

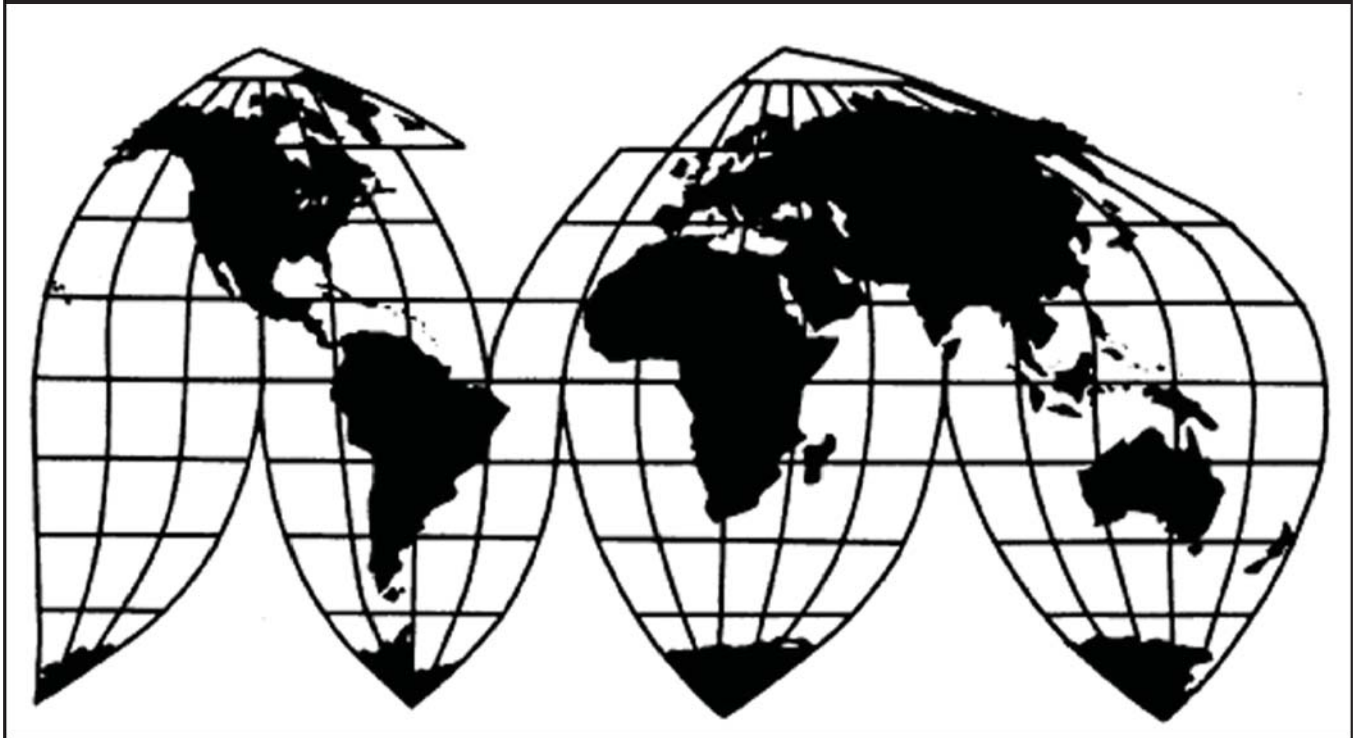
PAPER CLIPS FROM CHINA

Investigation No. 731-TA-663 (Third Review)

Publication 4242

July 2011

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Note.—Information that would reveal confidential operations of individual concerns may not be published and therefore has been deleted from this report.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

UNITED STATES INTERNATIONAL TRADE COMMISSION
Investigation No. 731-TA-663 (Third Review)

PAPER CLIPS FROM CHINA

DETERMINATION

On the basis of the record¹ developed in the subject five-year review, the United States International Trade Commission (Commission) determines, pursuant to section 751(c) of the Tariff Act of 1930 (19 U.S.C. § 1675(c)), that revocation of the antidumping duty order on paper clips from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

BACKGROUND

The Commission instituted this review on January 3, 2011 (76 F.R. 171) and determined on April 8, 2011, that it would conduct an expedited review.

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 this five-year review, we determine under section 751(c) of the Tariff Act of 1930, as amended (the Act), that revocation of the antidumping duty order on paper clips from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

I. BACKGROUND

In November 1994, the Commission determined that an industry in the United States was materially injured by reason of less-than-fair-value (“LTFV”) imports of paper clips from China.¹ That same month, the Department of Commerce (“Commerce”) issued an antidumping duty order on paper clips from China.²

In December 1999, the Commission instituted the first five-year review of the antidumping duty order on paper clips,³ and on March 3, 2000, the Commission voted to conduct an expedited review.⁴ In July 2000, the Commission determined that revocation of the order would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.⁵ Commerce issued a continuation of the order on paper clips from China in August 2000.⁶

The Commission instituted the second five-year review of the antidumping duty order at issue on July 1, 2005.⁷ On October 4, 2005, the Commission determined that it would conduct an expedited review.⁸ On January 17, 2006, the Commission determined that revocation of the antidumping duty order would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.⁹ Commerce subsequently issued a continuation of the antidumping duty order on China.¹⁰

The Commission instituted the instant review on January 2, 2011.¹¹ Domestic producers ACCO Brands USA, LLC (“ACCO”) and Officemate International Corp. (“OIC”) (collectively “domestic interested parties”) filed responses to the notice of institution. On April 8, 2011, the Commission determined that the domestic interested party response was adequate and the respondent interested party response was inadequate. In the absence of an adequate respondent interested party group response or

¹ Certain Paper Clips from the People’s Republic of China, Inv. No. 731-TA-663 (Final); USITC Pub. 2829 (Nov. 1994) at I-3 (“Original Determination”). All citations are to the published version of the determination unless otherwise noted.

² 59 Fed. Reg. 60606 (Nov. 25, 1994).

³ 64 Fed. Reg. 67329 (Dec. 1, 1999).

⁴ 65 Fed. Reg. 15010 (March 20, 2000).

⁵ Paper Clips from China, Inv. No. 731-TA-663 (Review), USITC Pub. 3330 (July 2000) (“First-Review”) at 3. All citations are to the published version of the determination unless otherwise noted.

⁶ 65 Fed. Reg. 47518 (Aug 25, 2000).

⁷ 70 Fed. Reg. 38202 (July 1, 2005).

⁸ 70 Fed. Reg. 61157 (Oct. 20, 2005).

⁹ Paper Clips from China, Inv. No. 731-TA-663 (Second Review), USITC Pub. 3834 (Jan. 2006) (“Second-Review Determination”) at 3. All citations are to the published version of the determination unless otherwise noted.

¹⁰ 71 Fed. Reg. 6269 (Feb. 7, 2006).

¹¹ 76 Fed. Reg. 171 (Jan. 3, 2011).

any other circumstances warranting a full review, the Commission determined to conduct an expedited review pursuant to section 751(c)(3) of the Act.¹²

No respondent interested party has provided any information or argument to the Commission.

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.”¹³ 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.”¹⁴ 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.¹⁵

In its expedited third five-year review determination, Commerce defined the subject merchandise as follows:

The products covered by this order are certain paper clips, wholly of wire of base metal, whether or not galvanized, whether or not plated with nickel or other base metal (e.g., copper), with a wire diameter between 0.025 inches and 0.075 inches (0.64 to 1.91 millimeters), regardless of physical configuration, except as specifically excluded. The products subject to this order may have a rectangular or ring-like shape and include, but are not limited to, clips commercially referred to as No. 1 clips, No. 3 clips, Jumbo or Giant clips, Gem clips, Frictioned clips, Perfect Gems, Marcel Gems, Universal clips, Nifty clips, Peerless clips, Ring clips, and Glide-On clips. The products subject to this order are currently classifiable under subheading 8305.90.3010 of the Harmonized Tariff Schedule of the United States (“HTSUS”).

Specifically excluded from the scope of this order are plastic and vinyl covered paper clips, butterfly clips, binder clips, or other paper fasteners that are not made wholly of wire of base metal and are covered under a separate subheading of the HTSUS.¹⁶

¹² 19 U.S.C. § 1675(c)(3). Explanation of Commission Determination of Adequacy at Confidential Staff Report Memorandum INV. JJ-061 (“CR”) and Public Staff Report Certain Paper Clips from China, Inv. No. 731-TA-663 (Third Review), USITC Pub. 4242 (July 2011) (“PR”) at I-9. Appendix B. Commissioners Daniel R. Pearson and Shara L. Aranoff found that circumstances warranted conducting a full review of the antidumping duty order and therefore voted to conduct a full review. CR/PR at Appendix B n.1.

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

¹⁴ 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).

¹⁵ See Stainless Steel Sheet and Strip from France, Germany, Italy, Japan, Korea, Mexico, Taiwan and the United Kingdom, Inv. No. 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.

¹⁶ 76 Fed. Reg. 26242 (Jan. 3, 2011).

In the original investigation and the first and second five-year reviews, the Commission defined a single domestic like product consisting of certain wire paper clips.¹⁷ There is no new information obtained during this third five-year review that suggests a reexamination of the Commission's definition of domestic like product is warranted. The domestic interested parties agree that the Commission should define the domestic like product as certain wire paper clips coextensive with the scope, as it had in the original investigation and prior reviews. We therefore again define the domestic like product as certain wire paper clips coextensive with Commerce's scope for the reasons stated in the original determination and the first and second five-year reviews.

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."¹⁸

In the original investigation, and in the first and second-five year reviews, the Commission defined the domestic industry as all domestic producers of certain wire paper clips.¹⁹ The domestic interested parties identify the following three firms as current U.S. manufacturers of certain wire paper

¹⁷ Original Determination at I-7. In the original investigation, the Commission considered whether the definition of the domestic like product should include other types of paper fasteners such as plastic paper clips and binder clips. The Commission found that certain wire paper clips and other paper fasteners share common uses, namely to hold the paper together temporarily, and had common channels of distribution. It, however, found more differences than similarities. The Commission observed that paper clips and other paper fasteners generally were manufactured using different processes on different equipment, had somewhat limited interchangeability, and were perceived by market participants as not being practical substitutes for one another. Accordingly, the Commission found a single domestic like product consisting of certain wire paper clips, coextensive with Commerce's scope. Original Determination at 13.

