

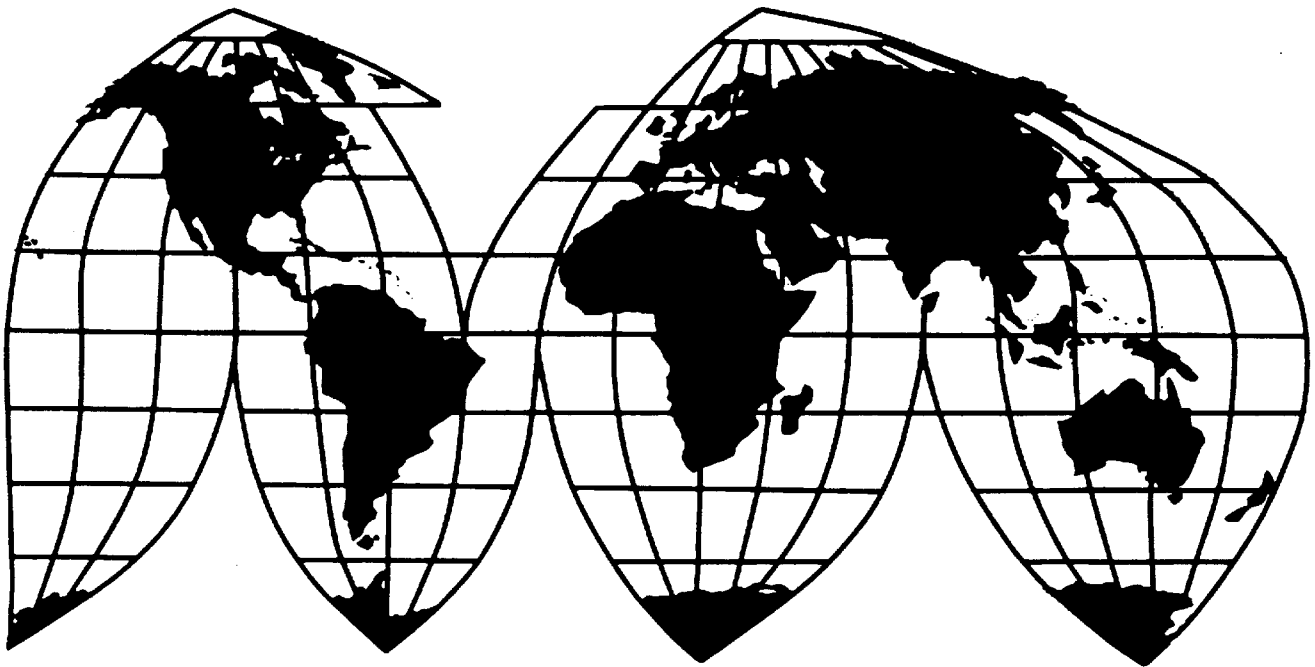
Furfuryl Alcohol From China and Thailand

Investigation Nos. 731-TA-703 and 705 (Second Review)

Publication 3885

September 2006

U.S. International Trade Commission



Washington, DC 20436

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Note.--Information that would reveal confidential operations of individual concerns may not be published and therefore has been identified by the use of *. Final identification of confidential information is in the public version of the staff report.**

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 731-TA-703 and 705 (Second Review)

FURFURYL ALCOHOL FROM CHINA AND THAILAND

DETERMINATIONS

On the basis of the record¹ developed in the subject five-year reviews, 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)) (the Act), that revocation of the antidumping duty orders on furfuryl alcohol from China and Thailand would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

BACKGROUND

The Commission instituted these reviews on April 3, 2006 (71 F.R. 16587) and determined on July 7, 2006 that it would conduct expedited reviews (71 F.R. 41469, July 21, 2006). Notice of the scheduling of the Commission's reviews was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing the notice in the *Federal Register* on July 21, 2006 (71 F.R. 41469).

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

VIEWS OF THE COMMISSION

Based on the record in these five-year reviews, we determine under section 751(c) of the Tariff Act of 1930, as amended (“the Act”), that revocation of the antidumping duty orders on furfuryl alcohol from China and Thailand would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

I. BACKGROUND

On June 14, 1995, the Commission found that an industry in the United States was materially injured by reason of imports of furfuryl alcohol sold at less than fair value from China.¹ On July 18, 1995, the Commission found that an industry in the United States was materially injured by reason of LTFV imports of furfuryl alcohol from Thailand.² Commerce published the antidumping duty order on imports from China on June 21, 1995,³ and published the antidumping duty order on imports from Thailand on July 25, 1995.⁴

On May 1, 2000, the Commission instituted the first reviews with respect to these orders.⁵ On August 3, 2000, the Commission determined that it should proceed to full reviews of the antidumping duty orders on furfuryl alcohol from China and Thailand.⁶ In so doing, the Commission determined that the domestic and respondent interested group responses were adequate in both reviews. On April 18, 2001, the Commission determined that revocation of the antidumping duty orders on furfuryl alcohol from China and Thailand would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.⁷

The Commission’s first five-year review determinations were appealed to the Court of International Trade (“CIT”) by Indorama Chemicals, Ltd. (“Indorama”), the sole subject producer in Thailand, and several Chinese subject producers. On February 4, 2003, the CIT affirmed the Commission’s review determinations.⁸ Specifically, the CIT affirmed the Commission’s cumulation, likely volume, likely price, and likely impact determinations.

The Commission instituted the present reviews on April 3, 2006. The Commission received one submission filed on behalf of Penn Chemicals, Ltd. (“Penn”), the sole domestic producer of furfuryl alcohol. The Commission did not receive a response to its notice of institution from any respondent interested party in the reviews concerning the orders on subject imports from China and Thailand. On July 7, 2006, the Commission determined that the domestic interested party response was adequate in

¹ Furfuryl Alcohol from the People’s Republic of China and South Africa, Inv. Nos. 731-TA-703 and 704 (Final), USITC Pub. 2897 (June 1995)(“USITC Pub. 2897”). The Commission also found material injury with respect to imports from South Africa, and Commerce subsequently issued an antidumping duty order on imports from South Africa in 1995. However, the order was revoked in 1999. First Review Confidential Staff Report at I-2 n.5.

² Furfuryl Alcohol from Thailand, Inv. No. 731-TA-705 (Final), USITC Pub. 2909 (July 1995)(“USITC Pub. 2909”).

³ 60 Fed. Reg. 32302 (June 21, 1995).

⁴ 60 Fed. Reg. 38035 (July 25, 1995).

⁵ 65 Fed. Reg. 25363 (May 1, 2000).

⁶ 65 Fed. Reg. 50003 (Aug. 16, 2000).

⁷ Furfuryl Alcohol from China and Thailand, Inv. Nos. 731-TA- 703 and 705 (Review), USITC Pub. 3412 (Apr. 2001)(“USITC Pub. 3412”) at 4.

⁸ Indorama Chemicals (Thailand) Ltd., v. United States International Trade Commission, 26 C.I.T. 1059 (CIT 2003).

each of these reviews, and that the respondent interested party response was inadequate in each of these reviews. It determined that it would conduct expedited reviews pursuant to section 751(c)(3) of the Tariff Act of 1930, as amended.^{9 10 11}

II. DOMESTIC LIKE PRODUCT AND INDUSTRY

A. Domestic Like Product

In making its determination under section 751(c), the Commission defines the “domestic like product” and the “industry.”¹² The Act defines the “domestic like product” as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this subtitle.”¹³ The Commission’s practice in five-year reviews is to look to the like product definition from the original determination and any previous reviews and consider whether the record indicates any reason to revisit that definition.¹⁴

Commerce defined the subject merchandise in these reviews as:

Furfuryl alcohol (C₄H₃OCH₂OH), which is a primary alcohol, and is colorless or pale yellow in appearance. It is used in the manufacture of resins and as a wetting agent and solvent for coating resins, nitrocellulose, cellulose acetate, and other soluble dyes.¹⁵

Furfuryl alcohol is a colorless to light-yellow, mobile liquid, which becomes brown to dark red upon exposure to light and air. Furfuryl alcohol is primarily used in the production of furan resins.¹⁶ Furfuryl alcohol is also used as a solvent in paint strippers and biocides, and as a component in the production of tetrahydrofurfuryl alcohol (“THFA”), flavor and fragrance chemicals, and pharmaceutical and pesticide products.¹⁷

In the original investigations and first five-year reviews, the Commission defined a single like product, furfuryl alcohol.¹⁸ The domestic producer raises no arguments with respect to the Commission’s

⁹ 19 U.S.C. § 1675(c)(3).

¹⁰ Commissioner Lane dissenting. Commissioner Lane voted for a full review with respect to both orders.

¹¹ See Explanation of Determination on Adequacy, Confidential Staff Report (“CR”) and Public Staff Report (“PR”) at Appendix B.

¹² 19 U.S.C. § 1677(4)(A).

¹³ 19 U.S.C. § 1677(10). See Nippon Steel Corp. v. United States, 19 CIT 450, 455 (1995); Timken Co. v. United States, 913 F. Supp. 580, 584 (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 Stainless Steel Sheet and Strip from France, Germany, Italy, Japan, Korea, Mexico, Taiwan and the United Kingdom, Inv. Nos. 701-TA-380-382 and 731-TA-797-804 (Review), USITC Pub. 3788 (July 2005) at 6; 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 (Feb. 2003) at 4.

¹⁵ 71 Fed. Reg. 35412 (June 20, 2006).

¹⁶ CR at I-11, PR at I-9. Furan resins are generally used as binders in the production of sand cores for casting metal and non-metal products. Furan resins are also used as binders in plastic and foam products, mortar and cements, and paper products. USITC Pub. 3412 at 4 n.14.

¹⁷ CR at I-11, PR at 9.

¹⁸ USITC Pub. 2897 at I-7.

prior definition of like product.¹⁹ There is no new information obtained during these second reviews that would suggest any reason for revisiting the Commission’s like product definition in the original investigations and the first five-year reviews.²⁰ We, therefore, again define the domestic like product as furfuryl alcohol, coextensive with Commerce’s scope.

B. Domestic Industry

Section 771(4)(A) of the Act defines the relevant domestic industry as the “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.”²¹

In the original investigations, the Commission defined the domestic industry as QO Chemicals, generally known as Great Lakes, an integrated producer of furfuryl alcohol.²² Although the Commission found Advanced Resin Systems, Inc. (“ARS”), a ***, to be a domestic producer of furfuryl alcohol, it excluded ARS from the domestic industry as a related party.²³ In the first five-year reviews, the Commission defined the domestic industry to include Penn Chemicals and Ferro Industries (“Ferro”), *** of the domestic like product, as well as Great Lakes, which had sold its production facilities to Penn in 1999.²⁴

During the second period of review, Penn was the sole producer of furfuryl alcohol.²⁵ Given our definition of the domestic like product, we define the domestic industry as the sole domestic producer of furfuryl alcohol.

III. CUMULATION

A. Overview

Section 752(a) of the Act provides that:

the Commission may cumulatively assess the volume and effect of imports of the subject merchandise from all countries with respect to which reviews under section 1675(b) or (c) of this title were initiated on the same day, if such imports would be likely to compete with each other and with domestic like products in the United States market. The Commission shall not cumulatively assess the volume and effects of imports of the

¹⁹ Penn’s Response to Notice of Institution (“Penn’s Response”) at 4.

²⁰ See CR at I-10 to I-15, PR at I-7 to I-10.

²¹ 19 U.S.C. § 1677(4)(A). 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, provided that adequate production-related activity is conducted in the United States. See United States Steel Group v. United States, 873 F. Supp. 673, 682-83 (Ct. Int’l Trade 1994), aff’d, 96 F.3d 1352 (Fed. Cir. 1996).

²² USITC Pub. 2879 at 9.

²³ USITC Pub. 2897 at I-7-I-9.

²⁴ CR at I-10, I-15-I-16, PR at I-11-12.

²⁵ Penn ***. CR at I-16, PR at I-12. While *** during the first period of review, there is no information in the record to suggest that any firm other than Penn produced or *** furfuryl alcohol during the current review period.

subject merchandise in a case in which it determines that such imports are likely to have no discernible adverse impact on the domestic industry.²⁶

Thus, cumulation is discretionary in five-year reviews. The Commission may exercise its discretion to cumulate only if the reviews are initiated on the same day and the Commission determines that the subject imports are likely to compete with each other and the domestic like product in the U.S. market. The statute precludes cumulation if the Commission finds that subject imports from a country are likely to have no discernible adverse impact on the domestic industry.²⁷ We note that neither the statute nor the Uruguay Round Agreements Act (“URAA”) Statement of Administrative Action (“SAA”) provides specific guidance on what factors the Commission is to consider in determining that imports “are likely to have no discernible adverse impact” on the domestic industry.²⁸ With respect to this provision, the Commission generally considers the likely volume of the subject imports and the likely impact of those imports on the domestic industry within a reasonably foreseeable time if the orders are revoked.²⁹

The Commission generally has considered four factors intended to provide a framework for determining whether the imports compete with each other and with the domestic like product.³⁰ Only a “reasonable overlap” of competition is required.³¹ In five-year reviews, the relevant inquiry is whether there likely would be competition even if none currently exists because the subject imports are absent from the U.S. market.³² Moreover, because of the prospective nature of five-year reviews, we have

²⁶ 19 U.S.C. § 1675a(a)(7).

²⁷ 19 U.S.C. § 1675a(a)(7).

²⁸ SAA, H.R. Rep. No. 103-316, vol. I (1994).

²⁹ For a discussion of the analytical framework of Commissioners Hillman and Koplan regarding the application of the “no discernible adverse impact” provision, see Malleable Cast Iron Pipe Fittings from Brazil, Japan, Korea, Taiwan, and Thailand, Inv. Nos. 731-TA-278-280 (Review) and 731-TA-347-348 (Review) USITC Pub. 3274 (Feb. 2000). For a further discussion of Commissioner Koplan’s analytical framework, see Iron Metal Construction Castings from India; Heavy Iron Construction Castings from Brazil; and Iron Construction Castings from Brazil, Canada, and China, Inv. Nos. 303-TA-13 (Review); 701-TA-249 (Review); and 731-TA-262, 263, and 265 (Review) USITC Pub. 3247 (Oct. 1999) (Views of Commissioner Stephen Koplan Regarding Cumulation).

³⁰ The four factors generally considered by the Commission in assessing whether imports compete with each other and with the domestic like product are: (1) the degree of fungibility between the imports from different countries and between imports and the domestic like product, including consideration of specific customer requirements and other quality related questions; (2) the presence of sales or offers to sell in the same geographical markets of imports from different countries and the domestic like product; (3) the existence of common or similar channels of distribution for imports from different countries and the domestic like product; and (4) whether the imports are simultaneously present in the market. See, e.g., Wieland Werke, AG v. United States, 718 F. Supp. 50 (Ct. Int’l Trade 1989).

³¹ See Mukand Ltd. v. United States, 937 F. Supp. 910, 916 (Ct. Int’l Trade 1996); Wieland Werke, AG, 718 F. Supp. at 52 (“Completely overlapping markets are not required.”); United States Steel Group v. United States, 873 F. Supp. 673, 685 (Ct. Int’l Trade 1994), aff’d, 96 F.3d 1352 (Fed. Cir. 1996). We note, however, that there have been investigations where the Commission has found an insufficient overlap in competition and has declined to cumulate subject imports. See, e.g., Live Cattle from Canada and Mexico, Inv. Nos. 701-TA-386 (Preliminary) and 731-TA-812-813 (Preliminary), USITC Pub. 3155 at 15 (Feb. 1999), aff’d sub nom. Ranchers-Cattlemen Action Legal Foundation v. United States, 74 F. Supp.2d 1353 (Ct. Int’l Trade 1999); Static Random Access Memory Semiconductors from the Republic of Korea and Taiwan, Inv. Nos. 731-TA-761-762 (Final), USITC Pub. 3098 at 13-15 (Apr. 1998).

³² See, e.g., Torrington Co. v. United States, 790 F. Supp. at 1172 (affirming Commission’s determination not to cumulate for purposes of threat analysis when pricing and volume trends among subject countries were not uniform and import penetration was extremely low for most of the subject countries); Metallverken Nederland B.V. v. United

(continued...)

examined not only the Commission's traditional competition factors, but also other significant conditions of competition that are likely to prevail if the orders under review are terminated. The Commission has considered factors in addition to its traditional competition factors in other contexts where cumulation is discretionary.³³

In the current five-year reviews, the statutory requirement for cumulation that all reviews be initiated on the same day is satisfied, as both reviews were initiated on April 3, 2006.³⁴

B. Likelihood of No Discernible Adverse Impact

No respondent interested party in these second five-year reviews responded to the Commission's notice of institution. The record therefore contains limited information with respect to the furfuryl industry in China and Thailand. Accordingly, we rely upon available information when appropriate, which consists primarily of information from the original investigations, and the first five-year reviews, information submitted in these second reviews by the domestic producer, and information collected in these second five-year reviews.^{35 36}

1. China

During the original period of investigation, subject imports from China increased *** from *** pounds in 1992 to *** pounds in 1994.³⁷ Immediately following imposition of the order, subject imports from China left the U.S. market. In the first five-year review determinations, the Commission found that there had been no subject imports from China in the U.S. market from 1995 through 2000.³⁸ According to

³² (...continued)

States, 728 F. Supp. 730, 741-42 (Ct. Int'l Trade 1989); Asociacion Colombiana de Exportadores de Flores v. United States, 704 F. Supp. 1068, 1072 (Ct. Int'l Trade 1988).

