Subtotal, nonsubject	166,977	146,155	170,398	93,121	134,815
Total imports	167,086	157,589	278,119	119,040	135,535
	Unit value (*dollars per pound*)				
Subject:					
China	$1.40	$1.48	$2.52	$2.30	$2.85
Nonsubject:					
Canada	1.38	1.58	2.99	2.23	2.02
Israel	1.32	1.34	1.75	1.80	2.15
Russia	1.03	1.05	1.74	1.98	1.49
All others	1.63	1.60	2.81	3.02	2.23
Subtotal, nonsubject	1.31	1.45	2.03	2.03	2.16
Total imports	1.31	1.43	2.20	2.08	2.16

Table continued on next page.

Table C-3--*Continued*
Pure and alloy magnesium:[1] U.S. imports, by sources, 2006-10

Source	Calendar Year				
	2006	2007	2008	2009	2010
	Share of quantity (*percent*)				
Subject:					
China	0.1	7.0	33.8	19.7	0.4
Nonsubject:					
Canada	48.7	28.8	3.8	0.7	0.1
Israel	18.6	34.4	45.4	63.5	65.3
Russia	22.6	12.2	3.8	1.2	2.2
All others	10.0	17.6	13.1	14.9	32.0
Subtotal, nonsubject	99.1	93.0	66.2	80.3	99.6
Total imports	100.0	100.0	100.0	100.0	100.0
	Share of value (*percent*)				
Subject:					
China	0.1	7.3	38.7	21.8	0.5
Nonsubject:					
Canada	51.1	31.8	5.2	0.7	0.1
Israel	18.7	32.3	36.2	54.8	64.9
Russia	17.7	9.0	3.0	1.1	1.5
All others	12.4	19.6	16.7	21.6	33.0
Subtotal, nonsubject	99.1	92.7	61.3	78.4	99.5
Total imports	100.0	100.0	100.0	100.0	100.0

Note.--Principal 2010 nonsubject import sources for pure magnesium include Brazil, Canada, Israel, Kazakhstan, and Russia; principal 2010 nonsubject import sources for alloy magnesium include Israel, Taiwan, Mexico, Japan, and the United Kingdom.

[1] Landed, duty-paid.

Source: Compiled from official Commerce statistics (HTS 8104.11.0000 and 8104.19.0000).

Table C-4
Pure and alloy magnesium: U.S. apparent consumption and market shares, 1992-94, 1998-99, 2000-05 and 2010

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