In the first and second five-year reviews, the Commission defined the domestic like product as certain wire paper clips, coextensive with the scope, as it had in the original investigation. First-Review Determination at 5; Second- Review Determination at 4-5. In each review, the Commission noted that there was no new information that suggested a re-examination of the definition of the like product was warranted and that domestic producers agreed with the Commission's definition of domestic like product. Id.

¹⁸ 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).

¹⁹ Original Determination at I-7. In the original investigation, the Commission found that ACCO and Labelon/Noesting ("Noesting") qualified as related parties due to their importation of subject merchandise during the period of investigation, but did not find that circumstances warranted their exclusion from the domestic industry. In the first five-year review, the Commission defined the domestic industry to include all domestic producers of certain paper clips, ACCO, OIC (formerly Noesting), and "possibly" Work Services. The Commission noted that it could not address any related party issue given the limited information in the record. First-Review Determination at 5. In the second five-year review, the Commission again defined the domestic industry to include all domestic producers of certain wire paper clips, including ACCO, OIC, Advantus Corporation, and "probably" Work Services." Second Five-Year Review Determination at 5-6. The Commission observed that the record did not indicate that any of these firms qualified as a related party. Id.

clips: ACCO, OIC, and Advantus.²⁰ There is no new evidence presented in this review that would warrant a different definition of domestic industry from the original investigation and the prior reviews, and no party in this review disagrees with this conclusion. Accordingly, we define the domestic industry as all domestic producers of certain wire paper clips.

III. LIKELIHOOD OF CONTINUATION OR RECURRENCE OF MATERIAL INJURY IF THE ANTIDUMPING DUTY ORDER IS 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.”²¹ 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.”²² Thus, the likelihood standard is prospective in nature.²³ The U.S. Court of International Trade has found that “likely,” as used in the sunset review provisions of the Act, means “probable,” and the Commission applies that standard in five-year reviews.²⁴

²⁵ ²⁶

²⁰ Section 771(4)(B) of the Act allows the Commission, if appropriate circumstances exist, to exclude from the domestic industry producers that are related to an exporter or importer of subject merchandise, or that are themselves importers. No related party issue is raised in this review with respect to ACCO, OIC or Advantus. CR at I-11-I-12, PR at I-9.

²¹ 19 U.S.C. § 1675a(a).

²² 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.

²³ 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.

²⁴ See NMB Singapore Ltd. v. United States, 288 F. Supp. 2d 1306, 1352 (Ct. Int’l Trade 2003) (“‘likely’ means probable within the context of 19 U.S.C. § 1675(c) and 19 U.S.C. § 1675a(a)”), aff’d mem., 140 Fed. Appx. 268 (Fed. Cir. 2005); Nippon Steel Corp. v. United States, 26 CIT 1416, 1419 (2002) (same); Usinor Industeel, S.A. v. United States, 26 CIT 1402, 1404 nn.3, 6 (2002) (“more likely than not” standard is “consistent with the court’s opinion”; “the court has not interpreted ‘likely’ to imply any particular degree of ‘certainty’”); Indorama Chemicals (Thailand) Ltd. v. United States, 26 CIT 1059 (Ct. Int’l Trade 2002) (“standard is based on a likelihood of continuation or recurrence of injury, not a certainty”); Usinor v. United States, 26 CIT 767, 794 (2002) (“‘likely’ is tantamount to ‘probable,’ not merely ‘possible’”).

²⁵ For a complete statement of Chairman Okun’s interpretation of the likely standard, see Additional Views of Vice Chairman Deanna Tanner Okun Concerning the “Likely” Standard in Certain Seamless Carbon and Alloy Steel Standard, Line and Pressure Pipe From Argentina, Brazil, Germany, and Italy, Invs. Nos. 701-TA-362 (Review) and (continued...)

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.”²⁷ According to 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.”²⁸

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 order is revoked or the suspended investigation is terminated.”²⁹ 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 order is revoked or the suspension agreement is terminated, and any findings by Commerce regarding duty absorption pursuant to 19 U.S.C. § 1675(a)(4).³⁰

No respondent interested parties participated in this expedited review. The record, therefore, contains limited new information with respect to the paper clip industry in China, as well as limited information on the paper clip market during the period of review. Accordingly, in reaching our determination, we rely as appropriate on the facts available from the original investigation and prior reviews and the limited new information on the record in this review.^{31 32}

²⁵ (...continued)

731-TA-707 to 710 (Review) (Remand), USITC Pub. 3754 (Feb. 2005).

²⁶ Commissioner Lane notes that, consistent with her views in Pressure Sensitive Plastic Tape From Italy, Inv. No. AA1921-167 (Second Review), USITC Pub. 3698 (June 2004), she does not concur with the U.S. Court of International Trade’s interpretation of “likely,” but she will apply the Court’s standard in this review and all subsequent reviews until either Congress clarifies the meaning or the U.S. Court of Appeals for the Federal Circuit addresses this issue.

²⁷ 19 U.S.C. § 1675a(a)(5).

²⁸ 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.

²⁹ 19 U.S.C. § 1675a(a)(1).

³⁰ 19 U.S.C. § 1675a(a)(1). There have been no duty absorption findings by Commerce with respect to the order under review. 76 Fed. Reg. 26242 (May 6, 2011). 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.

³¹ 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 section 782(i) of the Act. 19 U.S.C. § 1677e(a). The verification requirements in section 782(i) are applicable only to Commerce. 19 U.S.C. § 1677m(i). See Titanium Metals Corp. v. United States, 155 F. Supp. 2d 750, 765 (Ct. Int’l Trade 2001) (“[T]he ITC correctly responds that Congress has not required the Commission to conduct verification procedures for the evidence before it, or provided a minimum standard by which to measure the thoroughness of a Commission investigation.”).

³² Chairman Okun notes that the statute authorizes the Commission to take adverse inferences in five-year reviews, but such authorization does not relieve the Commission of its obligation to consider the record evidence as

(continued...)

B. Conditions of Competition and Business Cycle

In evaluating the likely impact of the subject imports on the domestic industry, the statute directs the Commission to consider all relevant economic factors “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”³³

1. The Original Investigation

In the original investigation, the Commission noted that paper clips are a common office supply product and are generally made from steel wire. The Commission found that the paper clip industry was mature, with little product innovation. It also found that there was significant direct competition between domestically produced paper clips and paper clips from China, and that this competition was based primarily on price, as there were few quality distinctions between the domestic like product and the subject merchandise. The Commission concluded that the U.S. market for paper clips was changing because the U.S. market increasingly consisted of large discount retailers of office supply products, causing producers to shift sales to those retailers. Additionally, the Commission noted that paper clips were often “bundled” with other office products under a single purchase order.³⁴

2. The Prior Reviews

In the expedited first five-year review, the Commission observed that many of the conditions of competition it found in the original investigation had not changed. In particular, the Commission found that the paper clip industry remained mature and that the market increasingly consisted of large discount retailers. The Commission further noted that significant price competition continued to exist between the domestic like product and the subject merchandise. It also found that price remained a significant factor in purchasing decisions, noting that ACCO, the largest domestic producer, characterized price as the most important factor in purchasing decisions. Finally, the Commission found that the domestic like product and subject imports continued to be substitutable.³⁵

In the second five-year review, the Commission identified a number of conditions of competition relevant to its analysis. Initially, the Commission found that demand for paper clips, as measured by apparent U.S. consumption, had decreased since the first review, but remained comparable to demand levels in the last two years of the original period of investigation.³⁶

³² (...continued)

a whole in making its determination. See 19 U.S.C. § 1677e. She generally gives credence to the facts supplied by the participating parties and certified by them as true, but bases her decision on the evidence as a whole, and does not automatically accept participating parties’ suggested interpretations of the record evidence. Regardless of the level of participation, the Commission is obligated to consider all evidence relating to each of the statutory factors and may not draw adverse inferences that render such analysis superfluous. “In general, the Commission makes determinations by weighing all of the available evidence regarding a multiplicity of factors relating to the domestic industry as a whole and by drawing reasonable inferences from the evidence it finds most persuasive.” SAA at 869.

³³ 19 U.S.C. § 1675a(a)(4).

³⁴ Original Determination at I-8-I-9. Nearly all purchasers reported that they purchased paper clips bundled with other office supplies. Id. at I-9.

³⁵ First-Review Determination at 7-10.

³⁶ Second-Review Determination at 8, Confidential Version at 10. Apparent U.S. consumption was *** units in 1992 and *** units in 1993. Apparent U.S. consumption was *** units in 1998 and *** units in 2004, respectively.

(continued...)

The Commission further found that domestic producers supplied most of the U.S. market, with domestic producers' shipments accounting for *** percent of apparent U.S. consumption.³⁷ The Commission noted that ACCO continued to be the dominant domestic producer of paper clips in 2004, accounting for *** percent of U.S. production of paper clips for that year.³⁸ The Commission observed that the U.S. market was also supplied by subject and nonsubject imports. It observed that total import volume was 2.2 billion units in 2004, with subject imports accounting for more than half of total imports.³⁹

The Commission also found that several of the competitive conditions in the original investigation and first review continued to be applicable to the U.S. paper clips market. Specifically, it pointed out that large discount office retailers remained the most important purchasers of domestically produced paper clips. The Commission further noted that paper clips continued to be purchased together with other office supplies and that price remained the most important factor in purchasing decisions.⁴⁰ . The Commission found that a number of conditions of competition had changed. Specifically, the Commission found that paper clip prices had increased as subject import volume declined. The Commission also found changes to the conditions of competition based on unrefuted statements of ACCO and OIC. Although OIC was an importer of subject merchandise in the original period of investigation, it since had become a domestic producer. ACCO maintained and there was no contrary evidence rebutting that these "large, commercial buyers of paper clips, were likely to purchase paper clips together with other office supply products from China due to the fact that paper clips, with their relatively heavy weight to volume ratio, can balance out the total weight of a shipping container to the maximum weight allowed."⁴¹ Finally, the Commission noted that there was a significant increase in the price of steel wire, the principal raw material used in the production of paper clips, during the second review period.⁴²

³⁶ (...continued)

Id.