³³ See, e.g., Torrington Co. v. United States, 790 F. Supp. at 1172 (affirming Commission's determination not to cumulate for purposes of threat analysis when pricing and volume trends among subject countries were not uniform and import penetration was extremely low for most of the subject countries); Metallwerken Nederland B.V. v. United States, 728 F. Supp. 730, 741-42 (CIT 1989); Asociacion Colombiana de Exportadores de Flores v. United States, 704 F. Supp. 1068, 1072 (CIT 1988).

³⁴ 71 Fed. Reg. 16551 (April 3, 2006).

³⁵ 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 other person withholds information requested by the agency, fails to provide such information in the time, form, or manner requested, significantly impedes a proceeding, or provides information that cannot be verified pursuant to 19 U.S.C. § 1677m(i).

³⁶ Commissioner 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. 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 and the interpretations urged by participating parties, the Commission is obligated to consider all evidence relating to each of the statutory factors and may not draw adverse inferences that render such analysis superfluous. "In general, the Commission makes determinations by weighing all of the available evidence regarding a multiplicity of factors relating to the domestic industry as a whole and by drawing reasonable inferences from the evidence it finds most persuasive." SAA at 869.

³⁷ CR/PR at Table I-4.

³⁸ USITC Pub. 3412 at 16.

the limited information gathered in this expedited review, subject imports from China continue to be absent from the U.S. market.³⁹

The record indicates that Chinese subject producers substantially increased their capacity between the original investigation and the first five-year review.⁴⁰ In the original investigation, the sole responding Chinese subject producer, who represented *** percent of Chinese furfuryl alcohol production reported its production capacity to be *** pounds in 1994.⁴¹ In the first review, five producers, representing up to *** percent of total Chinese production capacity, responded to the Commission's questionnaires.⁴² The five responding producers reported that their production capacity for furfuryl alcohol was *** pounds in 2000.⁴³

The record in these reviews indicates that Chinese capacity continues to be substantial, especially in light of the significant increase in Chinese export volume during the second review period.⁴⁴ During the original period of investigation and the first period of review, Chinese subject producers exported *** of their production to third-country markets.⁴⁵ The record in this second review reveals that Chinese subject producers *** their export markets. According to the *Global Trade Atlas* data, Chinese subject producers exported 82.5 million pounds in 2000, 91.7 million pounds in 2001, 90.9 million pounds in 2002, 96.4 million pounds in 2003, 116.6 million pounds in 2004, and 166.3 million pounds in 2005 of the subject product to third-country markets.⁴⁶

In addition to being export-oriented, Chinese producers would have incentives to redirect exports from other markets to the United States if the order was lifted. In the first reviews, the Commission found that prices for furfuryl alcohol are generally higher in the United States than in other markets, and the U.S. market is a large, stable market for furfuryl alcohol.⁴⁷ Moreover, the United States would be a more attractive market than the European Union in the absence of the order, because the European Union has imposed an antidumping duty order on furfuryl alcohol imports from China.

In light of the prevailing conditions of competition in the U.S. market, including the fungible nature of the product, and the importance of price (discussed below in conditions of competition), we do not find that subject imports from China, with their history of increases in volume and underselling of the domestic like product (as noted below), along with evidence of substantial capacity and export orientation, are likely to have no discernible adverse impact on the domestic industry if the order were revoked.

³⁹ While *Global Trade Atlas* data indicates that there were some exports from China falling under HTS subheading 2932.13.00 during this second period of review, this subheading covers THFA as well as furfuryl alcohol. However, the record indicates that the reported exports from China are THFA, not the subject product. As the staff report notes, in *Tetrahydrofurfuryl Alcohol from China*, Inv. No. 731-TA-1046 (Final), USITC Pub. 3709 (July 2004), the Commission found imports from China from 2001 to 2003 entering the U.S. market under this subheading to be THFA, not furfuryl alcohol. Moreover, Penn reports that there were no subject imports from China between 2003 to 2005. CR at I-21.

⁴⁰ CR/PR at Table I-7.

⁴¹ CR/PR at Table I-7.

⁴² CR/PR at Table I-7.

⁴³ CR/PR at Table I-7. Additionally, while no Chinese producers have participated in these second reviews, Penn alleged that capacity in China now exceeds 800 million pounds. Penn's Response at 6 n. 16.

⁴⁴ CR/PR at Table I-8.

⁴⁵ CR/PR at Table I-7.

⁴⁶ CR/PR at Table I-8. We recognize that some of these Chinese exports may include nonsubject THFA, but note that this is the best information available and that the overall export volumes, which may include subject product, are substantial.

⁴⁷ USITC 3412 at 17.

2. Thailand

During the original period of investigation, subject imports from Thailand increased from *** pounds in 1992 to *** pounds in 1994.⁴⁸ Immediately following the imposition of the order, imports ceased.⁴⁹ However, in 1998, subject imports from Thailand reentered the U.S. market.⁵⁰ By 2000, subject imports from Thailand totaled 4.0 million pounds, which was higher than the highest level achieved during the original investigation.⁵¹ Subject imports from Thailand to the United States totaled 1.6 million pounds in 2001, 2.6 million pounds in 2002, and 1.9 million pounds in 2003.⁵² Subject imports from Thailand to the United States increased to 4.4 million pounds in 2004, but declined to 2.7 million pounds in 2005.⁵³

As was true in both the original investigation and the first five-year review, Indorama is the sole producer of furfuryl alcohol in Thailand.⁵⁴ During the first review, Indorama's production capacity increased from *** pounds in 1996 to *** pounds in 2000.⁵⁵ According to domestic producer Penn, Indorama's capacity increased *** during the second period of review to at least 35.0 million pounds.⁵⁶

In addition to having substantial production capacity, the Thai producer is export-oriented. In both the original investigation and the first review, more than *** of Indorama's shipments of furfuryl alcohol were exported to third-country markets.⁵⁷ In this second review, data on Thai shipments exported to third-country markets were not reported. However, according to *Global Trade Atlas* data, Thai exports to third-country markets in 2005 were somewhat *** than the final export levels reported by the Thai subject producer in the first review.⁵⁸ In 2005, Thai exports to third-country markets totaled 26.5 million pounds, down from 29.3 million pounds in 2000.⁵⁹ Although the Thai producer already exports significant quantities of the subject product to the U.S. market, the Thai producer would also have incentives to redirect exports from other markets to the United States if the order was lifted. As the Commission found in the first five-year reviews, prices for furfuryl alcohol were generally higher in the United States than in other markets, and the U.S. market was the largest single market for furfuryl alcohol.⁶⁰

Therefore, despite the recent slight decline in Thailand's overall exports but in light of the prevailing conditions of competition in the U.S. market, including the fungible nature of the product, and the importance of price in purchasing decisions (discussed in the conditions of competition), we do not find that subject imports from Thailand, with their history of increases in volume and underselling, are likely to have no discernible adverse impact if the order was revoked.

⁴⁸ CR/PR at Table I-4.

⁴⁹ CR/PR at Table I-4.

⁵⁰ CR/PR at Table I-4.

⁵¹ CR/PR at Table I-5.

⁵² CR/PR at Table I-5. We note that the imports reported for the 2000-2005 period may include THFA. CR at I-9, I-21 & n. 59, PR at I-7, I-13, and n. 59.

⁵³ CR/PR at Table I-5.

⁵⁴ CR/PR at Table I-10.

⁵⁵ CR/PR at Table I-10.

⁵⁶ Penn's Response at 6 n.16.

⁵⁷ CR/PR at Table I-10.

⁵⁸ CR/PR at Tables I-10 and I-11.

⁵⁹ CR/PR at Table I-11.

⁶⁰ USITC Pub. 3412 at 17.

C. Likelihood of a Reasonable Overlap of Competition

With respect to the likelihood of a reasonable overlap of competition, we note that the relevant inquiry is whether there would likely be competition even if there are no current imports from a subject country.⁶¹ Further, only a “reasonable overlap” of competition is required.⁶² We next analyze the four factors the Commission typically examines in determining whether there would likely to be an overlap of competition.

In the original investigations, the Commission found that there was a reasonable overlap of competition and cumulated imports from the subject countries for purposes of its analysis of material injury by reason of subject imports. In so doing, the Commission found that furfuryl alcohol was a fungible product despite some reported quality differences among the subject imports and between the subject imports and the domestic like product. The Commission also determined that both the domestic like product and subject imports competed directly for sales in the same geographic markets and that the domestic and imported products were sold through similar channels of distribution since sales were made mostly to end users. Finally, the Commission concluded that subject imports from China and Thailand were present in the U.S. market throughout the period of investigation.⁶³

In the first reviews, the Commission found that there likely would be a reasonable overlap of competition if the orders were revoked. Specifically, the Commission found that furfuryl alcohol was a fungible product despite some non-price differences. It further found that subject imports and the domestic like product would likely be sold in the same channels of distribution, *i.e.*, to end-users, if the orders were revoked.⁶⁴ It noted that while Penn *** percent of its product, Penn indicated that ***.⁶⁵ With respect to simultaneous presence and sales or offers in the same geographic markets, the Commission determined that these factors were likely to be satisfied if the orders were lifted given that these factors were found to be satisfied in the original investigations.⁶⁶

1. Analysis

Fungibility. The record in these reviews indicates that the domestic product and subject imports are fungible products. In the original investigations, most purchasers reported that there were no significant differences between the domestic like product and the imported product.⁶⁷ The domestic producers and the majority of importers also agreed that the quality differences among domestically produced furfuryl alcohol and imports from both countries were not significant.⁶⁸ Similarly, in the first five-year reviews, both producers and importers overwhelmingly found furfuryl alcohol from China and Thailand to be interchangeable with the domestic like product and with each other, although importers identified some non-price differences between the domestic like product and subject imports.⁶⁹ In these

⁶¹ See generally Cheflene Corp. v. United States, 219 F. Supp.2d 1313, 1314 (Ct. Int’l Trade 2002).

⁶² See Mukand Ltd. v. United States, 937 F. Supp. 910, 917 (Ct. Int’l Trade 1996).

⁶³ USITC Pub. 2897 at I-12-I-15.

⁶⁴ USITC Pub. 3412 at 11.

⁶⁵ Confidential Version of the First Review Determination at 11.

⁶⁶ USITC Pub. 3412 at 12.

⁶⁷ CR at I-12 and I-13, PR at I-10.

⁶⁸ CR at I-13, PR at I-10.

⁶⁹ USITC Pub. 3412 at 10-11.

second five-year reviews, the domestic producer reports that furfuryl alcohol remains a fungible commodity product.⁷⁰

Channels of Distribution. Domestically-produced furfuryl alcohol is transferred ***, sold directly to end users or distributors, or ***.⁷¹ In the original investigations and first five-year reviews, subject imports from Thailand were typically sold to end users.⁷² Although subject imports from China have been absent from the U.S. market since the imposition of the orders, during the original investigation, subject imports from China were sold to end users and distributors.⁷³ On this basis, we conclude that if the orders were revoked, subject imports from China and Thailand would be likely to be sold directly to end users and distributors.

***,⁷⁴ we do not find this difference significant enough to prevent us from concluding that there would likely to be a reasonable overlap of competition. Moreover, we note that in a five-year review, the focus is on likely behavior following revocation of the orders. These circumstances are very similar to those in the first review when the Commission found this factor would be satisfied.⁷⁵ We consequently conclude that both the domestic like product and subject imports are likely to compete directly for sales to end users and distributors within the foreseeable future if the orders were revoked.

Same Geographic Markets and Simultaneous Presence in Market. Although subject imports from China have not been absent from the U.S. market since the orders were imposed, in the original investigations, the Commission found that subject imports from both countries were simultaneously present and generally competed with the domestic product nationwide. Consequently, we find that subject imports from China and Thailand would be likely to be sold in the same geographic markets and would be likely to be simultaneously present if the orders were revoked.

Based on a balancing of these factors, we find that there would likely be a reasonable overlap of competition between the subject imports and the domestic like product, and among the subject imports themselves, if the orders are revoked.

We do not find any likely differences in the conditions of competition relevant to the subject merchandise that would warrant our declining to exercise our discretion to cumulate. Accordingly, we exercise our discretion to cumulate the subject imports from China and Thailand.

⁷⁰ Penn's Response at 13.

⁷¹ CR at I-13, PR at I-10.

⁷² USITC Pub. 2897 at I-14; First Five-Year Staff Report (Confidential Version) at II-1.

⁷³ USITC Pub. 3412 at 11.

⁷⁴ CR/PR at Table I-3 n. 2.

⁷⁵ USITC Pub. 3412 at 11.

IV. LIKELIHOOD OF CONTINUATION OR RECURRENCE OF MATERIAL INJURY IF THE ANTIDUMPING DUTY ORDERS ARE REVOKED

A. Legal Standard in a Five-Year Review

In a five-year review conducted under section 751(c) of the Act, Commerce will revoke an antidumping duty order unless: (1) it makes a determination that dumping or subsidization is likely to continue or recur, and (2) the Commission makes a determination that revocation of the antidumping duty order “would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.”⁷⁶ The SAA states that “under the likelihood standard, the Commission will engage in a counter-factual analysis; it must decide the likely impact in the reasonably foreseeable future of an important change in the status quo – the revocation or termination of a proceeding and the elimination of its restraining effects on volumes and prices of imports.”⁷⁷ Thus, the likelihood standard is prospective in nature.⁷⁸ 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.⁷⁹

⁸⁰ ⁸¹

The statute 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.”⁸² According to

⁷⁶ 19 U.S.C. § 1675a(a).

⁷⁷ SAA, H.R. Rep. No. 103-316, vol. I, at 883-84 (1994). The SAA states that “[t]he likelihood of injury standard applies regardless of the nature of the Commission’s original determination (material injury, threat of material injury, or material retardation of an industry). Likewise, the standard applies to suspended investigations that were never completed.” SAA at 883.

⁷⁸ 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.

⁷⁹ 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 without opinion, 05-1019 (Fed. Cir. August 3, 2005); Nippon Steel Corp. v. United States, Slip Op. 02-153 at 7-8 (Ct. Int’l Trade Dec. 24, 2002) (same); Usinor Industeel, S.A. v. United States, Slip Op. 02-152 at 4 n.3 & 5-6 n.6 (Ct. Int’l Trade Dec. 20, 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, Slip Op. 02-70 at 43-44 (Ct. Int’l Trade July 19, 2002) (“‘likely’ is tantamount to ‘probable,’ not merely ‘possible’”).

⁸⁰ For a complete statement of Commissioner 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, Inv. Nos. 701-TA-362 (Review) and 731-TA-707-710 (Review) (Remand), USITC Pub. 3754 (Feb. 2005).

⁸¹ 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) at 15-17, 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 this review and all subsequent reviews until either Congress clarifies the meaning or the U.S. Court of Appeals for the Federal Circuit addresses the issue.

⁸² 19 U.S.C. § 1675a(a)(5).

the SAA, a “‘reasonably foreseeable time’ will vary from case-to-case, but normally will exceed the ‘imminent’ timeframe applicable in a threat of injury analysis in original investigations.”^{83 84}

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 merchandise on the industry if the orders are revoked or the suspended investigation is terminated.”⁸⁵ 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).⁸⁶

B. Conditions of Competition and the 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.”⁸⁷ The following conditions of competition are relevant to our determination.

As noted above, furfuryl alcohol is a fungible commodity product, and is generally considered readily interchangeable regardless of the country of origin. Furfuryl alcohol is used primarily as a monomer in the production of furan resins and as an intermediate in the production of other specialty products.⁸⁸ There are no substitutes for furfuryl alcohol in the production of furan resins.⁸⁹

⁸³ 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.*

⁸⁴ In analyzing what constitutes a reasonably foreseeable time, Commissioner Koplan examines all the current and likely conditions of competition in the relevant industry. He defines “reasonably foreseeable time” as the length of time it is likely to take for the market to adjust to a revocation or termination. In making this assessment, he considers all factors that may accelerate or delay the market adjustment process including any lags in response by foreign producers, importers, consumers, domestic producers, or others due to: lead times; methods of contracting; the need to establish channels of distribution; product differentiation; and any other factors that may only manifest themselves in the longer term. In other words, this analysis seeks to define “reasonably foreseeable time” by reference to current and likely conditions of competition, but also seeks to avoid unwarranted speculation that may occur in predicting events into the more distant future.