³⁷ Second-Review Determination at 8, Confidential Version at 10.

³⁸ Second-Review Determination at 8, Confidential Version at 10-11.

³⁹ Second-Review Determination at 9.

⁴⁰ Second-Review Determination at 9.

⁴¹ Second-Review Determination at 9.

⁴² Second-Review Determination at 9.

3. The Current Review

In this review, we find the following conditions of competition relevant to our analysis.

Paper clips are a common office supply product generally made from steel wire and are used to temporarily hold papers together.⁴³ As the Commission found in the original investigation and prior five-year reviews, the paper clip market is a mature one with little product innovation.⁴⁴

Demand for paper clips reportedly is tied to the health of the overall U.S. economy. According to OIC, the 2008 downturn in the U.S. economy affected demand for paper clips.⁴⁵ Apparent U.S. consumption of paper clips decreased from *** units in 2004 to *** units in 2010.⁴⁶

The U.S. paper clips market continues to be supplied by domestic producers, subject imports, and nonsubject imports. The record indicates that the domestic industry is limited to just three producers: ACCO, CIO, and Advantus.⁴⁷ ACCO continues to be the predominant U.S. producer of paper clips, accounting for *** percent of total U.S. production of paper clips in 2010.⁴⁸

Following the imposition of the order, the domestic industry's share of apparent U.S. consumption increased, from *** percent in 1993 to *** percent in 1998, and then remained stable thereafter (*** percent in 2004, and *** percent in 2010).⁴⁹ During the period of the original investigation, subject imports accounted for approximately *** of apparent U.S. consumption. After the imposition of the order, subject import market share fell to just *** percent of apparent U.S. consumption in 1998.⁵⁰ Subject import market share, however, then increased, accounting for *** percent of apparent U.S. consumption in 2004 and *** percent of apparent U.S. consumption in 2010.⁵¹ In contrast, the market share held by nonsubject imports increased following the imposition of the order, from *** percent in 1993 to *** percent in 1998.⁵² Nonsubject market share then decreased from *** percent in 2004 to *** percent in 2010.⁵³ The primary sources of nonsubject paper clips in 2010 were Colombia and Taiwan.⁵⁴

As the Commission found in the original investigation and prior reviews, the domestic like product and subject imports are highly substitutable and directly compete primarily based on price.⁵⁵ Large discount retailers of office supply products, such as Office Depot, Office Max, and Staples, which continue to bundle their office supply purchases, account for a large share of the U.S. market.⁵⁶

Based on the limited record evidence, we find that the current conditions of competition in the paper clips market are not likely to change significantly in the reasonably foreseeable future. Thus, we find that these conditions of competition provide us with a reasonable basis on which to assess the likely effects of revocation of the order in the reasonably foreseeable future.

⁴³ CR at I-5, PR at I-4.

⁴⁴ CR at I-9, PR at I-5.

⁴⁵ OIC Response to the Notice of Institution at 9.

⁴⁶ CR/PR at Table I-5. Apparent U.S. consumption was *** units in 1993 and *** units in 1998.

⁴⁷ CR at I-11, PR at I-9.

⁴⁸ CR at I-11, PR at I-9.

⁴⁹ CR/PR at Table I-5.

⁵⁰ CR/PR at Table I-5.

⁵¹ CR/PR at Table I-5.

⁵² CR/PR at Table I-5.

⁵³ CR/PR at Table I-5.

⁵⁴ CR/PR at Table I-5 n.3.

⁵⁵ CR at I-6, PR at I-5, I-8; ACCO Response to the Notice of Institution at 5.

⁵⁶ CR at I-9-I-10, PR at I-5, I-8.

C. Likely Volume of Subject Imports

In evaluating the likely volume of imports of subject merchandise if an antidumping duty order is 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.⁵⁷ In doing so, the Commission must consider “all relevant economic factors,” including four enumerated factors: (1) any likely increase in production capacity or existing unused production capacity in the exporting country; (2) existing inventories of the subject merchandise, or likely increases in inventories; (3) the existence of barriers to the importation of the subject merchandise into countries other than the United States; and (4) the potential for product shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products.⁵⁸

1. The Original Investigation

During the period examined in the original investigation, subject import volume increased irregularly from 4.2 billion units in 1991 to 4.9 billion units in 1993, and accounted for approximately *** of the U.S. market.⁵⁹

2. Prior Reviews

In the first five-year review, the Commission found that, following the imposition of the order in November 1994, subject imports declined substantially, from 4.9 billion units in 1993 to 164 million units in 1998.⁶⁰ Additionally, it emphasized that subject imports accounted for only *** percent of apparent U.S. consumption in 1998, compared to *** percent in 1993.⁶¹ According to the Commission, this drop in subject import volume indicated that the antidumping duty order had led to the reduced presence of subject imports in the U.S. market.⁶²

In the second five-year review, the Commission found that subject import volume steadily increased from 2001 (339 million units) to 2004 (1.1 billion units).⁶³ Although the volume of subject imports was considerably higher in 2004 than in 1998, the Commission concluded that subject import volume remained well below levels observed in the original investigation.⁶⁴ Additionally, the Commission found that subject import market share in 2004 remained substantially lower than prior to the imposition of the order.⁶⁵

⁵⁷ 19 U.S.C. § 1675a(a)(2).

⁵⁸ 19 U.S.C. § 1675a(a)(2)(A) to (D).

⁵⁹ CR/PR at Table I-5.

⁶⁰ Original Determination at I-11; CR/PR at Table I-5.

⁶¹ First-Review Determination at 9; CR/PR at Table I-5.

⁶² First-Review Determination at 9; CR/PR at Table I-5.

⁶³ Second-Review Determination at 10.

⁶⁴ Second-Review Determination at 10-11; CR/PR at Table IV-5.

⁶⁵ Second-Review Determination at 10-11; CR/PR at Table IV-5.

The Commission cited several factors in support of its conclusion that the volume of subject imports was likely to be significant if the order was revoked.⁶⁶ First, although the volume and market share of subject imports had decreased substantially after the imposition of the order, the volume and market share of subject imports had recently increased. Second, based on the available record evidence, the Commission found that Chinese producers had significant production capacity that could be used to increase exports to the U.S. market. Specifically, the Commission noted that ACCO identified 12 Chinese producers of paper clips, double the number of Chinese producers at the time of original investigation. Moreover, according to OIC, paper clip production in China required little technology and capital. As a result, production capacity could be expanded with the addition of inexpensive equipment and labor.⁶⁷

The Commission also found that certain conditions of competition would make an increase in subject imports likely if the order was revoked.⁶⁸ Large office supply retailers began sourcing paper clips domestically only after the imposition of the order. Given that these office supply retailers had existing supply relationships with Chinese producers and exporters, they were likely source their paper clips from China if the order were revoked. Additionally, office supply retailers were increasingly purchasing paper clips as part of a bundle of office supply products. The Commission therefore concluded that, in some instances, office supply retailers would likely source paper clips from China in order to maximize the weight of a shipping container with paper clips.⁶⁹

3. The Current Review

Several factors support the conclusion that subject import volume is likely to be significant in the event of revocation of the order.

In the current review, subject import volume and market share were at higher levels than seen in prior reviews, but remained well below levels observed in the original investigation.⁷⁰ Subject import volume and market share have increased since the first review, even with the order in place. Subject import volume was 164 million units in 1998, 1.1 billion units in 2004, and 1.2 billion units in 2010.⁷¹ Subject import market share had a similar trend; it was *** percent in 1998, *** percent in 2004, and *** percent in 2010.⁷² These increases occurred despite a decrease in demand from 2004 to 2010.⁷³ Thus, it is evident that subject imports have once again increased their presence in the U.S. market and Chinese exporters have been able to increase their exports to the United States rapidly, even with the antidumping duty order in place.

Because of the lack of participation by Chinese producers and importers of subject merchandise, the Commission has limited information on the Chinese industry in this review. In the second five-year

⁶⁶ Second-Review Determination at 11.

⁶⁷ Second-Review Determination at 11.

⁶⁸ Second-Review Determination at 11.

⁶⁹ Second-Review Determination at 11-12.

⁷⁰ For example, subject import volume was 4.9 billion units in 1993 as compared to 1.2 billion units in 2010. CR/PR at Table I-5.

⁷¹ CR/PR at Table I-5.

⁷² CR/PR at Table I-5.

⁷³ CR/PR at Table I-3. The ratio of subject imports to domestic production was much higher in the original investigation than in the review periods, although it has increased in each subsequent review. It was *** percent in 1991, *** percent in 1992, and *** percent in 1993 (the original investigation). It was *** percent in 1998, *** percent in 2004, and *** percent in 2010 (review periods). Calculated from CR/PR at Table I-2 and I-3.

review, the domestic interested parties reported that there were 12 producers of paper clips in China, which was double the number of producers reported to exist at the time of the original investigation.⁷⁴ There is no information indicating that the total number of producers in China has decreased since the last review. Additionally, ACCO maintains that production capacity in China is at least at the same level as it was during the original investigation, and that Chinese producers have available capacity.⁷⁵ As it did in the second review, OIC reports that production of paper clips in China requires little technology and capital, and such production could be expanded easily with the addition of inexpensive equipment and additional labor.⁷⁶ Accordingly, we find that the record indicates that there is significant production capacity in China to manufacture paper clips.⁷⁷

We further find that certain conditions of competition would enable subject import volume to increase significantly if the order were revoked. Specifically, large discount retailers such as Office Depot, Office Max, and Staples continue to account for a large and growing share of paper clip purchases.⁷⁸ These large discount retailers are known to have bundled their office supply purchases in the past and are reportedly sourcing office supplies such as binder clips from China.⁷⁹ Since these customers have pre-existing supply relationships with Chinese producers and exporters, these retailers would likely source paper clips from China as well if the order were revoked. Moreover, given the importance of price in paper clip purchases, U.S. purchasers would likely switch to low-priced subject imports for their supply needs.⁸⁰

We note that, based on the available record, paper clips from China are not subject to import investigations in any third country markets.⁸¹ Although there is no evidence of any trade barriers in third country markets, the presence of subject imports in the U.S. market has increased since the imposition of the order, indicating the importance of the U.S. market to Chinese producers. Thus, we find that Chinese producers are likely to direct available capacity to the United States in the event of revocation.

Based on subject imports' volume and market share, the subject imports' increasing presence in the U.S. market during the current review, the reported size of the industry and available capacity in China, and the likelihood that large office supply retailers would likely switch to low-priced subject imports, we find that Chinese producers would likely increase their exports to the United State to a significant level and regain significant market share if the antidumping duty order were revoked. Thus, we find that the likely volume of subject imports, both in absolute terms and as a share of the U.S. market, would be significant if the order were revoked.

⁷⁴ Second-Review Determination at 11.

⁷⁵ ACCO's Response to the Notice of Institution at 3.

⁷⁶ OIC's Response to the Notice of Institution at 3-4.

⁷⁷ We do not have information on whether the Chinese producers can shift production from other products to paper clips, or on inventories of paper clips in China. CR at I-17, PR at I-14.

⁷⁸ CR at I-10, PR at I-8.

⁷⁹ CR at I-9-I-10, ACCO Response to Notice of Institution at 9.

⁸⁰ CR at I-9-10.

⁸¹ CR at I-18.

D. Likely Price Effects of Subject Imports

In evaluating the likely price effects of subject imports if the antidumping duty order is 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 prices for the domestic like product.⁸²

1. The Original Determination

In the original investigation, the Commission observed that subject imports from China and the domestic like product competed primarily on the basis of price.⁸³ It also found that low prices for subject imports had prevented domestic prices from increasing commensurate with increases in the cost of carbon steel wire, the primary raw material in the production of paper clips.⁸⁴ The Commission concluded that subject imports had depressed domestic prices in 1991 and suppressed domestic prices to a significant degree during the period of investigation.⁸⁵

2. The Prior Reviews

In the first five-year review, the Commission found that pricing patterns in the original investigation and first review period indicated that, if the order were revoked, there would likely be significant underselling by the subject imports to regain market share lost to domestically produced paper clips. Additionally, given the high substitutability between the domestic like product and subject imports and the importance of price in purchasing decisions, the Commission found that the likely increases in subject import volume would likely drive down domestic prices since domestic producers would be forced to cut prices to compete. The Commission therefore concluded that subject imports would likely have significant depressing or suppressing effects on prices for the domestic like product.⁸⁶

In the second five-year review, the Commission found that, if the order were revoked, significant volumes of subject imports would likely significantly undersell the domestic like product. This underselling would likely have significant depressing or suppressing effects on the prices of the domestic like product within a reasonably foreseeable time. In support of its finding of likely significant price effects, the Commission noted that, before the imposition of the order, subject imports entered the U.S. market in significant volumes at AUVs far below that of the domestic like product and the AUVs of the domestic like product declined. It emphasized that after the antidumping duty order was imposed, the AUVs for both the domestic like product and subject imports increased. Additionally, the Commission noted that the domestic like product and subject imports are highly substitutable and direct primarily based on price. As a result, the Commission found that “aggressive pricing of subject imports would

⁸² 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.

⁸³ Original Determination at I-11.

⁸⁴ Original Determination at I-12-I-13.

⁸⁵ Original Determination at I-12.

⁸⁶ First-Review Determination at 10.

likely be successful in lowering domestic prices to large discount office supply retailers that are already purchasing office supplies from China.”⁸⁷

With respect to price suppression, the Commission pointed out that the cost of steel wire, the primary raw material for paper clips, had increased since the first five-year review. In the original investigation, the Commission noted that domestic producers had been unable to raise prices commensurate with increases in carbon steel costs because of the presence of subject imports. The Commission concluded in the second review that, if the order were revoked, domestic producers would once again be unable to raise their prices in response to any cost increases. Accordingly, the Commission determined that subject imports likely would have significant suppressing effects on the prices for the domestic like product within a reasonably foreseeable time.⁸⁸

3. The Current Review

There is no new product-specific pricing information on the record. As noted above, paper clips are highly substitutable and price remains the principal determinant in making a sale in the U.S. market.⁸⁹

Although we continue to be mindful of possible product mix issues, the record of this review indicates that AUVs of the subject imports were *** at \$*** per unit in 2010 compared with AUVs of the U.S. producers’ U.S. commercial shipments, which were \$*** per unit.⁹⁰ As was noted in the second review, AUVs for subject imports from China were consistently lower than for the domestic like product during the original investigation and it was only after the order was imposed that the AUVs for the subject imports were higher than the AUVs reported for the domestic like product.⁹¹

If the order were revoked, the likely significant volume of aggressively priced subject imports in the U.S. market would likely adversely affect U.S. prices. As noted above, large discount retailers of office supplies are already purchasing other office supplies from China. Given the importance of price and the high substitutability of subject imports and the domestic like product, if the order were revoked, these retailers would be likely to source paper clips from China as well. Domestic producers would likely be forced to cut their prices or lose critical U.S. market share.

Thus, if the order were revoked, we find the likely significantly increasing subject imports from China would enter the U.S. market at aggressive prices in order to further increase their market share in this market. In response, domestic producers either would have to reduce their prices or relinquish market share.

For the reasons stated above, we find that upon revocation of the order, subject imports from China would be likely to enter the United States at prices that would likely undersell the domestic like product and that would likely have significant suppressing or depressing effects on U.S. producers’ prices.

⁸⁷ Second-Review Determination at 13.

⁸⁸ Second-Review Determination at 13.

⁸⁹ CR/PR at I-10.

⁹⁰ CR/PR at Tables I-4, I-5, I-8.

⁹¹ Second-Review Determination at 13.

E. Likely Impact of Subject Imports⁹²

In evaluating the likely impact of imports of subject merchandise if the antidumping duty order under review were revoked, the Commission is directed to consider all relevant economic factors that are likely to have a bearing on the state of the industry in the United States, including, but not limited to the following: (1) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity; (2) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment; and (3) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or more advanced version of the domestic like product.⁹³ 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.⁹⁴ As instructed by the statute, we have considered the extent to which any improvement in the state of the domestic industry is related to the order at issue and whether the industry is vulnerable to material injury if the order were revoked.

1. The Original Determination

In the original investigation, the Commission found that, while subject import volume declined toward the end of the period of investigation, subject import market penetration was close to *** percent throughout the period. In response to price pressure from subject imports, the Commission found that ACCO lowered prices and shifted its marketing emphasis to less-expensive products to maintain market share. It noted that the data and trends for the domestic industry as a whole correlated with the experience of ACCO. According to the Commission, the domestic industry's data reflected that ACCO's aggressive pricing strategy was working, as domestic producers' shipments, production, and market share increased from 1992 to 1993. At the same time, the domestic industry's financial performance improved from operating losses in 1991 and 1992 to operating income in 1993. Despite this improvement, the Commission found that prices remained at depressed levels even though raw material costs increased in the latter part of the period of investigation. Given the continuing price pressure from subject imports, the Commission found that the domestic industry's financial and other performance indicators, including production, capacity utilization, and employment, took a downward turn in interim 1994 compared to interim 1993.⁹⁵

⁹² Section 752(a)(6) of the Act states that "the Commission may consider the magnitude of the margin of dumping" in making its determination in a five-year review. 19 U.S.C. § 1675a(a)(6). The statute defines the "magnitude of the margin of dumping" to be used by the Commission in five-year reviews as "the dumping margin or margins determined by the administering authority under section 1675a(c)(3) of this title." 19 U.S.C. § 1677(35)(C)(iv). See also SAA at 887. In its expedited third-review determination, Commerce concluded that revocation of the antidumping duty order on paper clips from China would be likely to lead to continuation or recurrence of dumping at the following weighted-average margins: Shanghai Lansheng Corp. (57.64 percent), Zhejiang Light Industrial Products Import & Export Corp. (46.01 percent), Zhejiang Machinery and Equipment Import and Export Corp. (60.70 percent), and PRC-wide (126.94 percent). 76 Fed. Reg. 26242 (May 6, 2011).

⁹³ 19 U.S.C. § 1675a(a)(4).

⁹⁴ 19 U.S.C. § 1675a(a)(4).

⁹⁵ Original Determination at I-13-I-14.

2. The Prior Reviews

In the first five-year review, the Commission found that the order had a positive effect on the domestic industry's performance. Given the marked improvement in industry performance, the Commission determined that the domestic industry was not then in a vulnerable state. The Commission nonetheless found that, if the order were revoked, the likely increases in the volume and market penetration of low-priced subject imports, and their likely price depressing and suppressing effects, would likely have a significant adverse impact on the domestic industry's production, shipment, sales, and revenue levels.⁹⁶ Accordingly, the Commission found that the reduction in the industry's production, sales, and revenue levels would likely have a direct adverse impact on the domestic industry's employment and profitability as well as its ability to raise capital and make and maintain necessary capital investments.⁹⁷

In the second five-year review, the Commission determined that, if the antidumping duty order were revoked, subject imports from China would likely have a significant adverse impact on the domestic industry within a reasonably foreseeable time. Initially, the Commission noted that the antidumping duty order continued to have a positive effect on the performance of the domestic industry. It was unable to determine, however, if the industry was in a vulnerable state, because there was no information on many of the financial and trade indicators that the Commission considers in making this determination.