⁸⁵ 19 U.S.C. § 1675a(a)(1).

⁸⁶ 19 U.S.C. § 1675a(a)(1). There have been no duty absorption findings by Commerce with respect to the orders under review. CR at I-6. The statute further provides that the presence or absence of any factor that the Commission is required to consider shall not necessarily give decisive guidance with respect to the Commission’s determination. 19 U.S.C. § 1675a(a)(5). While the Commission must consider all factors, no one factor is necessarily dispositive. SAA at 886.

⁸⁷ 19 U.S.C. § 1675a(a)(4).

⁸⁸ CR at I-11, PR at I-9, First Five-Year Staff Report (Confidential Version) at I-10.

⁸⁹ CR at I-11, PR at I-9, First Five-Year Staff Report (Confidential Version) at I-10.

At the time of the first five-year reviews, there were relatively few purchasers of furfuryl alcohol worldwide.⁹⁰ In the first-five year reviews, the Commission found that global supply outpaced already stagnant demand, in part due to increases in Chinese production capacity.⁹¹ It also found that, as a result of the overall increase in the supply and stagnant demand, prices declined worldwide.⁹² However, U.S. prices declined at a slower pace due to an increase in apparent U.S. consumption.⁹³ In these second reviews, the domestic producer reports that the demand in the world market remains flat and that there is a severe global oversupply of furfuryl alcohol.⁹⁴

Apparent U.S. consumption declined from *** pounds in 1994 to *** pounds in 1996.⁹⁵ Apparent U.S. consumption then increased from *** pounds in 1996 to *** million pounds in 2000.⁹⁶ In 2005, apparent U.S. consumption was at its reported highest level, *** pounds.⁹⁷

Although apparent U.S. consumption increased overall since the original investigations, the domestic industry's market share has not followed the same trend. The domestic industry's market share increased from *** percent in 1994 to *** percent in 1996, as a result of the subject imports leaving the U.S. market following imposition of the orders.⁹⁸ However, since 1996, the domestic industry's market share decreased steadily (except for an increase in 2000) while nonsubject imports and subject imports from Thailand increased.⁹⁹ In 2005, the domestic industry held only a *** percent share of the U.S. market.¹⁰⁰ In contrast, nonsubject imports' share of the market increased from *** percent in 1996 to *** percent in 1999. However, nonsubject imports' market share declined to *** percent in 2000.¹⁰¹ In 2005, nonsubject imports' market share reached a high of *** percent.¹⁰² While subject imports from China have not been in the U.S. market since imposition of the orders, subject imports from Thailand re-entered the U.S. market in 1998.¹⁰³ From 1998 to 2000, the U.S. market share of subject imports from Thailand increased from *** to *** percent, at the expense of both the domestic industry and nonsubject imports.¹⁰⁴ In 2005, the market share of subject imports from Thailand declined to *** percent.¹⁰⁵

The domestic industry has undergone significant restructuring since the original investigations. During the original investigations, Great Lakes, an integrated producer, was the sole domestic producer, ***.¹⁰⁶ In 1998, Great Lakes exited the market and in 1999, it sold its furfuryl alcohol production

⁹⁰ USITC Pub. 3412 at 17.

⁹¹ USITC Pub. 3412 at 17.

⁹² USITC Pub. 3412 at 17.

⁹³ USITC Pub. 3412 at 17.

⁹⁴ Penn's Response at 4.

⁹⁵ CR/PR at Table I-6.

⁹⁶ CR/PR at Table I-6.

⁹⁷ CR/PR at Table I-6.

⁹⁸ CR/PR at Table I-6.

⁹⁹ CR/PR at Table I-6.

¹⁰⁰ CR/PR at Table I-6.

¹⁰¹ CR/PR at Table I-6.

¹⁰² CR/PR at Table I-6.

¹⁰³ CR/PR at Table I-6.

¹⁰⁴ CR/PR at Table I-6.

¹⁰⁵ CR/PR at Table I-6.

¹⁰⁶ First Review Determination (Confidential Version) at 17.

facilities and derivatives business to Penn.¹⁰⁷ Penn subsequently shut down one of the two furfuryl alcohol plants it acquired from Great Lakes and ***.¹⁰⁸ From 1996 to 1999, in addition to Great Lakes and Penn, there was one other domestic producer, Ferro, ***.¹⁰⁹ Ferro left the market in 1999 due to what it stated was the ***.¹¹⁰ Ferro's exit from the market and Penn's closure of a production facility led to *** declines in domestic production capacity.¹¹¹ U.S. production capacity for furfuryl alcohol declined from *** pounds in 1998 to *** pounds in 2000.¹¹²

Since the departure of Ferro from the industry, Penn has been the sole domestic producer of furfuryl alcohol.¹¹³ In 2001, Penn entered bankruptcy proceedings but emerged from bankruptcy in 2003.¹¹⁴ As was the case during the first of review, ***.¹¹⁵

In the first five-year reviews, the U.S. market was the single largest market in the world for furfuryl alcohol.¹¹⁶ The U.S. market has traditionally been dominated by a handful of purchasers.¹¹⁷ In the first five-year reviews, the Commission found, as a result of the large volume purchased by this concentrated group of purchasers, that a price differential of as little as one cent per pound could be a deciding factor in purchasing decisions.¹¹⁸ Moreover, the record in the first reviews indicated that the smaller purchasers also viewed price as an important purchasing factor.¹¹⁹ In these second reviews, the U.S. market continues to be dominated by three purchasers, and the domestic producer states that purchasers in the concentrated U.S. market still make purchasing decisions on the basis of price.¹²⁰

C. Likely Volume of Subject Imports

In evaluating the likely volume of imports of subject merchandise if the antidumping duty orders 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.¹²¹ 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,

¹⁰⁷ First Review Determination (Confidential Version) at 17-18.

¹⁰⁸ First Review Determination (Confidential Version) at 18.

¹⁰⁹ First Review Determination (Confidential Version) at 18.

¹¹⁰ First Review Determination (Confidential Version) at 18.

¹¹¹ First Review Determination (Confidential Version) at 18.

¹¹² CR/PR at Table I-3.

¹¹³ CR at I-15, PR at I-11.

¹¹⁴ CR at I-19, PR at I-12.

¹¹⁵ CR at I-16, I-20, PR at I-12, I-13.

¹¹⁶ USITC Pub. 3412 at 17.

¹¹⁷ USITC Pub. 3412 at 17.

¹¹⁸ USITC Pub. 3412 at 17.

¹¹⁹ USITC Pub. 3412 at 17.

¹²⁰ Penn's Response at 4.

¹²¹ 19 U.S.C. § 1675a(a)(2).

which can be used to produce the subject merchandise, are currently being used to produce other products.¹²²

In the original determinations, the volume and market share of cumulated subject imports increased substantially throughout the period of investigation. Specifically, subject imports increased from *** pounds in 1992 to *** million pounds in 1994.¹²³ Subject imports' market share increased from *** percent in 1992 to *** percent in 1994.¹²⁴

In the first five-year reviews, the Commission observed that immediately following imposition of the orders, subject imports left the market. It also indicated that while the Thai product re-entered the market during the review period, subject imports on a cumulated basis remained at levels substantially below the levels attained during the original investigation.¹²⁵

Due to the lack of response from subject foreign producers, there is limited information in this record concerning current levels of production capacity in the subject countries. In the first five-year reviews, the Commission received production data from Indorama, the sole Thai subject producer, and five Chinese subject producers, representing *** percent of China's furfuryl alcohol production.¹²⁶ The combined capacity of these producers totaled up to *** pounds in 2000,¹²⁷ which is approximately *** U.S. apparent consumption and close to *** U.S. production for the same year.¹²⁸ According to the domestic producer, subject producers' production capacity has increased, due in large measure to increases in Chinese capacity.¹²⁹

While current capacity data for subject producers is limited, data on the record show that subject producers continue to export substantial quantities of furfuryl alcohol. Available *Global Trade Atlas* data show that Chinese exports of the subject product to third-country markets increased from 82.5 million pounds in 2000 to 166.3 million pounds in 2005, indicating that the Chinese industry continues to produce and export substantial quantities of furfuryl alcohol.¹³⁰ The *Global Trade Atlas* data also show that during the period examined in these second reviews, Thailand continues to export large volumes of the subject product. Thai exports of subject furfuryl alcohol to third-country markets ranged from a high of 29.3 million pounds in 2000 to a low of 26.1 million pounds in 2004.¹³¹ At the same time, while Thai subject imports into the United States fluctuated, they also remained sizeable. Thai subject imports into the United States were 4.0 million pounds in 2000, 1.6 million pounds in 2001, 2.6 million pounds in 2002, 1.9 million pounds in 2003, 4.4 million pounds in 2004, and 2.7 million pounds in 2005.^{132 133} Thus, the Thai subject producer continues to produce and export substantial quantities of subject merchandise and continues to rely on the U.S. market for shipment volume even under the discipline of the orders.

¹²² 19 U.S.C. § 1675a(a)(2)(A-D).

¹²³ CR/PR at Table I-6.

¹²⁴ CR/PR at Table I-6.

¹²⁵ USITC Pub. 3412 at 16.

¹²⁶ CR at I-30, I-32, PR at I-18.

¹²⁷ CR/PR Tables I-7, I-10.

¹²⁸ Compare CR/PR Tables I-3, I-7, I-10.

¹²⁹ CR at I-30, I-32, PR at I-18.

¹³⁰ CR/PR at Table I-8.

¹³¹ CR/PR at Table I-11.

¹³² The Commission notes that these data may include some exports of THFA. However, these data represent the best information available in these reviews.

¹³³ CR/PR at Table I-5.

In addition to being export-oriented, subject producers would have incentives to redirect exports from other markets to the United States in absence of the orders. As noted in the conditions of competition section above, the record indicates that worldwide demand is stagnant and that there is a global oversupply of furfuryl alcohol. As such, the United States would be an attractive market for subject imports absent the orders. U.S. demand for furfuryl alcohol increased since the first reviews, and, as the Commission found in the first reviews, prices for furfuryl alcohol tend to be higher in the U.S. market than in other markets. Moreover, the United States would be a more attractive market than the European Union in the absence of the orders, as the EU imposed antidumping duty orders on furfuryl alcohol imports from China in 2003.¹³⁴

In sum, the subject producers' export orientation, their substantial exports, the rapid increase in subject imports to the United States in the original investigations, as well as such producers' apparent substantial capacity and stagnant demand in other markets, indicate that they are likely to increase exports to the United States significantly upon revocation of the antidumping duty orders. Accordingly, we conclude that the likely volume of the subject merchandise, both in absolute terms and relative to consumption and production in the United States, would be significant, absent the restraining effect of the orders.

D. Likely Price Effects of Subject Imports

In evaluating the likely price effects of subject imports if the orders under review are revoked, the Commission is directed to consider whether there is likely to be significant underselling by the subject imports as compared 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.¹³⁵

In the original determinations, the Commission found that subject imports and the domestic product were fungible, price was an important factor in purchasing decisions, and that, for major purchasers that buy large volumes annually, a difference of as little as one cent per pound could affect their purchasing decisions. It observed that lost revenues and lost sales confirmed that purchasers shifted from the domestic product to subject imports on the basis of price. It also noted that while the data were mixed regarding the underselling of the subject product, they did provide evidence that subject imports had adverse price effects on the domestic industry. The Commission further found that declines in the unit value of subject imports outpaced declines in unit value for the domestic product. Thus, given the importance of price to purchasers, the decline in prices for the domestic product and subject imports, and the evidence of underselling by subject imports, the Commission determined that the price of cumulated imports had a significant depressing or suppressing effect on the price of the domestic like product.¹³⁶

In the first reviews, the Commission found that a number of factors made adverse price effects likely. It noted that subject imports and the domestic product were fungible and that price was an important factor in purchasing decisions. According to the Commission, in light of the stagnant demand for furfuryl alcohol worldwide, subject producers had considerable incentive to aggressively price their product in order to recapture market share. Thus, in light of the Thai product's underselling the domestic like product during the first period of review,¹³⁷ and the adverse price effects observed during the original

¹³⁴ Penn's Response at 5, CR at I-29, PR at I-17.

¹³⁵ 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.

¹³⁶ USITC Pub. 2897 at I-18-I-20.

¹³⁷ In the first reviews, there was evidence of consistent underselling by subject imports from Thailand (8 out of 9 (continued...))

investigations, the Commission concluded that if the orders were revoked, cumulated subject imports would likely have significant price depressing or suppressing effects on the domestic like product.¹³⁸

There were no current pricing data reported in these expedited reviews. We note that Penn reported that World Trade Atlas data for January-March 2006 indicates that the f.o.b. price of Thai exports was reported to be \$0.54, a price *** Penn's 2005 price of \$*** per pound.¹³⁹

Based on this record, we find it likely that, absent the antidumping duty orders, competitive conditions would return to those prevailing prior to the imposition of the orders. As explained in the section discussing likely volume, there is an incentive for subject foreign producers to ship to the U.S. market since they would be able to sell at a higher price in the U.S. market relative to third-country markets, even as they undersold the U.S. product to increase sales. In light of the importance of price in the market, the substitutability of domestic and subject product, the negative price effects of low-priced imports in the original investigations, the underselling by subject imports during the original investigations, and the incentive to obtain market share in the relatively high-priced, large, and stable U.S. market, we find that cumulated subject imports will likely have adverse effects on domestic prices. We determine that, if the orders were revoked, significant volumes of cumulated subject imports would be likely to significantly undersell the domestic like product to gain market share and would be likely to have significant depressing or suppressing effects on the prices of the domestic like product within a reasonably foreseeable time.

E. Likely Impact of Subject Imports

In evaluating the likely impact of imports of subject merchandise if the antidumping duty orders 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: (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.¹⁴⁰ 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.¹⁴¹ As instructed by the statute, we

¹³⁷ (...continued)

comparisons). During the first reviews, domestic prices increased during the initial year of the period examined. However, prices declined thereafter, reaching the low level experienced at the end of the original investigations. CR at I-14, PR at I-11.

¹³⁸ USITC Pub. 3412 at 17-18.

¹³⁹ Penn's Response at 14. Penn also maintained that the prices of Chinese furfuryl alcohol *** during the period of review were well below domestic prices. Penn's Response at 14.

¹⁴⁰ 19 U.S.C. § 1675a(a)(4).

¹⁴¹ 19 U.S.C. § 1675a(a)(4). Section 752(a)(6) of the 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. Commerce expedited its determination in its second five year review of furfuryl alcohol from China and found that revocation of the antidumping duty orders would be likely to lead to continuation or recurrence of dumping at the following margins: *China* - - Qingdao Chemicals & Medicines & Health Products Import & Export Company, 50.43 percent; Sinochem Shandong Import and Export Company, 43.54 percent; and PRC-Wide Rate, 45.27 percent. 71 Fed. Reg. 35412 (June 20, 2006). Commerce determined to conduct a full review with respect to Thailand and will issue its final results of its review no later than February 27, 2007. Commerce found the following sunset margin in

(continued...)

have considered the extent to which any improvement in the state of the domestic industry is related to the orders at issue and whether the industry is vulnerable to material injury if the orders are revoked.¹⁴²

In the original determinations, the Commission found that the increasing volume of subject imports, and the significant market share accounted for by those imports, depressed prices to a significant degree leading to the domestic industry's loss of market share, reduced capacity utilization rates, and financial losses.¹⁴³

In the first five-year reviews, the Commission found that subject imports from China and Thailand would have a significant adverse impact on the domestic industry if the orders were revoked. Although it noted that while the domestic industry's commercial shipments declined in terms of quantity and value, the domestic industry's operating margins remained ***. As such, the Commission concluded that a domestic industry was not currently in a weakened condition. However, the Commission found that the volume and price effects of the cumulated subject imports likely would cause the domestic industry to lose market share, with a significant adverse impact on the domestic industry's production, shipments, sales, and revenue levels. It noted that this likely reduction in the industry's production, sales, and revenue levels would have a direct adverse impact on the industry's profitability as well as its ability to raise capital investments. In addition, the Commission found that revocation of the orders likely would result in employment declines.¹⁴⁴

In these second reviews, the domestic producer argues that the domestic industry is currently vulnerable given its ***. We note that the record indicates that domestic production, which had decreased *** during the first review, fell further, to *** pounds in 2005.¹⁴⁵ The quantity of the domestic industry's commercial shipments declined from 2000 to 2005 although the value of the domestic shipments increased *** during the same period.¹⁴⁶ However, there is no information in the record pertaining to many of the financial and trade indicators, such as operating income, capacity, capacity utilization rates, and employment levels, that we generally consider in assessing whether the domestic industry is in a weakened condition as contemplated by the statute. Therefore, given the absence of industry performance data, we do not find that the industry is currently vulnerable.¹⁴⁷

We find that if the orders were revoked, subject imports would be likely to re-enter the U.S. market in large quantities at the expense of the domestic industry. As discussed above, revocation of the antidumping duty orders likely would lead to significant increases in the volume of cumulated subject imports at prices that would likely undersell the domestic like product and significantly suppress or depress U.S. prices. In addition, the likely volume and price effects of the cumulated subject imports likely would cause the domestic industry to lose market share, with a significant adverse impact on the

¹⁴¹ (...continued)

its full first five-year review of the antidumping duty orders on subject imports from Thailand: Indorama Chemicals Ltd., and all others, 7.82 percent. 65 Fed. Reg. 53701 (Sept. 5, 2000).

¹⁴² 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.

¹⁴³ USITC Pub. 2897 at I-17-I-20.

¹⁴⁴ USITC Pub. 3412 at 19.

¹⁴⁵ CR/PR at Table 1-3.

¹⁴⁶ CR/PR at Table 1-3.

¹⁴⁷ While the information on the record is limited, Commissioner Hillman finds Penn, the sole remaining domestic producer of furfuryl alcohol, to be vulnerable. Penn entered bankruptcy proceedings in 2001. ***. Penn's Response at 11. Given such *** and considering the decrease in domestic production of furfuryl alcohol during the review period, Commissioner Hillman finds the domestic industry to be vulnerable.

domestic industry's production, shipments, sales, and revenue levels. This reduction in the industry's production, shipments, sales, and revenue levels would have a direct adverse impact on the industry's profitability as well as its ability to raise capital and make and maintain necessary capital investments. In addition, we find it likely that revocation of the orders will result in commensurate employment declines for the domestic industry.

Accordingly, based on the limited record in these reviews, we conclude that, if the antidumping duty orders are revoked, subject imports from China and Thailand would be likely to have a significant adverse impact on the domestic industry within a reasonably foreseeable time.

CONCLUSION

For the foregoing reasons, we determine that revocation of the antidumping duty orders on furfuryl alcohol from China and Thailand would be likely to lead to continuation or recurrence of material injury to the domestic industry within a reasonably foreseeable time.

INFORMATION OBTAINED IN THE SECOND REVIEWS

INTRODUCTION

On April 3, 2006, 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 reviews to determine whether revocation of the antidumping duty orders on furfuryl alcohol from China and Thailand would be likely to lead to a continuation or recurrence of material injury within a reasonably foreseeable time.^{2 3} On July 7, 2006, the Commission determined that the domestic interested party response to its notice of institution was adequate;⁴ the Commission also determined that the respondent interested party response was inadequate.⁵ The Commission found no other circumstances that would warrant conducting full reviews.⁶ Accordingly, the Commission determined that it would conduct expedited reviews pursuant to section 751(c)(3) of the Act.^{7 8} The Commission voted on these reviews on September 6, 2006, and notified Commerce of its determinations on September 15, 2006. Selected information relating to the schedule of these current five-year reviews is presented on the following page:⁹

The Original Investigations and the First Five-Year Reviews

On May 31, 1994, a petition was filed with Commerce and the Commission alleging that an industry in the United States was materially injured and threatened with further material injury by reason of less-than-fair-value (“LTFV”) imports of furfuryl alcohol from China, South Africa, and Thailand.¹⁰ On May 8, 1995, Commerce made final affirmative LTFV determinations (amended July 25, 1995, for Thailand) regarding furfuryl alcohol from China, South Africa, and Thailand.¹¹ The Commission

¹ 19 U.S.C. 1675(c).

² 71 FR 16587, April 3, 2006. 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 five-year reviews of the subject antidumping duty orders concurrently with the Commission’s notice of institution. 71 FR 16551, April 3, 2006.

⁴ Domestic producer Penn Specialty Chemicals, Inc. (“Penn”) submitted the only response to the Commission’s notice of institution for the subject reviews. Penn is represented by the law firm of Pillsbury Winthrop Shaw Pittman LLP. Penn indicated in its response that it accounted for 100 percent of U.S. furfuryl alcohol production in 2005. *Response of Penn*, May 23, 2006, p. 2.

⁵ The Commission did not receive any responses to its notice of institution from respondent interested parties. However, on April 24, 2006, an entry of appearance was submitted by Kalik Lewin on behalf of Indorama Chemicals (Thailand) Ltd. (“Indorama”), a foreign producer and exporter of the subject merchandise in Thailand.

⁶ The Commission’s statement on adequacy is presented in app. B.

⁷ 19 U.S.C. § 1675(c)(3).

⁸ 71 FR 41469, July 21, 2006. Commissioner Charlotte R. Lane dissented, concluding that circumstances warranted full reviews. The Commission’s notice of scheduling of expedited reviews appears in app. A.

⁹ Cited *Federal Register* notices beginning with the Commission’s institution of second five-year reviews are presented in app. A.

¹⁰ The petition was filed by counsel on behalf of Quaker Oats Chemicals, Inc. (“QO Chemicals”), West Lafayette, IN. *Staff Report*, May 25, 1995 (INV-S-072), p. II-3.

¹¹ 60 FR 22544 (China), 22550 (South Africa), and 22557 (Thailand), May 8, 1995. Amended results were presented in 60 FR 38035 (Thailand), July 25, 1995.

Effective date	Action	Federal Register citation
April 3, 2006	Commission's institution of second five-year reviews	71 FR 16587 April 3, 2006
April 3, 2006	Commerce's initiation of second five-year reviews	71 FR 16551 April 3, 2006
July 7, 2006	Commission's determinations to conduct expedited second five-year reviews and scheduling of expedited reviews	71 FR 41469 July 21, 2006
June 20, 2006 February 27, 2007	Commerce's final results of expedited second five-year review (China) Commerce's final results due for full second five-year review (Thailand)	71 FR 35412 June 20, 2006 71 FR 40067 July 14, 2006
September 6, 2006	Date of the Commission's vote	Not applicable
September 15, 2006	Commission's determinations transmitted to Commerce	Not applicable

completed its original investigations concerning furfuryl alcohol from China and South Africa on June 14, 1995,¹² and it completed its investigation concerning Thailand on July 18, 1995,¹³ determining that an industry in the United States was materially injured by reason of LTFV imports of furfuryl alcohol from China, South Africa,¹⁴ and Thailand.¹⁵ After receipt of the Commission's final determinations, Commerce issued antidumping duty orders on imports of furfuryl alcohol from China, South Africa, and Thailand.¹⁶

Commerce conducted three successive annual administrative reviews in which it found no dumping with respect to the antidumping duty order on furfuryl alcohol from South Africa. The first review was completed on November 14, 1997, and covered a review period of December 16, 1994 to May 31, 1996.¹⁷ The second review was completed on June 4, 1998, and covered a review period of June 1, 1996 to May 31, 1997.¹⁸ The third review was completed on July 12, 1999, and covered a review period of June 1, 1997 to May 31, 1998.¹⁹ Accordingly, the antidumping duty order on furfuryl alcohol was revoked on July 12, 1999.²⁰

On May 1, 2000, the Commission instituted the first five-year reviews of the antidumping duty orders on imports of furfuryl alcohol from China and Thailand and, on August 3, 2000, the Commission

¹² 60 FR 32339, June 15, 1995.

¹³ 60 FR 38366, July 21, 1995.

¹⁴ 60 FR 32339, June 15, 1995; *Furfuryl Alcohol From the People's Republic of China and South Africa: Investigations Nos. 731-TA-703 and 704 (Final)*, USITC Publication 2897 ("Investigation Published Report I"), June 1995, p. I-5.

¹⁵ 60 FR 38366, July 21, 1995; *Furfuryl Alcohol From Thailand: Investigations Nos. 731-TA-705 (Final)*, USITC Publication 2909, July 1995 ("Investigation Published Report II"), p. I-3.

¹⁶ 60 FR 32302, June 21, 1995 (China and South Africa); 60 FR 38035, July 25, 1995 (Thailand).

¹⁷ 62 FR 61084, November 14, 1997.

¹⁸ 63 FR 30473, June 4, 1998.

¹⁹ 64 FR 37500, July 12, 1999.

²⁰ *Ibid.*

determined that it should proceed to full reviews.²¹ On September 5, 2000, Commerce found that revocation of the antidumping duty orders on furfuryl alcohol from China and Thailand would likely lead to continuation or recurrence of dumping.²² In April 2001, the Commission determined that revocation of the antidumping duty orders on furfuryl alcohol from China and Thailand would be likely to lead to continuation or recurrence of material injury to the domestic industry within a reasonably foreseeable time.²³ Subsequently, Commerce issued a continuation of the antidumping duty orders on furfuryl alcohol from China and Thailand.²⁴ The Commission's review determination on Thailand was appealed. The CIT affirmed the Commission's determination in *Indorama Chemicals (Thailand) Ltd., v. USITC* in 2003.²⁵

Commerce's Original Determinations and Subsequent Review Determinations

Commerce has completed three administrative reviews of sales of furfuryl alcohol from South Africa and two administrative reviews of sales of furfuryl alcohol from Thailand. Since the issuance of the antidumping duty order on furfuryl alcohol from China, Commerce has not conducted an administrative review of sales of furfuryl alcohol from China. Additionally, Commerce has not conducted any changed-circumstances reviews or duty-absorption inquiries of the three orders and there have been no scope rulings on the subject merchandise covered by the orders. The orders remain in effect for all manufacturers, producers, and exporters of furfuryl alcohol from China and Thailand. Information on Commerce's final determinations, antidumping duty orders, and administrative and five-year review determinations is presented in table I-1.

Commerce's Final Results of Expedited Second Five-Year Reviews

On May 23, 2006, Commerce notified the Commission that it did not receive an adequate response to its notice of initiation from the respondent interested parties with respect to furfuryl alcohol from China and that it would conduct an expedited review of the order.²⁶ Commerce published the final results of its review based on the facts available on June 20, 2006.²⁷ In its final results, Commerce found

²¹ 65 FR 25363, May 1, 2000 and 65 FR 50003, August 16, 2000. In response to its notice of institution in the first review of the orders published on May 1, 2000, the Commission received adequate responses from Harborchem, a domestic producer of furfuryl alcohol, and Penn, the successor firm to the original petitioner, QO Chemicals. These two firms accounted for all domestic production at that time. The Commission also received adequate responses from Indorama, the sole producer of the subject merchandise in Thailand, and from eight producers of the subject merchandise in China that accounted for "a substantial percentage of Chinese production of the subject imports." The Commission determined that both the domestic interested party group response and the respondent interested party group responses were adequate. Accordingly, on August 3, 2000, the Commission determined that it should proceed to full reviews on the outstanding orders of furfuryl alcohol from China and Thailand. 65 FR 50003, August 16, 2000.

²² 65 FR 53701, September 5, 2000.

²³ 66 FR 21015, April 26, 2001.

²⁴ 66 FR 22519, May 4, 2001.

²⁵ 26 CIT 1059, February 4, 2003.

²⁶ *Letter from Susan Kuhbach, Director, Office I, AD/CVD Operations, Import Administration, U.S. Department of Commerce* ("Letter from Susan Kuhbach"), February 23, 2006.

²⁷ 71 FR 35412, June 20, 2006.

Table I-1

Furfuryl alcohol: Commerce's final determinations, antidumping duty orders, administrative review determinations, and five-year review determinations

Action	Date of action	Federal Register citation	Period of review	Antidumping duty margins	
				Firm-specific	Country-wide
				Percent ad valorem	
China					
Final determination	5/8/1995	60 FR 22544	12/1/1993-5/31/1994	43.54 ¹ 50.43 ²	45.27
Antidumping duty order	6/21/1995	60 FR 32302	--	43.54 ¹ 50.43 ²	45.27
Final results of expedited first five-year review	9/5/2000	65 FR 53701	--	43.54 ¹ 50.43 ²	45.27
Continuation of order	5/4/2001	66 FR 22519	--	--	--
Final results of expedited second five-year review	6/20/2006	71 FR 35412	--	43.54 ¹ 50.43 ²	45.27
South Africa					
Final determination	5/8/1995	60 FR 22550	12/1/1993-5/31/1994	15.48 ³	15.48
Antidumping duty order	6/21/1995	60 FR 32302	--	15.48 ³	15.48
Administrative review	11/14/1997	62 FR 61084	12/16/1994 - 5/31/1996	0.00 ³	--
Administrative review	6/4/1998	63 FR 30473	6/1/1996 - 5/31/1997	0.00 ³	--
Administrative review	7/12/1999	64 FR 37500	6/1/1997 - 5/31/1998	0.00 ³	--
Revocation of order	7/12/1999	64 FR 37500	--	--	--
Thailand					
Final determination	5/8/1995	60 FR 22557	12/1/1993-5/31/1994	5.94 ⁴	5.94
Final determination (amended)	7/25/1995	60 FR 38035	12/1/1993-5/31/1994	7.82 ⁴	7.82
Antidumping duty order	7/25/1995	60 FR 38035	--	7.82 ⁴	7.82
Final results of expedited first five-year review	9/5/2000	65 FR 53701	--	7.82 ⁴	7.82
Continuation of order	5/4/2001	66 FR 22519	--	--	--
Administrative review	12/12/2002	67 FR 76380	7/1/2000-6/30/2001	0.43 ⁴	--
Administrative review	11/25/2005	70 FR 71085	7/1/2003-6/30/2004	0.00 ⁴	--
Final results of full second five-year review expected	Expected 2/27/2007	71 FR 40067 July 14, 2006	--	--	--
¹ Sinochem Shandong Import and Export Co ("Sinochem"). ² Qingdao Chemicals & Medicines & Health Products Import & Export Co. ³ Illovo Sugar Limited. ⁴ Indorama. The cash deposit rate for any manufacturers or exporters in Thailand not covered in the administrative review or in any previous reviews is 7.82 percent <i>ad valorem</i> .					
Source: Cited <i>Federal Register</i> notices.					

that revocation of the antidumping duty order on furfuryl alcohol from China would likely lead to continuation or recurrence of dumping at margins determined in its original final determination (see table I-1).

On May 23, 2006, Commerce notified the Commission that it did receive an adequate response to its notice of initiation from the respondent interested parties with respect to furfuryl alcohol from Thailand and that it would conduct a full review of the order.²⁸ Commerce will issue the final results of its review no later than February 27, 2007.²⁹

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

Qualified U.S. producers of furfuryl alcohol are eligible to receive disbursements from U.S. Customs and Border Protection (“Customs”) under the Continued Dumping and Subsidy Offset Act of 2000 (“CDSOA”), also known as the Byrd Amendment.³⁰ One U.S. producer (Penn, the successor firm to QO Chemicals, the original petitioner) received such funds in 2003 and 2004 only. No other CDSOA claims and disbursements were made with respect to furfuryl alcohol after 2004.³¹ There were no funds available for disbursement in fiscal year 2006. Table I-2 presents CDSOA claims and disbursements for Federal fiscal years 2003-04.

THE PRODUCT

Scope

The imported product subject to the antidumping duty orders on furfuryl alcohol from China and Thailand has been defined by Commerce as follows:

Furfuryl alcohol (C₄H₃OCH₂OH), which is a primary alcohol, and is colorless or pale yellow in appearance. It is used in the manufacture of resins and as a wetting agent and solvent for coating resins, nitrocellulose, cellulose acetate, and other soluble dyes.³²

U.S. Tariff Treatment

The merchandise under review is classifiable under Harmonized Tariff Schedule of the United States (“HTS”) subheading 2932.13.00, which contains both furfuryl alcohol and tetrahydrofurfuryl alcohol (“THFA”). Goods entering the United States that are products of China under HTS subheading 2932.13.00 are dutiable at a column 1-general rate of 3.7 percent *ad valorem*. Goods entering the United States that are products of Thailand are eligible for duty-free column 1-special tariff treatment under the Generalized System of Preferences (“GSP”).

²⁸ Letter from Susan Kuhbach.

²⁹ 71 FR 40067, July 14, 2006.

³⁰ 19 CFR 159.64(g).

³¹ Customs’ *CDSOA Annual Reports 2001-06*, http://www.cbp.gov/xp/cgov/import/add_cvd/cont_dump/, retrieved on July 20, 2006.

³² 65 FR 53701, September 5, 2000 and 71 FR 35412, June 20, 2006.

Table I-2

Furfuryl alcohol: CDSOA claims and disbursements, Federal fiscal year 2001-2006¹

Year	Order	Claimant	Share of yearly allocation	Certification amount ²	Amount disbursed
			Percent	Dollars	
2003	A-570-835 (China)	--	--	0.00	0.00
	A-549-812 (Thailand)	Penn Specialty Chemicals	100.00	3,560,040.00	85,915.88
2004	A-570-835 (China)	--	--	0.00	0.00
	A-549-812 (Thailand)	Penn Specialty Chemicals	100.00	4,768,795.12	47,442.39

¹ The Federal fiscal year is October 1-September 30. Disbursements for furfuryl alcohol were made in 2003 and 2004.