The Commission concluded that revocation of the antidumping duty order would lead to significant increases in the volume of subject imports at prices that would undersell the domestic like product and significantly depress U.S. prices, and that the volume and price effects of the subject imports would have a significant negative impact on the domestic industry and would likely cause the domestic industry to lose market share.⁹⁸ The Commission explained that the likely price and volume decreases would likely have a significant adverse impact on the production, shipment, sales, and revenue levels of the domestic industry.⁹⁹ Accordingly, the Commission found that the reduction in the industry's production, sales, and revenue levels would have a direct adverse impact on the industry's profitability and employment levels as well as its ability to raise capital and make and maintain necessary capital investments.¹⁰⁰

3. The Current Review

In this expedited review, the record includes limited information on the domestic industry's condition. We collected 2010 data for several performance indicators, but we have no data on the industry's performance from 2005 to 2009. The limited evidence in this expedited review is insufficient for us to determine whether the domestic industry is vulnerable to the continuation or recurrence of material injury in the event of revocation of the order.

Although there are no capacity or capacity utilization data for the domestic industry from the prior reviews, the data show that in 2010 the domestic industry's production capacity was *** units and its capacity utilization rate was *** percent.¹⁰¹ The data show that, compared with the data collected in

⁹⁶ First-Review Determination at 14.

⁹⁷ First-Review Determination at 14.

⁹⁸ Second-Review Determination at 14-15.

⁹⁹ Second-Review Determination at 15.

¹⁰⁰ Second-Review Determination at 15.

¹⁰¹ CR/PR at Table I-2. During the original investigation, in 1993, the domestic industry's capacity was *** units
(continued...)

the last review, the domestic industry's market share remains stable,¹⁰² while its production and U.S. shipments have decreased.¹⁰³

Although comparisons with the last two reviews were not available, the domestic industry's operating income was \$*** in 2010, which is substantially higher than that for all three years examined in the original investigation.¹⁰⁴

Based on the information available in this review, including information in the record of the original investigation, we find that revocation of the antidumping duty order on certain wire paper clips from China would likely lead to a significant increase in the volume of subject imports. In addition, subject imports would significantly undersell the domestic product, resulting in significant depression and/or suppression of U.S. producers' prices for the domestic like product. We find that the intensified price competition with subject imports that would likely occur after revocation of the order would likely have a significant adverse impact on the domestic industry. Specifically, the domestic industry would likely lose market share to low-priced subject imports and would likely obtain lower prices because of competition from subject imports, which would adversely impact its production, shipments, sales, and revenues. These reductions would likely have a direct adverse impact on the industry's profitability and employment levels, as well as its ability to raise capital and make and maintain necessary capital investments.

We have also considered the role of other factors, such as declining demand in the U.S. market and the presence of nonsubject imports, so as not to attribute likely injury from such factors to subject imports. In regard to demand, although apparent U.S. consumption was lower in 2010 than in 2004,¹⁰⁵ the domestic industry's market share remained the same and its performance appears to have been relatively healthy. Moreover, subject imports have continued to increase market share in a declining market. In regard to nonsubject imports, although the volume and market share of subject imports was higher in 2010 than in 2004, the volume and market share of nonsubject imports, which was low in 2004, was even lower in 2010.¹⁰⁶

Accordingly, notwithstanding the decline in demand and the presence of nonsubject imports in the U.S. market, we find that subject imports of paper clips are likely to have a significant adverse impact on the domestic industry in the event of revocation of the antidumping duty order.

CONCLUSION

For the foregoing reasons, we determine that revocation of the antidumping duty order on paper clips from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

¹⁰¹ (...continued)

and the domestic industry's capacity utilization was *** percent. CR/PR at Table I-2.

¹⁰² The domestic industry's market share was *** percent in 2004 and *** percent in 2010. CR/PR at Table I-5.

¹⁰³ The domestic industry's production decreased from *** units in 2004 to *** units in 2010, as its U.S. commercial shipments decreased from *** units in 2004 to *** units in 2010. CR/PR at Table I-2.

¹⁰⁴ CR/PR at Table I-2.

¹⁰⁵ CR/PR at Table I-5.

¹⁰⁶ CR/PR at Table I-5.

INFORMATION OBTAINED IN THE REVIEW

INTRODUCTION

Background

On January 2, 2011, in accordance with section 751(c) of the Tariff Act of 1930 (“the Act”),¹ as amended, the U.S. International Trade Commission (“Commission”) gave notice that it had instituted a five-year review to determine whether revocation of the antidumping duty order on paper clips from China would be likely to lead to a continuation or recurrence of material injury within a reasonably foreseeable time.^{2 3} On April 8, 2011, the Commission determined that the domestic interested party group response to its notice of institution was adequate.⁴ The Commission also determined that the respondent interested party group response was inadequate.⁵ The Commission found no other circumstances that would warrant conducting a full review.⁶ Accordingly, the Commission determined that it would conduct an expedited review pursuant to section 751(c)(3) of the Act.^{7 8} The Commission voted on this review on June 29, 2011, and notified Commerce of its determination on July 12, 2011. Information relating to the background of the review is presented in the tabulation below.

¹ 19 U.S.C. §1675(c).

² All interested parties were requested to respond to the notice by submitting information requested by the Commission. 76 FR 171, January 3, 2011. Copies of the Commission’s *Federal Register* notices are 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 the five-year review of the subject antidumping duty order concurrently with the Commission’s notice of institution. 76 FR , 89, January 3, 2011.

⁴ The Commission received two submissions in response to its notice of institution for the subject review. They were filed on behalf of ACCO Brands USA, LLC (“ACCO”) and Officemate International Corp. (“OIC”), domestic producers of paper clips.

⁵ The Commission received no responses to its notice of institution from respondent interested parties.

⁶ A copy of the *Explanation of Commission Determination on Adequacy* is presented in app. B.

⁷ Commissioners Shara L. Aranoff and Daniel R. Pearson dissenting.

⁸ 19 U.S.C. § 1675(c)(3). See the Commission’s web site (<http://www.usitc.gov>) for Commissioner votes on whether to conduct an expedited or full review.

Effective date	Action	Federal Register citation
November 25, 1994	Commerce's original antidumping duty order issued	59 FR 60606
August 15, 2000	Commerce's continuation of antidumping duty order after first expedited five-year review	65 FR 49784
February 7, 2006	Commerce's continuation of antidumping duty order after second expedited five-year review	71 FR 6269
January 3, 2011	Commission's institution of third review	76 FR 171
April 8, 2011	Commission's decision to conduct expedited third review	Not applicable
May 6, 2011	Commerce's final results of expedited third review	76 FR 26242
May 31, 2011	Commission's scheduling of the third expedited review	76 FR 31360
June 29, 2011	Commission's vote	Not applicable
July 12, 2011	Commission's determination to Commerce	Not applicable
Source: Cited <i>Federal Register</i> notices.		

THE ORIGINAL INVESTIGATION

On November 29, 1993, a petition was filed with Commerce and the Commission alleging that an industry in the United States was materially injured, or was threatened with material injury by reason of imports sold at less than fair value (“LTFV”) from China.⁹ In November 1994, the Commission determined that an industry in the United States was materially injured or threatened with material injury by reason of LTFV imports of paper clips from China.¹⁰ The Commission defined the like product as “certain paper clips,” as described in Commerce’s scope of investigation. The Commission also found the relevant industry to consist of producers of that like product.¹¹

THE FIRST FIVE-YEAR REVIEW

On December 1, 1999, the Commission instituted the first five-year sunset review of the antidumping duty order on paper clips from China.¹² On March 3, 2000, the Commission determined that it would conduct an expedited review.¹³ On June 28, 2000, Commerce determined that revocation of the antidumping duty order on paper clips would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.¹⁴ On August 2, 2000, the Commission determined that revocation of the antidumping duty order on paper clips would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a

⁹ The petition was filed by counsel for ACCO and Labelon/Noesting Co. (“Noesting”).

¹⁰ *Certain Paper Clips from China, Inv. No. 731-TA-663 (Final)*, USITC Publication 2829, November 1994, p. 1.

¹¹ *Original Report*, p. I-7. The Commission found ACCO and Noesting to be related parties because each firm imported subject merchandise during the period of investigation. It concluded, however, that appropriate circumstances did not exist to exclude either firm from the domestic industry. *Id.*, pp. I-7 and I-8.

¹² 64 FR 67320.

¹³ 65 FR 15010, March 20, 2000.

¹⁴ 65 FR 41434, July 5, 2000.

reasonably foreseeable time.¹⁵ On August 15, 2000, Commerce published its notice of continuation of the antidumping duty orders.¹⁶

THE SECOND FIVE-YEAR REVIEW

On July 1, 2005, the Commission instituted the second five-year sunset review of the antidumping duty order on paper clips from China.¹⁷ On October 4, 2005, the Commission determined that it would conduct an expedited review.¹⁸ On November 7, 2005, Commerce determined that revocation of the antidumping duty order on paper clips would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.¹⁹ On January 23, 2006, the Commission determined that revocation of the antidumping duty order would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.²⁰ On February 7, 2006, Commerce published its notice of continuation of the antidumping duty order.²¹

COMMERCE'S FINAL RESULTS OF EXPEDITED SUNSET REVIEW

On May 6, 2011, Commerce published in the *Federal Register* its finding that revocation of the antidumping duty order on paper clips from China would be likely to lead to continuation or recurrence of dumping.²² The weighted-average dumping margins (in percent *ad valorem*), as reported by Commerce, for the original investigations, the first five-year review, the second five-year review, and the third five-year review, are presented in the table I-1.

Table I-1

Paper clips: Weighted-average dumping margins, as reported by Commerce, for the original investigation, the first five-year review, the second five-year review, and the third five-year review, by firm

Firm	Original	First review	Second review	Third review
	Margin (percent)			
Shanghai Lansheng Corp.	57.64	57.64	57.64	57.64
Zhejiang Light Industrial Products Import & Export Corp.	46.01	46.01	46.01	46.01
Zhejiang Machinery and Equipment Import & Export Corp.	60.70	60.70	60.70	60.70
PRC-wide	126.94	126.94	126.94	126.94

Source: Various *Federal Register* notices.

¹⁵ 65 FR 47518.

¹⁶ 65 FR 49784.

¹⁷ 70 FR 38202.

¹⁸ 70 FR 61157, October 20, 2005.

¹⁹ 70 FR 67433.