² Qualifying expenditures incurred by domestic producers since the issuance of an order.

Source: Customs' *CDSOA Annual Reports 2001-06*, http://www.cbp.gov/xp/cgov/import/add_cvd/cont_dump/, retrieved on July 20, 2006.

Domestic Like Product and Domestic Industry

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. 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. The Commission's decision regarding the appropriate domestic products that are "like" the subject imported products is based on a number of factors, including (1) physical characteristics and uses; (2) common manufacturing facilities and production employees; (3) interchangeability; (4) customer and producer perceptions; (5) channels of distribution; and, where appropriate, (6) price.

In its original investigations, the Commission determined that there was a single domestic like product consisting of all furfuryl alcohol, coextensive with Commerce's scope.³³ It also found the relevant domestic industry to consist of QO Chemicals, Inc. ("QO"), and excluded the only other domestic producer of the like product, Advanced Resin Systems, Inc. ("ARS"), Houston, TX, as a related party, because it imported furfuryl alcohol from China.³⁴ In its full first five-year review determinations, the Commission noted that the parties raised no new domestic like product arguments. The Commission also noted that it found no new information in the record of the first five-year reviews that would suggest that a different domestic like product definition was appropriate. Therefore, the Commission defined the domestic like product as all furfuryl alcohol.³⁵ The Commission defined a single domestic industry

³³ Investigation Published Report I, p. I-7; Investigation Published Report II, p. I-5.

³⁴ Investigation Published Report I, pp. I-7-9; Investigation Published Report II, p. I-5.

³⁵ *Furfuryl Alcohol From China and Thailand, Investigations Nos. 731-TA-703 and 705 (Review)*, USITC Publication 3412, April 2001 ("Review Published Report"), p. 5.

consisting of Great Lakes Chemical Corp. (“Great Lakes”), the predecessor firm to Penn; Ferro Industries (“Ferro”), Walton Hills, OH; and Penn.³⁶

Current domestic producer Penn did not indicate in its response to the Commission’s notice of institution in these five-year reviews on furfuryl alcohol from China and Thailand whether it agrees with the Commission’s first review definitions of the domestic like product and domestic industry.

Physical Characteristics and Uses

Furfuryl alcohol, also known as furyl carbinol, 2-hydroxymethylfuran, and 2-furanmethanol, is a colorless to light-yellow liquid which, upon exposure to light and air, becomes brown to dark red. The chemical has an assigned Chemical Abstracts Service registry number of CAS 98-00-0. Chemically, the properties of furfuryl alcohol are typical of those of all alcohols. Furfuryl alcohol can be chemically combined with organic acids to form esters, dehydrated or reacted with certain other organic chemicals to form ethers, or oxidized (i.e., combined with oxygen) to form an aldehyde or acid.³⁷

The principal use of furfuryl alcohol in the form of a monomer³⁸ is in the production of furan resins, which, in turn, are used mainly as binders in the production of sand cores for the ferrous and non-ferrous foundry industries (casting metal and non-metal products). According to the report from the original investigations and the report from the first reviews, furan resins account for more than 90 percent of the annual domestic consumption of furfuryl alcohol.³⁹ Although there are alternatives to furan resin as a binding agent, there are no known substitutes for furfuryl alcohol in the production of furan resin. In addition to the production of furan resins, furfuryl alcohol is used as a component in copolymer resins, THFA production, fiber-reinforced plastics, low fire hazard foams, and corrosion-resistant cements; as an intermediate chemical in the production of flavor and fragrance chemicals, pharmaceutical, and pesticide products; and as a specialty solvent in paint strippers and biocides.⁴⁰

Manufacturing Process

Furfuryl alcohol is produced by the addition of hydrogen to a precursor chemical, furfural, using a suitable catalyst. Furfural, the basic raw material for furfuryl alcohol and other chemical production,⁴¹ is produced by combining agricultural byproducts such as corncobs, sugarcane bagasse, and other biomass, with an acid. Two commercial methods of producing furfuryl alcohol are currently in use, a vapor-based process and a liquid-based process. In the vapor-based process, used by manufacturers other than in China, the furfural feedstock is vaporized, mixed with hydrogen gas, and passed through a copper catalyst to produce crude furfuryl alcohol vapor, which is then condensed and distilled to yield the desired level of purity. In the older liquid-based method, used by producers in China, liquid furfural is mixed

³⁶ Ibid, pp. 6-7.

³⁷ *Staff Report*, May 25, 1995 (INV-S-072) (“Confidential Investigation Report”), p. II-4.

³⁸ A monomer is the smallest repeating molecular unit comprising the long chain of a polymeric chemical. For example, styrene is the monomer for polystyrene and vinyl chloride is the monomer for polyvinyl chloride.

³⁹ *Staff Report*, March 23, 2001 (INV-Y-054) (“Confidential Review Report”), p. I-10; and Confidential Investigation Report, p. II-7. Actual figures were not available, and the information is from market participants.

⁴⁰ Ibid.

⁴¹ Furfural is also the precursor chemical to furan and tetrahydrofuran (“THF”), which are used to make polymers products such as “Spandex.”

with a powdered catalyst, and hydrogen gas is bubbled through the mixture yielding crude furfuryl alcohol, which also must be distilled into the desired level of purity.⁴²

The vapor-based process generally is considered more cost efficient because it consumes less energy and feedstock per pound of product and results in a higher grade of crude material, reducing distillation needs. Plant and equipment are specific to furfuryl alcohol production and are not readily transformed to alternative use. Employment is often shared with downstream or upstream products, but employment is a relatively minor cost factor in the industry.⁴³

Interchangeability and Customer and Producer Perceptions

Imported furfuryl alcohol from the subject countries generally is considered to be interchangeable with domestically produced furfuryl alcohol. During the first five-year reviews, purchasers did not report changing suppliers frequently, and reported that there were no types or grades of furfuryl alcohol that were available from only one source or country. The degree of substitution between the domestic furfuryl alcohol and the subject imported furfuryl alcohol was reported to be moderate to high. During the original investigations, most purchasers reported that there were no significant differences between the furfuryl alcohol that they bought from various suppliers. The domestic producers and the majority of importers also agreed that the quality differences among furfuryl alcohol from the United States, China, South Africa, and Thailand were not significant.⁴⁴

In its response to the Commission's notice of institution in these current five-year reviews, Penn indicated that furfuryl alcohol from the United States, China, and Thailand remains fungible.⁴⁵

Channels of Distribution

The U.S. producer has concentrated channels of distribution in *** since 2000. However, for the broader U.S. market, furfuryl alcohol usually is sold directly from the U.S. producer (open market sales) and U.S. importers to end users throughout the United States; smaller quantities are sold through chemical distributors.⁴⁶ During the first five-year reviews, approximately *** percent of all furfuryl alcohol sold in the United States was purchased by three large purchasers: Ashland, Borden, and Delta. Ashland reported that ***. Borden and Delta reported ***. In the original investigations, Ashland, Borden, and Delta accounted for approximately *** percent of total furfuryl purchases in the United States in 1994.⁴⁷ Ashland continues to produce foundry resins in 2006.⁴⁸ Borden and Delta merged their foundry businesses into a new firm, HA International, LLC, in May 2001. The firm continues to offer resins for bonding sand, resin coated sand for the shell process, and refractory coatings.⁴⁹

⁴² Confidential Review Report, p. I-11.

⁴³ Ibid.

⁴⁴ Confidential Review Report, pp. II-11-12; Confidential Investigation Report, p. II-55.

⁴⁵ *Response of Penn*, p. 4.

⁴⁶ However, *** of the production in the United States is consumed internally in the production of THFA.

⁴⁷ Confidential Review Report, pp. I-12 and II-2; Confidential Investigation Report, p. II-19.

⁴⁸ <http://www.ashchem.com/ascc/compoly/furfuryl.asp>, accessed on August 8, 2006.

⁴⁹ http://www.findarticles.com/p/articles/mi_hb3100/is_200105/ai_n7771863, accessed on August 8, 2006; <http://www.cisa.org/members/HAIInternational.htm>, accessed on August 8, 2006.

Pricing

Furfuryl alcohol is sold by weight and is generally recognized as comprising only one type; however, there can be various levels of impurities, color, and “cloud point.” It is sold chiefly on a contract basis, with the exception of a somewhat limited amount of spot sales. By the first five-year reviews in 2000, *** of the U.S. production of furfuryl alcohol was transferred to customers under toll agreements to ***.

During the original investigations, there was a pattern of declining prices for furfuryl alcohol during the period examined (1992-94). There was mixed evidence of underselling by imports of the subject product from all three subject countries. For imports from China, in *** of the *** instances where price comparisons were possible, the Chinese product was priced *** the domestic product by an average of *** percent. In the remaining *** instances, the Chinese product was priced *** the comparable U.S. product by an average of *** percent. For imports from Thailand, in *** of *** instances where price comparisons were possible, the Thai product was priced *** the domestic product by an average of *** percent and in *** instances the Thai product was priced *** the domestic product by an average of *** percent. In the remaining *** instances, the Thai product was priced *** the comparable U.S. product by less than *** percent.⁵⁰

During the first five-year reviews, the period examined (1998-2000) revealed prices that had increased during the initial year but declined subsequently to reach the low experienced at the end of the original investigation period. There was evidence of underselling by imports from Thailand. The Thai furfuryl alcohol undersold U.S. product in *** out of *** quarters for which pricing data were available. Margins of underselling ranged from *** percent in the second quarter of 1999 to *** percent in the fourth quarter of 2000. There were no imports of the subject product from China.⁵¹

According to the domestic interested party in these current five-year reviews, price quotes for furfuryl alcohol from China (for delivery to ***) ranged between \$0.43 and \$0.44 per pound, which is *** below Penn’s 2005 price of \$*** per pound and an average import price of \$0.50 per pound f.o.b. According to Penn, statistics for importation during the first quarter of 2006 for furfuryl alcohol from Thailand (combined with THFA) indicated an f.o.b. price of \$0.54 per pound, also *** below Penn’s price for furfuryl alcohol.⁵²

THE INDUSTRY IN THE UNITED STATES

U.S. Producers

Since 1992 (the beginning of the period examined in the original investigations), only one plant in Memphis, TN has produced furfuryl alcohol continuously in the United States. It is currently owned by Penn. Another plant in Omaha, NE was already idle in June 1999 when both plants were purchased by Penn from “QO,” a subsidiary of the Great Lakes Chemical Corp. (“Great Lakes”), which was otherwise known as “QO Chemicals” in reference to the two plants’ ownership by the Quaker Oats Co. prior to 1985. Penn shut down the Omaha plant in December 1999 and ***. ***. Another firm, ARS, produced furfuryl alcohol in Houston, TX, *** from June 1990 through November 1992. The reasons for its

⁵⁰ Confidential Investigation Report, pp. II-58 and 61.

⁵¹ Confidential Review Report, pp. V-6-8.

⁵² Response of Penn, p. 14.

demise were complex, including ***. A fourth U.S. plant, owned and operated by Ferro Corp. (“Ferro”) in Walton Hills, OH, was refitted to produce furfuryl alcohol for ***, *** from *** and was then idled.⁵³

Significant restructuring of the U.S. industry took place since the time of the original investigation, when Great Lakes, an integrated producer, was the sole domestic producer, selling *** its product to end users. Since that time, Penn bought the facilities of Great Lakes and sold one of the plants, leading to a *** decline in capacity and ***.

Penn is a worldwide producer of specialty chemical products, including furfural, THF, and THFA. In 2000, the ***. *** the remaining production was internally consumed in the manufacture of THFA.⁵⁴ In 2005, the situation ***.⁵⁵

U.S. Producers’ Trade, Employment, and Financial Data

Data reported by U.S. producers of furfuryl alcohol in the Commission’s original investigations, in its first five-year reviews, and in response to its second reviews’ institution notice are presented in table I-3.

Table I-3
Furfuryl alcohol: U.S. producers’ trade, employment, and financial data, 1992-94, 1996-2000, and 2005

* * * * *

During the period examined in the original investigations (1992-94), the domestic industry producing furfuryl alcohol experienced essentially flat capacity but declining capacity utilization due to declining production and shipments, as commercial sales decreased even though internal consumption remained stable. The drop in the unit value of U.S. shipments was experienced by internal shipments and commercial shipments. Employment indicators generally declined as sales contracted and workers were laid off. Workers in the Memphis plant were ***. Financial indicators generally declined during the period, as net sales declined in absolute terms and in average unit values, and as the cost of goods sold per pound increased.⁵¹

During the period of the first five-year reviews, the domestic industry operations and presence in the market declined ***, as capacity and shipments fell ***, led mainly by ***. After 1996, most of what was produced was either internally consumed by Penn in the production of THFA or ***. In 2000, ***. Unit values of shipments were not presented because of changes in the relative mix of different types of shipments and because ***. The number of production workers declined as production decreased during the period. Operating income for Penn’s furfuryl alcohol operations fluctuated during the period but ***.⁵²

In 2001, Penn entered bankruptcy proceedings. *** Penn emerged from those proceedings in 2003, ***. Penn believes that the antidumping orders are necessary to protect it against the excess capacity and aggressive pricing of exporters in China and Thailand.⁵³

⁵³ Confidential Investigation Report, pp. II-15-16; Confidential Review Report, p. I-12.

⁵⁴ Confidential Review Report, p. I-12.

⁵⁵ *Response* of Penn, exh. 2.

⁵¹ Confidential Investigation Report, pp. II-20-33.

⁵² Confidential Review Report, pp. III-1 and III-10.

⁵³ *Response* of Penn, p. 11.

In 2005, Penn ***. In addition, its ***. The unit values for ***.⁵⁴

U.S. IMPORTS AND APPARENT U.S. CONSUMPTION

U.S. Imports

During the original investigations, the Commission identified seven firms that accounted for the vast majority of furfuryl alcohol imports (from all sources) during the period 1992-94, and each provided data. *** shared imports from China almost equally, with *** importing a minor amount. *** was the importer of the subject merchandise from Thailand. *** was *** the importer of furfuryl alcohol from South Africa. *** imported from Korea, and *** from the United Kingdom.⁵⁵

During its first five-year reviews, the bulk of imported furfuryl alcohol was imported by three large chemical distributors: ***.⁵⁶

According to the domestic interested party in these second reviews, Chemtex *** the sole importer of furfuryl alcohol from Thailand.⁵⁷ There are no importers of the subject merchandise from China. There is no other current information on the record concerning importers of furfuryl alcohol from other sources.

Import data for furfuryl alcohol are presented two ways, in figures I-1 and I-2 and in tables I-4 and I-5. Figure I-1 and table I-4 present import data from the original investigations and the first five-year reviews through 2000, using data submitted in response to Commission questionnaires (for the most part),⁵⁸ and data from official Commerce statistics from 2001-05, which contain imports of THFA in addition to furfuryl alcohol. It is likely that there were no imports of furfuryl alcohol from China after the imposition of the antidumping duty order in 1995, and that any imports shown entering under HTS subheading 2932.13.00 from China consist of THFA.⁵⁹ It is also likely that any imports entering under HTS subheading 2932.13.00 from countries other than China are not THFA, but rather are furfuryl alcohol.⁶⁰

Figure I-1

Furfuryl alcohol: U.S. imports from China and Thailand, by quantity, 1992-2005

* * * * *

⁵⁴ Ibid., exh. 2.

⁵⁵ Confidential Investigation Report, p. II-17.

⁵⁶ Confidential Review Report, p. I-13.

⁵⁷ *Response* of Penn, exh. 1.

⁵⁸ Imports for 1992-94 from China, South Africa, and Thailand are from questionnaire data and imports from all other sources are from official Commerce statistics (HTS subheading 2932.13.00); imports for 1996-2000 are from questionnaire data.

⁵⁹ "There have been no known imports from China since 1994." Confidential Review Report, p. IV-1. "Penn believes that there were no imports of Chinese furfuryl alcohol during the 2003-05 period." *Response* of Penn, exh. 1, fn. 43. The report on the investigation involving imports of THFA from China considered the imports from 2001-03 under the HTS subheading 2932.13.00 entering from China to be THFA, and not furfuryl alcohol. *Tetrahydrofurfuryl Alcohol from China, Inv. No. 731-TA-1046 (Final)*, USITC Publication 3709, July 2004, p. IV-4.

⁶⁰ "No third country sources of imports of THFA were identified." *Tetrahydrofurfuryl Alcohol from China, Inv. No. 731-TA-1046 (Final)*, p. IV-4.

Table I-4

Furfuryl alcohol: U.S. imports, based on a combination of questionnaire data and official Commerce statistics, by source, 1992-2005

Item	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Quantity (1,000 pounds)														
China	***	***	***	***	***	***	***	***	***	390	628	532	0	0
Thailand	***	***	***	***	***	***	***	***	***	1,585	2,616	1,935	4,395	2,667
Subtotal	***	***	***	***	***	***	***	***	***	1,974	3,243	2,467	4,395	2,667
Other ¹	***	***	***	***	***	***	***	***	***	16,790	8,330	13,093	16,393	30,761
Total	***	***	***	***	***	***	***	***	***	18,764	11,574	15,559	20,789	33,428
Landed duty-paid value (\$1,000)														
China	***	***	***	***	***	***	***	***	***	382	562	505	0	0
Thailand	***	***	***	***	***	***	***	***	***	806	1,406	993	2,619	1,925
Subtotal	***	***	***	***	***	***	***	***	***	1,188	1,968	1,498	2,619	1,925
Other ¹	***	***	***	***	***	***	***	***	***	7,798	3,638	5,761	7,345	16,207
Total	***	***	***	***	***	***	***	***	***	8,986	5,606	7,259	9,964	18,131
Landed duty-paid unit value (dollars per pound)														
China	***	***	***	***	***	***	***	***	***	0.98	0.90	0.95	-	-
Thailand	***	***	***	***	***	***	***	***	***	0.51	0.54	0.51	0.60	0.72
Subtotal	***	***	***	***	***	***	***	***	***	0.60	0.61	0.61	0.60	0.72
Other ¹	***	***	***	***	***	***	***	***	***	0.46	0.44	0.44	0.45	0.53
Average	***	***	***	***	***	***	***	***	***	0.48	0.48	0.47	0.48	0.54

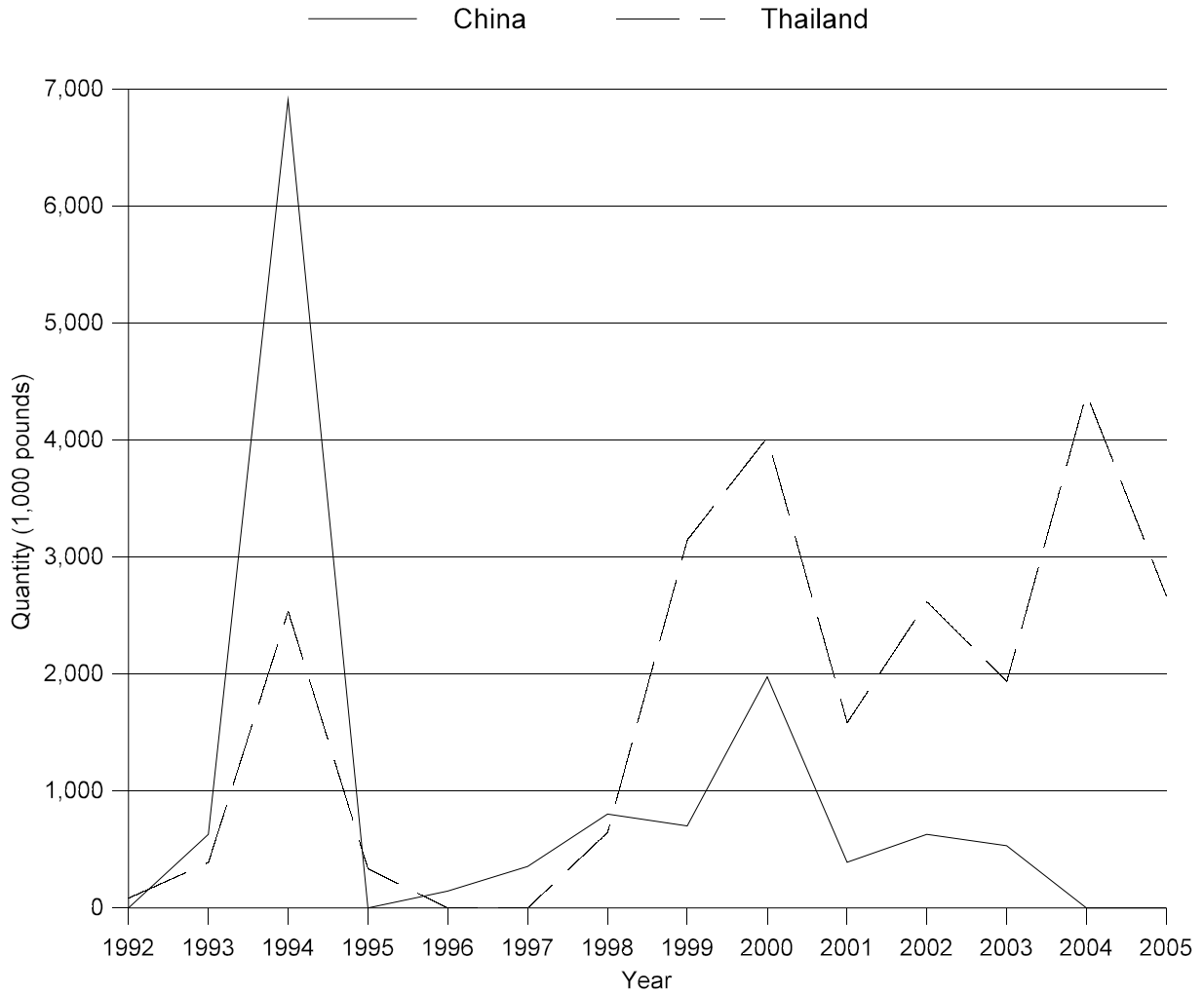
¹ Primarily Belgium and South Africa.

Note.—Imports for 1992-94 from China, South Africa (included in "other" above), and Thailand are from responses to Commission questionnaires; imports from all other sources are from official Commerce statistics (HTS subheading 2932.13.00). Imports for 1996-2000 are from responses to Commission questionnaires. Imports for 2001-05 are from official statistics (HTS subheading 2932.13.00).

Source: Confidential Review Report, table C-1 for 1992-2000, and official Commerce statistics (HTS subheading 2932.13.00) for 2001-05.

Figure I-2 and table I-5 present import data from official statistics for 1992-2005, and these data contain both furfuryl alcohol and THFA. However, except for China, the data are very likely close to the

Figure I-2
Furfuryl alcohol: U.S. imports from China and Thailand, by quantity, 1992-2005



Source: Official Commerce statistics (HTS subheading 2932.13.00).

Table I-5

Furfuryl alcohol: U.S. imports, based on official Commerce statistics, by source, 1992-2005

Item	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Quantity (1,000 pounds)														
China	0	628	6,909	0	144	355	802	701	1,976	390	628	532	0	0
Thailand	84	389	2,537	335	0	0	645	3,146	4,023	1,585	2,616	1,935	4,395	2,667
Subtotal	84	1,016	9,447	335	144	355	1,447	3,848	5,999	1,974	3,243	2,467	4,395	2,667
Other ¹	15	5,684	1,153	4,155	8,341	5,018	14,874	24,111	15,484	16,790	8,330	13,093	16,393	30,761
Total	100	6,700	10,600	4,490	8,485	5,373	16,320	27,958	21,483	18,764	11,574	15,559	20,789	33,428
Landed duty-paid value (\$1,000)														
China	0	372	3,490	0	118	286	763	683	1,397	382	562	505	0	0
Thailand	53	244	1,313	215	0	0	430	1,822	2,208	806	1,406	993	2,619	1,925
Subtotal	53	616	4,803	215	118	286	1,193	2,505	3,605	1,188	1,968	1,498	2,619	1,925
Other ¹	53	3,241	1,464	3,375	6,114	2,965	10,499	14,504	8,250	7,798	3,638	5,761	7,345	16,207
Total	106	3,857	6,267	3,591	6,233	3,251	11,692	17,009	11,855	8,986	5,606	7,259	9,964	18,131
Landed duty-paid unit value (dollars per pound)														
China	(²)	0.59	0.51	(²)	0.82	0.80	0.95	0.97	0.71	0.98	0.90	0.95	(²)	(²)
Thailand	0.63	0.63	0.52	0.64	(²)	(²)	0.67	0.58	0.55	0.51	0.54	0.51	0.60	0.72
Subtotal	0.63	0.61	0.51	0.64	0.82	0.80	0.82	0.65	0.60	0.60	0.61	0.61	0.60	0.72
Other ¹	3.45	0.57	1.27	0.81	0.73	0.59	0.71	0.60	0.53	0.46	0.44	0.44	0.45	0.53
Average	1.07	0.58	0.59	0.80	0.73	0.61	0.72	0.61	0.55	0.48	0.48	0.47	0.48	0.54
¹ Primarily Belgium and South Africa. ² Not applicable.														
Source: Official Commerce statistics (HTS subheading 2932.13.00).														

actual imports of furfuryl alcohol for the reasons mentioned above. In addition, in the original investigations, the petitioner expressed a belief that the only other producers of THFA at that time were in Brazil and Japan, and were producing exclusively for their domestic markets.⁶¹

Based on table I-4, the total quantity of U.S. imports of furfuryl alcohol from China and Thailand increased overall during the period examined during the Commission’s original investigations (1992-94), while U.S. imports of furfuryl alcohol from other sources also fluctuated upward. During the period of the first five-year reviews (1996-2000), imports of the subject merchandise from Thailand increased from *** in the last year of the original investigation period, while imports from all other sources expanded *** (with a peak in 1999). From 2001-05, imports from Thailand fluctuated, ending at a lesser volume than that of the latter part of the five-year review period. Imports from all other sources continued to expand unevenly. It appears as if the average unit values of imports from Thailand were *** those of imports from all other sources (other than China) with the exception of 1999.

⁶¹ Confidential Investigation Report, p. II-17.

Apparent U.S. Consumption and Market Shares

Apparent U.S. consumption and market shares for the periods 1992-94, 1996-2000, and 2005 are presented in table I-6.⁶² Apparent consumption declined between 1992-94 and 2000, ***. The U.S. producers' share of this declining consumption decreased during 1992-94 as subject imports grew and to a much lesser extent as imports from all other countries increased their market share ***. From 1996-2000, U.S. producers initially gained back ***, only to *** lose it to imports from countries other than Thailand in the earlier part of the period, and in the later part of the period, in part to increasing imports from Thailand. In 2005, apparent U.S. consumption was at its highest, ***, with imports from sources other than Thailand capturing their highest share yet of apparent consumption. Imports from Thailand subsided from their high share in 2000 to *** percent in 2005.

Table I-6

Furfuryl alcohol: U.S. producers' U.S. shipments, U.S. imports, and apparent U.S. consumption, by quantity, 1992-94, 1996-2000, and 2005

* * * * *

ANTIDUMPING ACTIONS OUTSIDE THE UNITED STATES

On October 27, 2003, the EU imposed antidumping duties on furfuryl alcohol from China. The antidumping duty rates were the following:⁶³

Gaoping	18.3 percent
Huilong	17.9 percent
Linzi	8.9 percent
Zhucheng	10.3 percent
All others	32.1 percent

THE INDUSTRIES IN CHINA AND THAILAND

Penn indicated in its response to the Commission's notice of institution in these current reviews that "furfuryl alcohol from China and Thailand will flood the U.S. market if the orders are revoked. Increased capacity in both countries coupled with a stagnant demand will lead to a rapid, substantial increase in imports of subject merchandise. If the orders are revoked, there is no question that the subject imports will have serious volume effects on U.S. producers."⁶⁴

⁶² No apparent U.S. consumption data are available for 2001-04 because the domestic industry's U.S. shipment data for those years are not on the record in these reviews.

⁶³ *Official Journal of the European Union*, October 31, 2003, *Response of Penn*, exh. 4. Actual dumping margins found were substantially higher.

⁶⁴ *Response of Penn*, p. 12.

China

During the original investigations, data were provided by one Chinese producer (Sinochem Shandong Import & Export Group (“Sinochem”)), accounting for an estimated *** percent of China’s production in 1994. During the first five-year reviews, data were provided by five producers (Shandon Zucheng Chemical Co., Ltd.; Linzi Organic Chemical, Inc.; Jilin Sanchun Chemical Plant Co., Ltd.; Sinochem; and Shanxi Province Gaoping Chemical Industry Co., Ltd.), accounting for approximately *** percent of production capacity in China in 2000.

Table I-7 presents information on the industry in China from the original investigations and the first five-year reviews. As shown in the table, the Chinese industry exported the majority of its production, and had some excess capacity available throughout 1996-2000. In addition, by 2000, its capacity and production was large compared to the U.S. industry. The domestic interested party in these reviews has alleged that there are 32 current producers of furfuryl alcohol in China, with a capacity of over 800 million pounds.⁶⁵

Table I-7
Furfuryl alcohol: China’s capacity, production, shipments, and inventories, 1992-94, and 1996-2000

* * * * *

Table I-8 presents data for 2000-05 on China’s exports of furfuryl alcohol (combined with THFA) to the world market. As shown, there is a large increase in 2005 and a pattern of steady increases during previous years, with the exception of 2002. Exports listed as destined for the United States are THFA.

Table I-8
Furfuryl alcohol:¹ China’s export shipments, 2000-05

Item	2000	2001	2002	2003	2004	2005
Quantity (1,000 pounds)						
Exports: United States ²	2,180	288	644	568	128	110
All other markets ³	82,504	91,747	90,902	96,441	116,611	166,335
Total exports	84,685	92,035	91,546	97,009	116,739	166,445
¹ Data from HTS subheading 2932.13 include furfuryl alcohol and THFA. ² U.S. statistics show no imports from China in 2004-05. See USITC <i>Dataweb</i> at table I-5. ³ Other relatively large export markets for furfuryl alcohol from China include Japan, Korea, and Taiwan.						
Source: <i>Global Trade Atlas</i> .						

Thailand

Unlike China, furfuryl alcohol production in Thailand is confined to a single plant, owned and operated by Indorama. Table I-10 presents data on Indorama’s operations during the period of the original investigations and the first five-year reviews. As shown, capacity *** from the end of the

⁶⁵ Response of Penn, exh. 3.

investigation period in 1994 to the end of the five-year review period in 2000; however, there was *** excess capacity reported. The Thai industry exported *** of its production, and its capacity and production during 2000 were ***. The domestic interested party in these second five-year reviews has alleged that Indorama’s capacity has grown to at least 35 million pounds.⁶⁶

Table I-10
Furfuryl alcohol: Thailand’s capacity, production, shipments, and inventories, 1992-94, and 1996-2000

* * * * *

Table I-11 presents data from 2000-05 on Thailand’s exports of furfuryl alcohol (combined with THFA) to the world market. As shown, exports decreased somewhat during the period, although exports to the United States fluctuated.

Table I-11
Furfuryl alcohol:¹ Thailand’s export shipments, 2000-05

Item	2000	2001	2002	2003	2004	2005
Quantity (1,000 pounds)						
Exports: United States	3,527	1,397	3,190	2,231	4,165	2,488
All other markets ²	29,273	28,514	26,871	28,736	26,092	26,539
Total exports	32,800	29,911	30,061	30,967	30,257	29,027
¹ Data from HTS subheading 2932.13 that includes furfuryl alcohol and THFA. ² Other relatively large export markets for furfuryl alcohol from Thailand include the Netherlands, Taiwan, and India. Source: <i>Global Trade Atlas</i> .						

⁶⁶ *Response of Penn*, p. 6, fn. 16.

APPENDIX A
***FEDERAL REGISTER* NOTICES**

within 10 days of the publication of the Notice of Initiation.

Please note that if the Department receives a Notice of Intent to Participate from a member of the domestic industry within 15 days of the date of initiation, the review will continue. Thereafter, any interested party wishing to participate in the Sunset Review must provide substantive comments in response to the notice of initiation no later than 30 days after the date of initiation.

This notice is not required by statute but is published as a service to the international trading community.

Dated: March 16, 2006.

Thomas F. Futtner,

Acting Office Director, AD/CVD Operations, Office 4, for Import Administration.

[FR Doc. E6-4734 Filed 3-31-06; 8:45 am]

BILLING CODE 3510-DS-S

DEPARTMENT OF COMMERCE

International Trade Administration

Initiation of Five-year ("Sunset") Reviews

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 five-year ("Sunset Reviews") 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 these same orders.

EFFECTIVE DATE: April 3, 2006.

FOR FURTHER INFORMATION CONTACT: The Department official identified in the *Initiation of Review(s)* section below at AD/CVD Operations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th & Constitution Ave., 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) ("Sunset Policy Bulletin").