²⁰ 71 FR 3541.

²¹ 71 FR 6269.

²² *Paper Clips from the People's Republic of China: Final Results of Expedited Sunset Review of the Antidumping Duty Order*, 76 FR 26242 (May 6, 2011).

THE PRODUCT

Scope

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

“The products covered by this order are certain paper clips, wholly of wire of base metal, whether or not galvanized, whether or not plated with nickel or other base metal (e.g., copper), with a wire diameter between 0.025 inches and 0.075 inches (0.64 to 1.91 millimeters), regardless of physical configuration, except as specifically excluded. The products subject to this order may have a rectangular or ring-like shape and include, but are not limited to, clips commercially referred to as No. 1 clips, No. 3 clips, Jumbo or Giant clips, Gem clips, Frictioned clips, Perfect Gems, Marcel Gems, Universal clips, Nifty clips, Peerless clips, Ring clips, and Glide-On clips. The products subject to this order are currently classifiable under subheading 8305.90.3010 of the Harmonized Tariff Schedule of the United States (“HTSUS”). Specifically excluded from the scope of this order are plastic and vinyl covered paper clips, butterfly clips, binder clips, or other paper fasteners that are not made wholly of wire of base metal and are covered under a separate subheading of the HTSUS. Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the scope of this order is dispositive.”

The subject product is classified under the HTS subheading 8305.90.30 (statistical reporting number 8305.90.3010); and enters under the column 1-general rate of free duty. The HTS subheading is provided for convenience and for Customs purposes, but Commerce’s written description of the merchandise is dispositive as to the scope of the product coverage.

Description and Applications²³

Paper clips are steel wire products that have been formed in such a way as to provide spring-like tension when used to hold pieces of paper together. These rectangular-shaped products, which are among the most commonly used office supplies in the world, are generally manufactured from steel wire, whether or not galvanized, and whether or not plated with nickel, copper, or other base metals, or coated with vinyl. Although paper clips are produced in a variety of sizes with different wire diameters, the most commonly used products fall within three categories commercially referred to as No. 1 clips, No. 3 clips, and giant or jumbo clips. The wire diameters of No. 1 clips range between 0.034 inch and 0.036 inch, while the wire diameter of No. 3 clips is 0.034 inch. For jumbo clips, the wire diameters range between 0.046 inch and 0.050 inch. *See* figure I-1 for illustrations of the subject paper clips; also *see* figure I-2 for illustrations of other paper fasteners.

²³ Information in this section was taken from *Certain Paper Clips from the People’s Republic of China, Inv. No. 731-TA-663 (Final)*, USITC Publication 2829, November 1994, p. II-4 - II-5.

Marketing²⁴

Paper clips manufactured in China at the time of the original investigation were reported to be nickel plated after the forming process, which is a more time consuming and labor intensive process than that employed in the United States. U.S. paper clips are manufactured from wire that has been electrogalvanized by the wire manufacturer. Also, ***. Petitioners in the original investigation stated, however, that paper clips produced in the United States were essentially the same in terms of quality and function as those imported from China. The average customer would not perceive any difference resulting from the differences in coating and wire size. The Commission indicated in its views in the original investigation that “{t}here are few quality distinctions between the products, although a few purchasers indicated quality problems with Chinese clips. Information from purchasers revealed that quality is not a major competitive issue; instead, price is the primary factor they consider when purchasing paper clips.”²⁵ Also, nearly all U.S. suppliers reported that domestic and imported Chinese paper clips are used interchangeably.

U.S. producers sold paper clips to virtually all channels of distribution within the office products industry, including mass marketers, warehouse clubs, office super stores, wholesalers, mail order catalogs, dealers, and the U.S. Government. Responding importers sold the subject merchandise to many of the same channels. During the original investigation, ACCO reported ***.²⁶ The responding U.S. importers reported that the majority of Chinese paper clips were sold through contracts that typically fixed the price for 6-12 months.

Prices were primarily determined by the volume purchased. Other factors that impacted price were the type of clip, clip quality (i.e., finish characteristics, wire strength and gauge, and consistency), and required packaging (i.e., blister-wrapped packages for retail sale or boxed in bulk).²⁷ Customers could also receive advertising allowances and supplemental discounts for their overall purchases of office products. Nearly all of the purchasers that completed Commission questionnaires reported buying paper clips as part of a “bundle” of standard office supplies. They indicated, however, that the prices of the paper clips were determined independently of the prices for the other products included in the bundle.²⁸

As indicated earlier, the Commission noted in its original views that the paper clip industry was mature. In contrast, “the market for paper clips has changed in that large discount retailers of office supply products have increased in number, causing producers to shift sales to these chains. The record indicates that it may be more costly for producers to compete in this new segment of the retail market because there are greater marketing and advertising expenses.”²⁹ ACCO reported that “large commercial buyers of paper clips recently have started sourcing various office supply products, such as binder clips, carded clips, and specialty items from China.”³⁰ It argues that “{g}iven these new

²⁴ Unless otherwise noted, information in this section was taken from *Staff Report*, (INV-CC-208), December 8, 2005.

²⁵ *Certain Paper Clips from the People’s Republic of China, Inv. No. 731-TA-663 (Final)*, USITC Publication 2829, November 1994, p. I-11.

²⁶ ***.

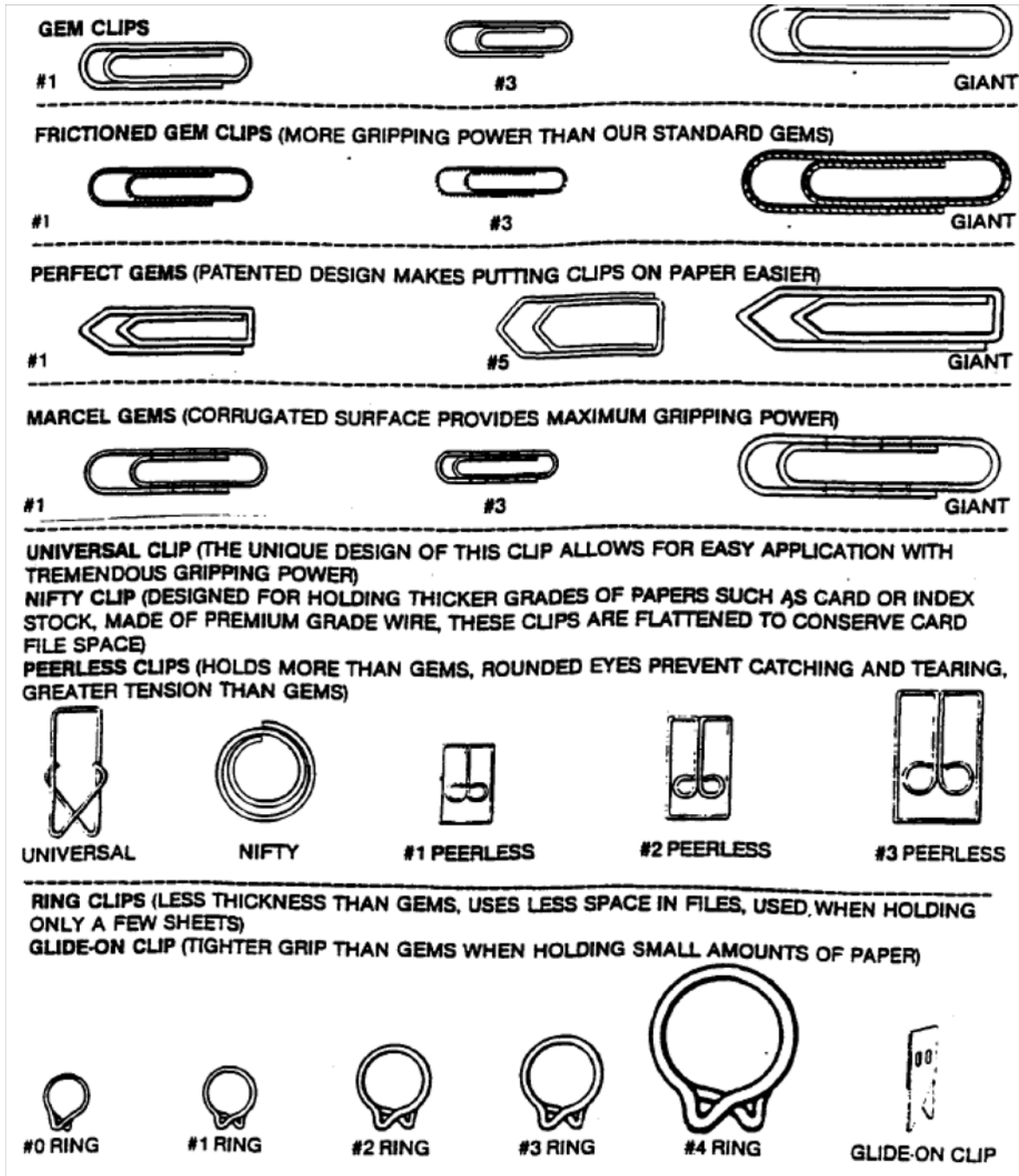
²⁷ Delivery costs were not considered to be an important factor.

²⁸ The Commission found that, although bundling is a common method of selling paper clips, “it does not affect the prices for paper clips.” *Certain Paper Clips from the People’s Republic of China, Inv. No. 731-TA-663 (Final)*, USITC Publication 2829, November 1994, pp. I-8 and I-9.

²⁹ *Ibid.*, p. I-8.