Initiation of Reviews

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

DOC Case No.	ITC Case No.	Country	Product	Department Contact
A-549-813	731-TA-706	Thailand	Canned Pineapple Fruit (2nd Review)	Zev Primor (202) 482-4114
A-570-835	731-TA-703	PRC	Furfuryl Alcohol (2nd Review)	Jim Nunno (202) 482-0783
A-549-812	731-TA-705	Thailand	Furfuryl Alcohol (2nd Review)	Brandon Farlander (202) 482-0182
A-588-856	731-TA-888	Japan	Stainless Steel Angle	Brandon Farlander (202) 482-0182
A-580-846	731-TA-889	South Korea	Stainless Steel Angle	Brandon Farlander (202) 482-0182
A-469-810	731-TA-890	Spain	Stainless Steel Angle	Brandon Farlander (202) 482-0182

Filing Information

As a courtesy, we are making information related to Sunset proceedings, including copies of the Department's regulations regarding Sunset Reviews (19 CFR 351.218) and *Sunset Policy Bulletin*, the Department's schedule of Sunset Reviews, case history information (*i.e.*, previous margins, duty absorption determinations, scope language, import volumes), and service lists available to the public on the Department's sunset Internet website 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, service, and certification of documents. These rules can be found at 19 CFR 351.303.

Pursuant to 19 CFR 351.103(c), 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 the notice of initiation of the sunset review. 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 these Sunset Reviews 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 orders 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).

Dated: March 23, 2006.

Thomas F. Futtner,

*Acting Office Director AD/CVD Operations,
Office 4 for Import Administration.*

[FR Doc. E6-4736 Filed 3-31-06; 8:45 am]

BILLING CODE 3510-DS-S

DEPARTMENT OF COMMERCE

International Trade Administration

[A-427-602, A-428-602, A-475-601, A-588-704]

Brass Sheet and Strip from France, Italy, Germany, and Japan: Continuation of Antidumping Duty Orders

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

SUMMARY: As a result of the determinations by the Department of Commerce ("the Department") and the International Trade Commission ("ITC")

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 for extension of that five-day deadline based upon a showing of good cause.

that revocation of the antidumping duty orders on brass sheet and strip from France, Italy, Germany, and Japan would likely lead to continuation or recurrence of dumping, and material injury to an industry in the United States, the Department is publishing notice of continuation of these antidumping duty orders.

EFFECTIVE DATE: April 3, 2006.

FOR FURTHER INFORMATION CONTACT:

Audrey Twyman or Brandon Farlander, AD/CVD Operations, Office 1, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street & Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3534 and (202) 482-0182, respectively.

SUPPLEMENTARY INFORMATION:

Background

On April 1, 2005, the Department initiated and on March 31, 2005, the ITC instituted sunset reviews of the antidumping duty orders on brass sheet and strip from France, Italy, Germany, and Japan pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act").¹

As a result of its review, the Department found that revocation of the antidumping duty orders would likely lead to continuation or recurrence of dumping, and notified the ITC of the magnitude of the margins likely to prevail were the orders to be revoked.² On March 6, 2006, the ITC determined pursuant to section 751(c) of the Act, that revocation of the antidumping duty orders on brass sheet and strip from France, Italy, Germany, and Japan would likely lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.³

Scope of the Orders

The product covered by these orders is brass sheet and strip ("BSS"), other than leaded and tinned BSS. The chemical composition of the covered product is currently defined in the

¹ See *Initiation of Five-Year ("Sunset") Reviews*, 70 FR 16800 (April 1, 2005); and *Brass Sheet and Strip from Brazil, Canada, France, Germany, Italy, and Japan*, Investigations Nos. 701-TA-269 and 270, and 731-TA-311-314, 317, and 379 (Second Review), 70 FR 16519 (March 31, 2005).

² See *Brass Sheet and Strip from Brazil, Canada, France, Italy and Japan; Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, 70 FR 45650 (August 8, 2005); and *Brass Sheet and Strip from Germany: Final Results of the Full Sunset Review of the Antidumping Duty Order*, 71 FR 4348 (January 26, 2006).

³ See *Brass Sheet and Strip from Brazil, Canada, France, Germany, Italy, and Japan*, Investigation Nos. 701-TA-269 and 731, and TA-311-314, 317, and 379 (Second Review), 71 FR 14719 (March 23, 2006).

Copper Development Association ("C.D.A.") 200 Series or the Unified Numbering System ("U.N.S.") C2000. These orders do not cover products the chemical compositions of which are defined by other C.D.A. or U.N.S. series. In physical dimensions, the product covered by these orders has a solid rectangular cross section over 0.006 inches (0.15 millimeters) through 0.188 inches (4.8 millimeters) in finished thickness or gauge, regardless of width. Coiled, wound-on-reels (traverse wound), and cut-to-length products are included.

The merchandise is currently classified under Harmonized Tariff Schedule of the United States ("HTSUS") item numbers 7409.21.00 and 7409.29.00. Although the HTSUS item numbers are provided for convenience and customs purposes, the written description of the scope of these orders remains dispositive.

Determination

As a result of the determinations by the Department and the ITC that revocation of these antidumping duty orders would likely lead to continuation or recurrence of dumping, and material injury to an industry in the United States, pursuant to section 751(d)(2) of the Act, the Department hereby orders the continuation of the antidumping duty orders on brass sheet and strip from France, Italy, Germany, and Japan.

U.S. Customs and Border Protection will continue to collect antidumping duty cash deposits at the rates in effect at the time of entry for all imports of subject merchandise.

The effective date of continuation of these orders will be the date of publication in the **Federal Register** of this Notice of Continuation. Pursuant to section 751(c)(2) and 751(c)(6)(A) of the Act, the Department intends to initiate the next five-year reviews of these orders not later than February 2011.

These five-year (sunset) reviews and this notice are in accordance with section 751(c) of the Act.

Dated: March 27, 2006.

David M. Spooner,

Assistant Secretary for Import Administration.

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BILLING CODE 3510-DS-S

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

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 if available) 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 1999.

(7) 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 2005 (report quantity data in case equivalents 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) the quantity and value of U.S. commercial shipments of the *Domestic Like Product* produced in your U.S. plant(s); and

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

(8) 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 2005 (report quantity data in case equivalents 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*.

(9) 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 2005 (report quantity data in case equivalents 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; and

(b) 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.

(10) 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 1999, 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.

(11) (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: March 27, 2006.

Marilyn R. Abbott,

Secretary to the Commission.

[FR Doc. E6-4639 Filed 3-31-06; 8:45 am]

BILLING CODE 7020-02-P

INTERNATIONAL TRADE COMMISSION

[Investigation Nos. 731-TA-703 and 705 (Second Review)]

Furfuryl Alcohol From China and Thailand

AGENCY: United States International Trade Commission.

ACTION: Institution of five-year reviews concerning the antidumping duty orders on furfuryl alcohol from China and Thailand.

SUMMARY: The Commission hereby gives notice that it has instituted reviews 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 orders on furfuryl alcohol from China and Thailand 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 May 23, 2006. Comments on the adequacy of responses may be filed with the Commission by June 16, 2006. For further information concerning the conduct of these reviews 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:* April 3, 2006.

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 these reviews may be viewed on the Commission's electronic docket (EDIS) at <http://edis.usitc.gov>.

SUPPLEMENTARY INFORMATION:

Background.—On June 21, 1995, the Department of Commerce issued an antidumping duty order on imports of furfuryl alcohol from China (60 FR 32302). On July 25, 1995, the Department of Commerce issued an antidumping duty order on imports of furfuryl alcohol from Thailand (60 FR 38035). Following five-year reviews by Commerce and the Commission, effective May 4, 2001, Commerce issued

a continuation of the antidumping duty orders on imports of furfuryl alcohol from China and Thailand (66 FR 22519). The Commission is now conducting second reviews to determine whether revocation of the orders 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 full reviews or expedited reviews. The Commission's determinations in any expedited reviews will be based on the facts available, which may include information provided in response to this notice.

Definitions.—The following definitions apply to these reviews:

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

(2) The *Subject Countries* in these reviews are China and Thailand.

(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 its original determinations and its full five-year review determinations, the Commission defined the Domestic Like Product as furfuryl alcohol, coextensive with Commerce's scope.

(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 its original determinations and its full five-year review determinations, the Commission defined the Domestic Industry as all producers of furfuryl alcohol, including toll-producers, captive producers, and merchant market producers.

(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 reviews 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 reviews as parties must file an entry of appearance with the Secretary to the Commission, as provided in § 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 reviews.

Former Commission employees who are seeking to appear in Commission five-year reviews are reminded that they are required, pursuant to 19 CFR 201.15, to seek Commission approval if the matter in which they are seeking to appear was pending in any manner or form during their Commission employment. The Commission is seeking guidance as to whether a second transition five-year review is the "same particular matter" as the underlying original investigation for purposes of 19 CFR 201.15 and 18 U.S.C. 207, the post employment statute for Federal employees. Former employees may seek informal advice from Commission ethics officials with respect to this and the related issue of whether the employee's participation was "personal and substantial." However, any informal consultation will not relieve former employees of the obligation to seek approval to appear from the Commission under its rule 201.15. For ethics advice, 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 these reviews available to authorized applicants under the APO issued in the reviews, provided that the application is made no later than 21 days after publication of this notice in the **Federal Register**. Authorized applicants must represent interested parties, as defined in 19 U.S.C. 1677(9), who are parties to the reviews. 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 these reviews 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

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., 06-5-150, expiration date June 30, 2008. Public reporting burden for the request is estimated to average 10 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.

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 May 23, 2006. 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 expedited or full reviews. The deadline for filing such comments is June 16, 2006. All written submissions must conform with the provisions of §§ 201.8 and 207.3 of the Commission's rules and any submissions that contain BPI must also conform with the requirements of §§ 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 reviews must be served on all other parties to the reviews (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 reviews 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 determinations in the reviews.

Information to be Provided in Response to This Notice of Institution: If you are a domestic producer, union/worker group, or trade/business association; import/export Subject Merchandise from more than one

Subject Country; or produce Subject Merchandise in more than one Subject Country, you may file a single response. If you do so, please ensure that your response to each question includes the information requested for each pertinent Subject Country. 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 if available) 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 these reviews by providing information requested by the Commission.

(4) A statement of the likely effects of the revocation of the antidumping duty orders 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 each Subject Country that currently export or have exported Subject Merchandise to the United States or other countries after 2000.

(7) 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 2005 (report quantity data in pounds 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) The quantity and value of U.S. commercial shipments of the Domestic Like Product produced in your U.S. plant(s); and

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

(8) If you are a U.S. importer or a trade/business association of U.S. importers of the Subject Merchandise from the Subject Countries, provide the following information on your firm's(s') operations on that product during calendar year 2005 (report quantity data in pounds 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 each 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 each 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 each Subject Country.

(9) If you are a producer, an exporter, or a trade/business association of producers or exporters of the Subject Merchandise in the Subject Countries, provide the following information on your firm's(s') operations on that product during calendar year 2005 (report quantity data in pounds 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 each Subject Country accounted for by your firm's(s') production; and

(b) 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 each Subject Country accounted for by your firm's(s') exports.

(10) 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 Countries after 2000, 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 Countries, and such merchandise from other countries.

(11) (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: These reviews are 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.

Issued: March 27, 2006.

By order of the Commission.

Marilyn R. Abbott,

Secretary to the Commission.

[FR Doc. 06-3148 Filed 3-31-06; 8:45 am]

BILLING CODE 7020-02-P

INTERNATIONAL TRADE COMMISSION

[Investigation Nos. 731-TA-888-890 (Review)]

Stainless Steel Angle from Japan, Korea, and Spain

AGENCY: United States International Trade Commission.

ACTION: Institution of five-year reviews concerning the antidumping duty orders on stainless steel angle from Japan, Korea, and Spain.

SUMMARY: The Commission hereby gives notice that it has instituted reviews 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 orders on stainless steel angle from Japan, Korea, and Spain 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 May 23, 2006. Comments on the adequacy of responses may be filed with the Commission by June 16, 2006. For further information concerning the conduct of these reviews 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: April 3, 2006.

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 these reviews may be viewed on the Commission's electronic docket (EDIS) at <http://edis.usitc.gov>.

SUPPLEMENTARY INFORMATION:

Background

On May 18, 2001, the Department of Commerce issued antidumping duty orders on imports of stainless steel angle from Japan, Korea, and Spain (66 FR 27628). The Commission is conducting reviews to determine whether revocation of the orders would be likely to lead to continuation or recurrence of

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. 06-5-151, expiration date June 30, 2008. Public reporting burden for the request is estimated to average 10 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.

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 full reviews or expedited reviews. The Commission's determinations in any expedited reviews will be based on the facts available, which may include information provided in response to this notice.

Definitions

The following definitions apply to these reviews:

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

(2) The *Subject Countries* in these reviews Japan, Korea, and Spain.

(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 its original determinations, the Commission defined the *Domestic Like Product* as all grades of hot-rolled stainless steel angle of equal leg length commensurate with Commerce's definition of the scope.

(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 its original determinations, the Commission defined the *Domestic Industry* as producers of hot-rolled stainless steel angle.

(5) The *Order Date* is the date that the antidumping duty orders under review became effective. In these reviews, the *Order Date* is May 18, 2001.

(6) 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 reviews 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 reviews 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

Dated: June 14, 2006.

Mark S. Plank,

Director, Engineering and Environmental Staff, USDA/Rural Development/Utilities Programs.

[FR Doc. E6-9642 Filed 6-19-06; 8:45 am]

BILLING CODE 3410-15-P

DEPARTMENT OF COMMERCE

International Trade Administration

(A-570-835)

Furfuryl Alcohol from the People's Republic of China: Final Results of the Expedited Sunset Review of the Antidumping Duty Order

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

SUMMARY: On April 3, 2006, the Department of Commerce ("the Department") initiated the sunset review of the antidumping duty order on furfuryl alcohol from the People's Republic of China ("PRC") pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"). The Department conducted an expedited (120-day) sunset review for this order. As a result of the sunset review, the Department finds that revocation of the antidumping duty order would be likely to lead to continuation or recurrence of dumping. The dumping margins are identified in the *Final Results of Review* section of this notice.

EFFECTIVE DATE: June 20, 2006.

FOR FURTHER INFORMATION CONTACT: Audrey Twyman or Brandon Farlander, AD/CVD Operations, Office 1, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street & Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-3534 and (202) 482-0182, respectively.

SUPPLEMENTARY INFORMATION:

Background

On April 3, 2006, the Department published the notice of initiation of the second sunset review of the antidumping duty order on furfuryl alcohol from the PRC pursuant to section 751(c) of the Act and 19 CFR 351.218(c)(2) of the Department's Regulations ("Sunset Regulations"). See *Initiation of Five-year ("Sunset") Reviews*, 71 FR 16551 (April 3, 2006). The Department received the Notice of Intent to Participate from Penn Speciality Chemicals, Inc. ("the domestic interested party"), within the deadline specified in 351.218(d)(1)(i) of the Sunset Regulations. The domestic

interested party claimed interested party status under section 771(9)(C) of the Act, as a manufacturer of a domestic-like product in the United States.

We 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 responses from respondent interested parties. As a result, pursuant to 19 CFR 351.218(e)(1)(ii)(C)(2), the Department conducted an expedited (120-day) sunset review of the order.

Scope of the Order

The merchandise covered by this order is furfuryl alcohol (C₄H₃OCH₂OH). Furfuryl alcohol is a primary alcohol, and is colorless or pale yellow in appearance. It is used in the manufacture of resins and as a wetting agent and solvent for coating resins, nitrocellulose, cellulose acetate, and other soluble dyes.

The product subject to this order is classifiable under subheading 2932.13.00 of the Harmonized Tariff Schedule of the United States ("HTSUS"). Although the HTSUS subheading is provided for convenience and customs purposes, our written description of the scope of this proceeding is dispositive.

Analysis of Comments Received

All issues raised in this review are addressed in the "Issues and Decision Memorandum for the Expedited Sunset Review of the Antidumping Duty Order on Furfuryl Alcohol from The People's Republic of China; Final Results" ("Decision Memo") from Stephen J. Claeys, Deputy Assistant Secretary for Import Administration, to David M. Spooner, Assistant Secretary for Import Administration, dated August 1, 2006, which is hereby adopted by this notice. The issues discussed in the Decision Memo include the likelihood of continuation or recurrence of dumping and the magnitude of the margins likely to prevail if the order was to be revoked. Parties can find a complete discussion of all issues raised in the review and the corresponding recommendations in this public memorandum which is on file in room B-099 of the main Commerce building.

In addition, a complete version of the Decision Memo can be accessed directly on the Web at <http://ia.ita.doc.gov/fjn/index.html>. The paper copy and electronic version of the Decision Memo are identical in content.

Final Results of Review

We determine that revocation of the antidumping duty order on furfuryl alcohol from the PRC would be likely to

lead to continuation or recurrence of dumping at the following weighted-average percentage margins:

Manufacturers/Exporters/Producers	Weighted Average Margin (percent)
Qingdao Chemicals & Medicines & Health Products Import & Export Company	50.43
Sinochem Shandong Import and Export Company	43.54
PRC-Wide Rate	45.27

This notice also serves as the only reminder to parties subject to administrative protective orders ("APO") of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305 of the Department's regulations. Timely notification of the return or destruction of APO materials or conversion to judicial protective orders is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

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

Dated: June 14, 2006.