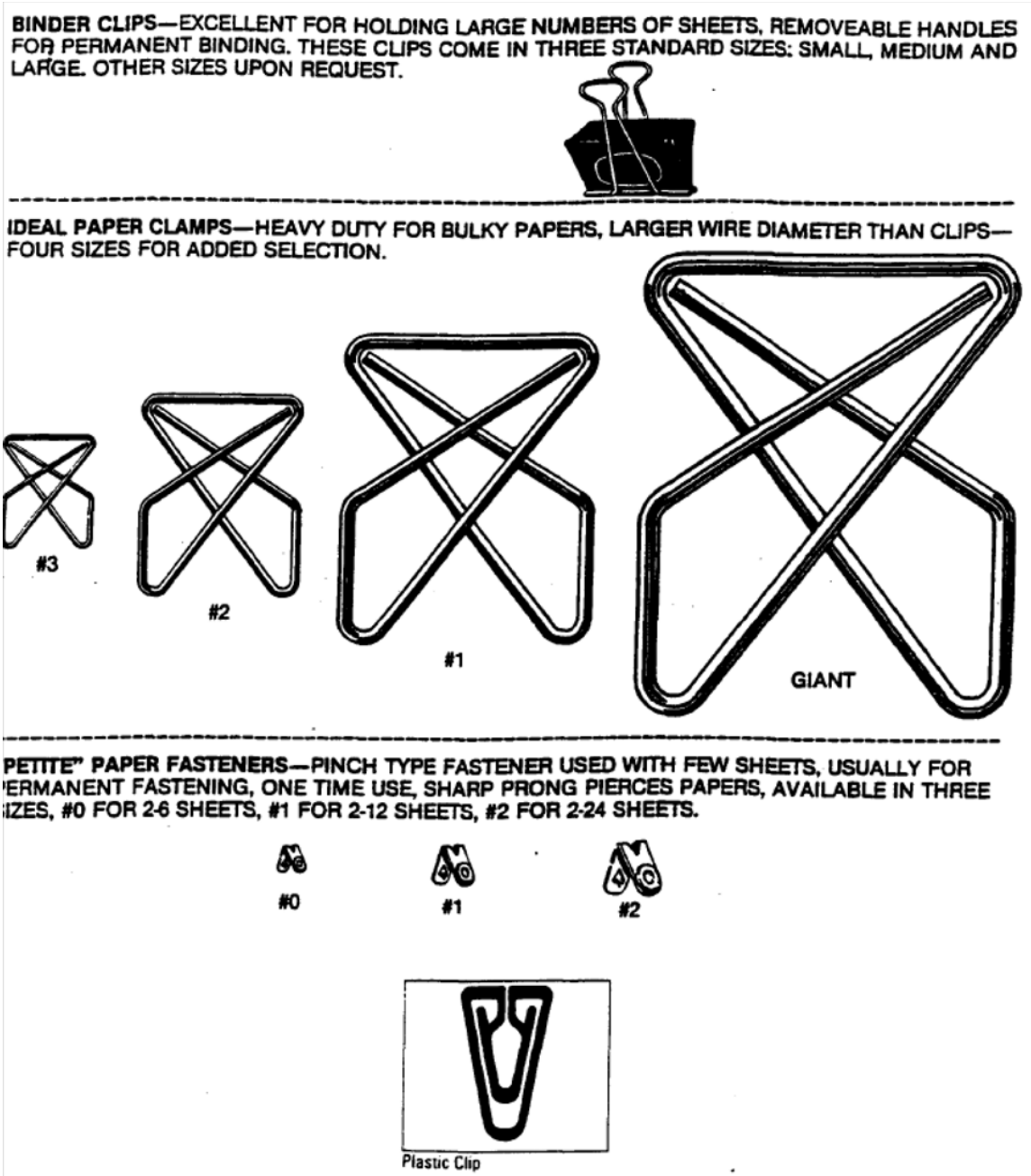
³⁰ ACCO’s response to the Commission’s Notice of Institution for the second review, p. 10.

Figure I-1
Paper Clips: Types of Paper Clips



Source: *Certain Paper Clips from the People's Republic of China, Inv. No. 731-TA-663 (Final)*, USITC Publication 2829, November 1994, p. II-6.

Figure I-2
Illustration of Other Paper Fasteners



Source: *Certain Paper Clips from the People's Republic of China, Inv. No. 731-TA-663 (Final)*, USITC Publication 2829, November 1994, p. II-7.

purchasing relationships, these large commercial buyers likely would source paper clips from China if the order were revoked.”³¹

According to OIC., “{p}aper clips are a commodity product, with no quality of brand differentiation among producers, and are sold largely on the basis of price.”³² Large discount office retailers such as Office Depot, Office Max, and Staples continue to be leading purchasers of paper clips.³³ In this review, both ACCO and OIC allege that revocation of the antidumping duty order will injure the domestic industry.³⁴

Manufacturing Processes³⁵

The manufacture of certain paper clips begins when purchased wire is drawn down to a predetermined size on high-speed wire drawing machines and recoiled on large spools. The wire is then drawn from the spools and bent in several places by wedges positioned in a rotary forming device. After bending to form the paper clip the wire is cut and the paper clips are packaged.

The equipment used to manufacture paper clips in the United States and China is dedicated to making either No. 1 clips, No. 3 clips, or jumbo clips. Although producers in both countries are capable of adjusting their equipment to accommodate different wire sizes, wire-forming machines can not be used interchangeably produce different size clips without considerable retooling adjustments.

DOMESTIC LIKE PRODUCT ISSUES

In its original determination, and in its first and second review determinations, the Commission defined the domestic like product as certain paper clips, coextensive with Commerce’s scope, and it found the domestic industry to consist of all domestic producers of paper clips.³⁶ In its notice of institution in the current five-year review, the Commission solicited comments from interested parties regarding the appropriate domestic like product and domestic industry.³⁷ ACCO and OIC, in their responses to the Commission’s notice of institution in the current review, indicated that they agreed with the Commission’s definitions of domestic like product and domestic industry.³⁸

³¹ Ibid.

³² OIC’s response to the Commission’s Notice of Institution for the current review, p. 4.

³³ Ibid., p. 7.

³⁴ ACCO’s and OIC’s responses to the Commission’s Notice of Institution for the current review.

³⁵ Information on manufacturing processes taken from *Certain Paper Clips from the People’s Republic of China*, Inv. No. 731-TA-663 (Final), USITC Publication 2829, November 1994, p. II-5.

³⁶ *Certain Paper Clips from the People’s Republic of China*, Inv. No. 731-TA-663 (Final), USITC Publication 2829, November 1994; Paper Clips from China, Inv. No. 731-TA-663 (Review), USITC Publication 3330, July 2000; and Paper Clips from China, Inv. No. 731-TA-663 (Second Review), USITC Publication 3834, January 2006.

³⁷ *Institution of a Five-Year Review Concerning the Antidumping Duty Order on Paper Clips from China*, 76 FR 171, January 3, 2011.

³⁸ ACCO’s response to the Commission’s Notice of Institution, p. 9 and OIC’s response to the Commission’s Notice of Institution, p. 9.

U.S. MARKET PARTICIPANTS

U.S. Producers

During the original investigation, there were four firms producing paper clips in the United States, with ACCO accounting for *** percent of total U.S. production. The other manufacturers consisted of Noesting, Work Services, and Trico Manufacturing Corp. During the second review, other U.S. producers of paper clips were OIC (Edison, NJ), Advantus Corp (Jacksonville, FL) and Work Services (Wichita Falls, TX). During this third review, two firms provided the Commission with responses to its notice of institution, ACCO and OIC. The only other identified U.S. producer is Advantus.³⁹ During all three reviews ACCO described itself as the “predominant” U.S. producer of paper clips, accounting for *** percent of U.S. production.⁴⁰

During the first review, ACCO reported that OIC was formerly a significant importer of paper clips from China, but that since the order was imposed OIC became a domestic manufacturer of paper clips in order to stay in the business. During the original investigation, both ACCO and Noesting imported paper clips from China. The Commission, however, determined not to exclude either firm from the domestic industry as related parties. Both ACCO and OIC indicated in their response that there are no known related parties.

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

Data reported by U.S. producers of paper clips in the Commission’s original investigation and in response to its institution notices for the three reviews are presented in table I-2.⁴¹

U.S. Imports

During the original investigation, the Commission identified 26 U.S. importers that imported more than \$50,000 each of the subject merchandise in fiscal years 1991-1993. Of these importers, 14 responded to the Commission questionnaires. The majority of the responding firms were wholesales/distributors that stocked the product and then sold to retail stores. Other importers were large mass merchandisers or “superstores.” However, during the three review periods, it reportedly was the superstores which increasingly dominated the market, taking sales away from wholesalers.

In this third review, ACCO stated that it was not specifically aware of any current importers of paper clips from China but noted that Zhejiang Light Industrial Products Import & Export Corp. must have imported some subject merchandise since the imposition of the antidumping duty order as it requested an administrative review for the 1997-1998 review year.⁴² OIC indicated in its response that it had no information regarding known and currently operating U.S. importers of paper clips from China. Data regarding U.S. imports of paper clips, as reported by Commerce, are presented in tables I-3 and I-4.

³⁹ Advantus sells paper clips under the GEM brand. OIC response, p. 6. GEM Office Products was formerly known as Labelon/Noesting.

⁴⁰ ACCO response (First Review) p. 9, (Second Review) pp. 2, 8, (Third Review) p. 2, 6.

⁴¹ As was the case in the first and second reviews, there is no current pricing data available for the subject product.

⁴² This request for administrative review was subsequently withdrawn.