David M. Spooner,

Assistant Secretary for Import Administration.

[FR Doc. E6-9664 Filed 6-19-06; 8:45 am]

BILLING CODE 3510-DS-S

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

[I.D. 050106A]

Taking of Marine Mammals Incidental to Specified Activities; Geophysical Surveys in South San Francisco Bay South of the Dumbarton Bridge

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notice of proposed authorization for an incidental take authorization; request for comments.

SUMMARY: NMFS has received a request from the URS Corporation (URS) for an authorization to take small numbers of California sea lions, Pacific harbor seals, harbor porpoises, and gray whales, by harassment, incidental to geographical seismic surveys being conducted by Fugro West, Inc. (Fugro), in south San

b. Constructed Export Price

For constructed export-price (CEP) sales (sampled and non-sampled), we divided the total dumping margins for the reviewed sales by the total entered value of those reviewed sales for each importer. We will direct CBP to assess the resulting percentage margin against the entered customs values for the subject merchandise on each of that importer's entries under the relevant order during the review period. See 19 CFR 351.212(b)(1).

Cash-Deposit Requirements

To calculate the cash-deposit rate for each respondent (*i.e.*, each exporter and/or manufacturer included in these reviews), we divided the total dumping margins for each company by the total net value of that company's sales of merchandise during the review period subject to each order.

To derive a single deposit rate for each respondent, we weight-averaged the EP and CEP deposit rates (using the EP and CEP, respectively, as the weighting factors). To accomplish this when we sampled CEP sales, we first calculated the total dumping margins for all CEP sales during the review period by multiplying the sample CEP margins by the ratio of total days in the review period to days in the sample weeks. We then calculated a total net value for all CEP sales during the review period by multiplying the sample CEP total net value by the same ratio. Finally, we divided the combined total dumping margins for both EP and CEP sales by the combined total value for both EP and CEP sales to obtain the deposit rate.

We will direct CBP to collect the resulting percentage deposit rate against the entered customs value of each of the exporter's entries of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice. Entries of parts incorporated into finished bearings before sales to an unaffiliated customer in the United States will receive the respondent's deposit rate applicable to the order.

Furthermore, the following deposit requirements will be effective upon publication of this notice of final results of administrative reviews for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication, consistent with section 751(a)(1) of the Act: (1) The cash-deposit rates for the reviewed companies will be the rates shown above; (2) for previously reviewed or investigated companies not listed above,

the cash-deposit rate will continue to be the company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in this review, a prior review, or the original less-than-fair-value (LTFV) investigation but the manufacturer is, the cash-deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; (4) the cash-deposit rate for all other manufacturers or exporters will continue to be the "All Others" rate for the relevant order made effective by the final results of review published on July 26, 1993. See *Antifriction Bearings (Other Than Tapered Roller Bearings) and Parts Thereof from France, et al: Final Results of Antidumping Duty Administrative Reviews and Revocation in Part of an Antidumping Duty Order*, 58 FR 39729 (July 26, 1993). For ball bearings from Italy, see *Antifriction Bearings (Other Than Tapered Roller Bearings) and Parts Thereof from France, et al; Final Results of Antidumping Duty Administrative Reviews and Partial Termination of Administrative Reviews*, 61 FR 66471, 66521 (December 17, 1996). These rates are the "All Others" rates from the relevant LTFV investigation.

These deposit requirements shall remain in effect until publication of the final results of the next administrative reviews.

This notice serves as a reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during these review periods. Failure to comply with this requirement could result in the Department's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of doubled antidumping duties.

This notice also serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). 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 the terms of an APO is a sanctionable violation.

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i) of the Act.

Dated: July 7, 2006.

Joseph A. Spetrini,

Acting Assistant Secretary for Import Administration.

Appendix*Comments and Responses*

1. Offsetting of Negative Margins
2. Model-Match Methodology
3. Sample and Prototype Sales
4. Use of Adverse Facts Available
5. Inventory Carrying Costs
6. Freight Expenses
7. Affiliation
8. Billing and Other Post-Sale Price Adjustments
9. Ministerial Errors
10. Miscellaneous Issues
 - A. U.S. Indirect Selling Expenses
 - B. Bearing Design Types
 - C. Home-Market Packing
 - D. Warehousing Expenses
 - E. Expansion of Window Period

[FR Doc. E6-11123 Filed 7-13-06; 8:45 am]

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DEPARTMENT OF COMMERCE**International Trade Administration**

[A-549-812]

Extension of Time Limits for Preliminary Results and Final Results of the Full Sunset Review of the Antidumping Duty Order on Furfuryl Alcohol from Thailand

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

EFFECTIVE DATE: July 14, 2006.

FOR FURTHER INFORMATION CONTACT: Audrey R. Twyman, Damian Felton, or Brandon Farlander, AD/CVD Operations, Office 1, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street & Constitution Avenue, NW., Washington, DC, 20230; telephone: 202-482-3534, 202-482-0133, and 202-482-0182, respectively.

SUPPLEMENTARY INFORMATION:**Background**

The Department of Commerce ("the Department") initiated this second sunset review of furfuryl alcohol from Thailand on April 3, 2006. See *Initiation of Five-year "Sunset" Reviews*, 71 FR 16551 (April 3, 2006). On April 7, 2006, we received notification of intent to participate from the domestic interested party, Penn Speciality Chemicals, Inc. We received substantive responses to the notice of initiation on May 2, 2006, from the domestic interested party, and

on May 3, 2006, from the respondent interested party, Indorama Chemicals (Thailand) Ltd. On May 8, 2006, we received rebuttal comments from the domestic interested party.

On May 23, 2006, the Department determined to conduct a full sunset review of the antidumping duty order on furfuryl alcohol from Thailand as provided at section 751(c)(5)(A) of the Tariff Act of 1930, as amended ("the Act") and at section 351.218 (e)(2)(i) of the Department's regulations because: (1) the domestic interested party's and respondent interested party's substantive responses met the requirements of section 351.218(d)(3) of the Department's regulations, and (2) both the information on the record and our review of the proprietary CBP data, indicated that the respondent interested party accounts for more than 50 percent of the exports to the United States, the level that the Department normally considers to be an adequate response to the notice of initiation by respondent interested parties under section 351.218 (e)(1)(ii)(A).

Extension of Time Limits

In accordance with section 751(c)(5)(B) of the Act, the Department may extend the period of time for making its determination by not more than 90 days, if it determines that the review is extraordinarily complicated. On May 2, May 3, and May 8, 2006, the parties filed comments raising various issues. Because some of these issues are complex, the Department has determined, pursuant to section 751(c)(5)(C)(ii) of the Act, that the sunset review is extraordinarily complicated and will require additional time for the Department to complete its analysis.

The Department's preliminary results of the full sunset review of the antidumping duty order on furfuryl alcohol from Thailand are scheduled for July 22, 2006, and the final results are scheduled for November 29, 2006. As a result of our decision to extend the deadlines, the Department intends to issue the preliminary results of the full sunset review of the antidumping duty order on furfuryl alcohol from Thailand no later than October 20, 2006, and the final results of the review no later than February 27, 2007. These dates are 90 days from the originally scheduled dates of the preliminary and final results of this sunset review.

This notice is issued in accordance with sections 751(c)(5)(B) and (C)(ii) of the Act.

Dated: July 10, 2006.

Stephen J. Claeys,

Deputy Assistant Secretary for Import Administration.

[FR Doc. E6-11126 Filed 7-13-06; 8:45 am]

BILLING CODE 3510-DS-S

DEPARTMENT OF COMMERCE

International Trade Administration

[A-533-820]

Certain Hot-Rolled Carbon Steel Flat Products From India: Notice of Intent to Rescind Administrative Review

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

SUMMARY: After initiating a review of the antidumping duty order on certain hot-rolled carbon steel flat products from India covering the period December 1, 2004, through November 30, 2005, the sole respondent, Essar Steel Ltd., claimed it did not ship subject merchandise to the United States during the period of review (POR). Based on record evidence consistent with this claim, the Department of Commerce intends to rescind the instant administrative review.

EFFECTIVE DATE: July 14, 2006.

FOR FURTHER INFORMATION CONTACT:

Jeffrey Pedersen or Howard Smith, AD/CVD Operations, Office 4, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230, telephone: (202) 482-2769 or (202) 482-5193, respectively.

SUPPLEMENTARY INFORMATION:

Background

On December 1, 2005, the Department of Commerce (the Department) published, in the **Federal Register**, a notice of the opportunity to request an administrative review of the antidumping duty order on certain hot-rolled carbon steel flat products (HRS) from India, covering the period December 1, 2004, through November 30, 2005. See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 70 FR 72109 (December 1, 2005). On December 30, 2005 and January 3, 2006, Nucor Corporation and U.S. Steel Corporation (collectively, petitioners), respectively, requested an administrative review of the above-referenced antidumping order with respect to Essar Steel Ltd. (Essar). On February 1, 2006, the Department

initiated the requested administrative review. See *Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part*, 71 FR 5241 (February 1, 2006). On February 10, 2006, Essar submitted a letter to the Department in which it certified that it made no shipments of subject merchandise to the United States during the POR.

Scope of the Order

The products covered by the antidumping duty order are certain hot-rolled carbon steel flat products of a rectangular shape, of a width of 0.5 inch or greater, neither clad, plated, nor coated with metal and whether or not painted, varnished, or coated with plastics or other non-metallic substances, in coils (whether or not in successively superimposed layers), regardless of thickness, and in straight lengths, of a thickness of less than 4.75 mm and of a width measuring at least 10 times the thickness. Universal mill plate (*i.e.*, flat-rolled products rolled on four faces or in a closed box pass, of a width exceeding 150 mm, but not exceeding 1250 mm, and of a thickness of not less than 4.0 mm, not in coils and without patterns in relief) of a thickness not less than 4.0 mm is not included within the scope of the order.

Specifically included within the scope of the order are vacuum degassed, fully stabilized (commonly referred to as interstitial-free (IF)) steels, high strength low alloy (HSLA) steels, and the substrate for motor lamination steels. IF steels are recognized as low carbon steels with micro-alloying levels of elements such as titanium or niobium (also commonly referred to as columbium), or both, added to stabilize carbon and nitrogen elements. HSLA steels are recognized as steels with micro-alloying levels of elements such as chromium, copper, niobium, vanadium, and molybdenum. The substrate for motor lamination steels contains micro-alloying levels of elements such as silicon and aluminum.

Steel products to be included in the scope of the order, regardless of definitions in the Harmonized Tariff Schedule of the United States (HTSUS), are products in which: i) Iron predominates, by weight, over each of the other contained elements; ii) the carbon content is 2 percent or less, by weight; and iii) none of the elements listed below exceeds the quantity, by weight, respectively indicated:

- 1.80 percent of manganese, or
- 2.25 percent of silicon, or
- 1.00 percent of copper, or
- 0.50 percent of aluminum, or
- 1.25 percent of chromium, or

documentable circumstances, this information will be released. We will always make submissions from organizations or businesses, and from individuals identifying themselves as representatives of or officials of organizations or businesses, available for public inspection in their entirety.

Dated: July 14, 2006.

Donald E. Moomaw,

Acting Regional Director, Great Plains Region.

[FR Doc. E6-11598 Filed 7-20-06; 8:45 am]

BILLING CODE 4310-MN-P

INTERNATIONAL TRADE COMMISSION

[Investigation Nos. 731-TA-703 and 705 (Second Review)]

Furfuryl Alcohol From China and Thailand

AGENCY: International Trade Commission.

ACTION: Scheduling of expedited five-year reviews concerning the antidumping duty orders on furfuryl alcohol from China and Thailand.

SUMMARY: The Commission hereby gives notice of the scheduling of expedited reviews 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 orders on furfuryl alcohol from China and Thailand would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time. For further information concerning the conduct of these reviews 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:* July 7, 2006.

FOR FURTHER INFORMATION CONTACT: Olympia DeRosa Hand (202-205-3182), 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 these reviews may be viewed on the

Commission's electronic docket (EDIS) at <http://edis.usitc.gov>.

SUPPLEMENTARY INFORMATION:

Background—On July 7, 2006, the Commission determined that the domestic interested party group response to its notice of institution (71 FR 16587, April 3, 2006) of the subject five-year reviews was adequate and that the respondent interested party group response was inadequate. The Commission did not find any other circumstances that would warrant conducting full reviews.¹ Accordingly, the Commission determined that it would conduct expedited reviews pursuant to section 751(c)(3) of the Act.

Staff report—A staff report containing information concerning the subject matter of the reviews will be placed in the nonpublic record on August 14, 2006, and made available to persons on the Administrative Protective Order service list for these reviews. A public version will be issued thereafter, pursuant to § 207.62(d)(4) of the Commission's rules.

Written submissions—As provided in § 207.62(d) of the Commission's rules, interested parties that are parties to the reviews and that have provided individually adequate responses to the notice of institution,² and any party other than an interested party to the reviews may file written comments with the Secretary on what determinations the Commission should reach in the reviews. Comments are due on or before August 17, 2006, and may not contain new factual information. Any person that is neither a party to the five-year reviews nor an interested party may submit a brief written statement (which shall not contain any new factual information) pertinent to the reviews by August 17, 2006. However, should the Department of Commerce extend the time limit for its completion of the final results of its reviews, 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 §§ 201.6, 207.3, and 207.7 of the Commission's rules. The Commission's rules do not

¹ Commissioner Charlotte R. Lane concluded that circumstances warranted full reviews. 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.

² The Commission has found the response submitted by domestic producer Penn Specialty Chemicals, Inc. to be adequate. Comments from other interested parties will not be accepted (see 19 CFR 207.62(d)(2)).

authorize filing of submissions with the Secretary by facsimile or electronic means, except to the extent permitted by § 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 reviews must be served on all other parties to the reviews (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.

Determination—The Commission has determined to exercise its authority to extend the review period by up to 90 days pursuant to 19 U.S.C. 1675(c)(5)(B).

1675(c)(5)(B).

Authority: These reviews are being conducted under authority of title VII of the Tariff Act of 1930; this notice is published pursuant to § 207.62 of the Commission's rules.

By order of the Commission.

Issued: July 17, 2006.

Marilyn R. Abbott,

Secretary to the Commission.

[FR Doc. E6-11563 Filed 7-20-06; 8:45 am]

BILLING CODE 7020-02-P

INTERNATIONAL TRADE COMMISSION

[Investigation Nos. 332-350 and 332-351]

Monitoring of U.S. Imports of Tomatoes; Monitoring of U.S. Imports of Peppers

AGENCY: United States International Trade Commission.

ACTION: Notice of opportunity to submit information for 2006 monitoring reports.

DATES: *Effective Date:* July 12, 2006.

SUMMARY: Pursuant to statute (see below), the Commission monitors U.S. imports of fresh or chilled tomatoes and fresh or chilled peppers, other than chili peppers, for the purpose of expediting an investigation under certain U.S. safeguard laws, should an appropriate petition be filed. As part of that monitoring, the Commission compiles data on imports and the domestic industry, and has made its data series available electronically to the public on an annual basis since 1994. The Commission is in the process of preparing its data series for the period

APPENDIX B
STATEMENT ON ADEQUACY

EXPLANATION OF COMMISSION DETERMINATION ON ADEQUACY

in

Furfuryl Alcohol from China and Thailand,
Inv. Nos. 731-TA-703 and 705 (Second Review)

On July 7, 2005, the Commission determined that it should proceed to expedited reviews in both subject five-year reviews pursuant to section 751(c)(3)(B) of the Tariff Act of 1930, as amended, 19 U.S.C. § 1675(c)(3)(B).¹

With regard to each of the reviews, the Commission determined that the domestic interested party group response to the notice of institution was adequate. The Commission received an adequate response from Penn Chemicals, Ltd., the sole domestic producer of furfuryl alcohol. Because the Commission received an adequate response from a domestic producer accounting for a substantial percentage of U.S. production, the Commission determined that the domestic interested party group response was adequate.

With respect to imports from China, the Commission did not receive a response from any respondent interested party in the review and therefore determined that the respondent interested party group response was not adequate. The Commission therefore determined to conduct an expedited review in *Furfuryl Alcohol from China*, Inv. No. 731-TA-703.

With respect to imports from Thailand, the Commission did not receive a response from any respondent interested party in the review and therefore determined that the respondent interested party group response was not adequate. The Commission therefore determined to conduct an expedited review in *Furfuryl Alcohol from Thailand*, Inv. No. 731-TA-705. A record of the Commissioners' votes is available from the Office of the Secretary and the Commission's web site (<http://www.usitc.gov>).

¹Commissioner Charlotte R. Lane dissenting. Commissioner Lane voted to proceed to full reviews in both subject five-year reviews.