Table I-2

Paper clips: U.S. producers' capacity, production, capacity utilization, U.S. commercial shipments, and financial data, 1991-1993, January-June 1993-1994, 1998, 2004, and 2010

Item	Original investigation					First review 1998	Second review 2004	Third review 2010
	1991	1992	1993	January-June				
				1993	1994			
Capacity (<i>million units</i>)	***	***	***	***	***	***	***	
Production (<i>million units</i>)	***	***	***	***	***	***	***	
Capacity utilization (<i>percent</i>)	***	***	***	***	***	***	***	
U.S. Commercial shipments:								
Quantity (<i>million units</i>)	***	***	***	***	***	***	***	
Value (<i>\$1,000</i>)	***	***	***	***	***	***	***	
Unit value (<i>per 1,000 units</i>)	***	***	***	***	***	***	***	
Net sales (<i>\$1,000</i>)	***	***	***	***	***	***	***	
COGS (<i>\$1,000</i>)	***	***	***	***	***	***	***	
Gross profit or (loss) (<i>\$1,000</i>)	***	***	***	***	***	***	***	
SG&A expenses (<i>\$1,000</i>)	***	***	***	***	***	***	***	
Operating income or (loss) (<i>\$1,000</i>)	***	***	***	***	***	***	***	
<p>¹ Not available.</p> <p>Note.—Data gathered during the original investigation were believed to represent *** U.S. production. Of the four U.S. producers of subject paper clips, only Trico did not respond to the Commission's questionnaire. Further, during the original investigation, ACCO represented over *** percent of total U.S. production. During the first review, data reported by ACCO were adjusted upward to account for the remaining U.S. producers. In the second and current review, ACCO and OIC accounted for almost all U.S. production.</p> <p>Source: <i>Original Report</i>, tables 2 and 3; ACCO response (First Review), as adjusted, pp 10-11; ACCO response (Second Review), p. 9 and OIC supplemental response (Second Review), p. 1; ACCO response (Third Review), p. 8 and OIC supplemental response (Third Review), p. 2.</p>								

Table I-3

Paper clips: U.S. imports, by source, 1991-1993, January-June 1993-1994, 1998, 2004, and 2010

Item	Original investigation					First review 1998	Second review 2004	Third review 2010
	1991	1992	1993	January-June				
				1993	1994			
	Quantity (million units)¹							
China	4,189	5,623	4,857	2,387	2,200	164	1,137	1,197
Hong Kong	1,002	1,476	73	34	0	1	3	0.1
Subtotal	5,191	7,099	4,930	2,421	2,200	165	1,140	1,197
Other sources ²	1,519	1,042	736	397	446	2,262	1,060	397
Total	6,710	8,142	5,666	2,818	2,646	2,427	2,200	1,595
	Value (\$1,000 dollars)							
China	3,911	5,494	4,482	2,182	2,077	459	2,267	3,342
Hong Kong	953	1,261	65	31	0	2	8	2
Subtotal	4,864	6,755	4,547	2,213	2,077	461	2,274	3,344
Other sources ²	3,223	2,121	1,704	879	1,238	3,621	1,942	1,112
Total	8,087	8,877	6,251	3,093	3,315	4,082	4,216	4,456
	Unit value (dollars per 1,000 units)							
China	\$0.93	\$0.98	\$0.92	\$0.91	\$0.94	\$2.80	\$1.99	\$2.79
Hong Kong	0.95	0.85	0.89	0.92	-	2.01	2.45	25.01
Average	0.94	0.95	0.92	0.91	0.94	2.79	1.99	2.79
Other sources ²	2.12	2.04	2.31	2.21	2.78	1.60	1.83	2.80
Average	1.21	1.09	1.10	1.10	1.25	1.68	1.92	2.79
<p>¹ Official import quantities were converted from kilograms to units by dividing the number of kilograms by a conversion factor of 0.0007284. This conversion factor was supplied by petitioners during the original investigation.</p> <p>² The primary "other source" during 1991-1994 was Taiwan. The primary "other sources" during 1998, 2004, and 2010 were Colombia and Taiwan.</p> <p>Note.—The applicable HTS number is 8305.90.3010. This HTS category includes products outside the scope of this review. Therefore imports may be somewhat overstated.</p> <p>Source: Official Commerce statistics.</p>								

Table I-4
Paper clips: U.S. imports, by source, 2005–10

Item	Calendar year					
	2005	2006	2007	2008	2009	2010
	Quantity (million units)¹					
China	829	544	424	569	457	1,197
Hong Kong	2	10	4	0.3	2	0.1
Subtotal	831	554	428	570	459	1,197
Other sources ²	765	906	867	614	448	397
Total	1,596	1,459	1,295	1,184	906	1,595
	Value (\$1,000 dollars)					
China	2,000	1,543	1,427	2,941	1,988	3,342
Hong Kong	4	47	8	4	19	2
Subtotal	2,004	1,590	1,435	2,945	2,007	3,344
Other sources ²	1,275	1,550	1,554	1,263	1,061	1,112
Total	3,279	3,140	2,989	4,208	3,068	4,456
	Unit value (dollars per 1,000 units)					
China	\$2.41	\$2.84	\$3.37	\$5.17	\$4.35	\$2.79
Hong Kong	2.59	4.77	1.85	12.75	12.63	25.01
Average	2.41	2.87	3.35	5.17	4.38	2.79
Other sources ²	1.67	1.71	1.79	2.06	2.37	2.80
Average	2.05	2.15	2.31	3.55	3.39	2.79
<p>¹ Official import quantities were converted from kilograms to units by dividing the number of kilograms by a conversion factor of 0.0007284. This conversion factor was supplied by petitioners during the original investigation.</p> <p>² The primary "other source" during 1991-1994 was Taiwan. The primary "other sources" during 1998, 2004, and 2010 were Colombia and Taiwan.</p> <p>Note.—The applicable HTS number is 8305.90.3010. This HTS category includes products outside the scope of this review. Therefore imports may be somewhat overstated.</p> <p>Source: Official Commerce statistics.</p>						

APPARENT U.S. CONSUMPTION AND U.S. MARKET SHARES

Table I-5 presents apparent U.S. consumption and U.S. market shares for the period of the Commission's original investigation and the three reviews. In 2010, domestic production of paper clips accounted for *** percent of apparent U.S. consumption and imports from China accounted for *** percent.

Table I-5

Paper clips: U.S. shipments of domestic product, U.S. imports, apparent U.S. consumption, and U.S. market shares, 1991-1993, January-June 1993-1994, 1998, 2004, and 2010

Item	Original investigation					First review 1998	Second review 2004	Third review 2010
	1991	1992	1993	January-June				
				1993	1994			
	Quantity (million units)¹							
U.S. producers' U.S. shipments	***	***	***	***	***	***	***	***
U.S. imports China	4,189	5,623	4,857	2,387	2,200	164	1,137	1,197
Hong Kong	1,002	1,476	73	34	0	1	3	0.1
Subtotal	5,191	7,099	4,930	2,421	2,200	165	1,140	1,197
All other sources ³	1,519	1,042	736	397	446	2,262	1,060	397
Total	6,710	8,142	5,666	2,818	2,646	2,427	2,200	1,595
Apparent U.S. consumption	***	***	***	***	***	***	***	***
	Share of consumption (percent)							
U.S. producers' U.S. shipments	***	***	***	***	***	***	***	***
U.S. imports China	***	***	***	***	***	***	***	***
Hong Kong	***	***	***	***	***	***	***	***
Subtotal	***	***	***	***	***	***	***	***
All other sources ³	***	***	***	***	***	***	***	***
Total	***	***	***	***	***	***	***	***
¹ Official import quantities were converted from kilograms to units based on a conversion factor supplied by petitioners during the original investigation. ² Less than 0.1. ³ The primary "other source" during 1991-1994 was Taiwan. The primary "other sources" during 1998, 2004, and 2010 were Colombia and Taiwan.								
Source: Official Commerce statistics.								

THE INDUSTRY IN CHINA

Petitioners alleged during the original investigation that there were at least two factories producing subject paper clips in China, one separate firm exporting paper clips, and four additional firms that both produced and exported the subject products. During its final investigation, Commerce verified the responses of three manufacturers (Jiaying Stationery Pins, Shanghai Stationery Pins, and Wuyi), as well as those of three exporters (Shanghai Lansheng, ZIP, and ZMEC). Another exporter (Abel Industries) indicated that it would not participate in Commerce's investigation. No information on the Chinese paper clips industry was provided to the Commission during the original investigation either by these firms or by any of the organizations contacted by the Commission staff.

In its response to the Commission's notice of institution in this third review, ACCO listed 12 firms that it believes have either produced paper clips in the past or are current producers of paper clips in China.⁴³ The Chinese interested parties did not participate at the Commission or at Commerce during the first or second review, nor did such parties participate at either agency during the institution phase of this third review. As was the case in the first and second reviews, ACCO indicated in its response to the Commission's notice of institution that it is not aware of specific information regarding current Chinese paper clip capacity, production, capacity utilization, or inventories. However, ACCO again indicated that it is generally aware that the capacity to produce paper clips at the level prior to the antidumping order continues to exist in China, that it is currently not employed and therefore available to be directed at the United States. OIC indicated that it does not have any information regarding Chinese producers of paper clips.

ANTIDUMPING DUTY ORDERS IN THIRD-COUNTRY MARKETS

Based on available information, subject paper clips from China have not been subject to any other import relief investigations in any other country.

⁴³ The 12 producers include the following: Tat Wing International Industrial Co., Ltd. (HK); Abel Industries HK LTD.-Shenzen Special Economic Zone; Ningbo Haisu Wenhua Stationery Factory; Teco (Ningbo) Co. Ltd.; Ningbo Tiger Hardware & Daily-Use Manufacture Co. Ltd.; Shaoxing Yuanfa Stationery And Sports Materials Co., Ltd.; Rosary Stationery Co., Ltd.; Ningbo Zhenhai Yonsheng Head Ornaments Co., Ltd.; Ninghai ZhenDa Metal Products Co., Ltd.; Ningbo Caihong Rubber & Plastic Co., Ltd.; Sincere Stationery & Gift Co., Ltd. and Chungkju Resources Ltd.

APPENDIX A
***FEDERAL REGISTER* NOTICES**

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

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

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

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

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

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

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

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

(12) Identify significant changes, if any, in the supply and demand conditions or business cycle for the *Domestic Like Products* that have occurred in the United States or in the market for the *Subject Merchandise* in the *Subject Country* after 2004, 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 Products* produced in the United States, *Subject Merchandise* produced in the *Subject Country*, and such merchandise from other countries.

(13) (Optional) A statement of whether you agree with the above definitions of the *Domestic Like Products* and *Domestic Industries*; 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.

By order of the Commission.

Issued: December 22, 2010.

Marilyn R. Abbott,

Secretary to the Commission.

[FR Doc. 2010-32699 Filed 12-30-10; 8:45 am]

BILLING CODE 7020-02-P

INTERNATIONAL TRADE COMMISSION

[Investigation No. 731-TA-663 (Third Review)]

Paper Clips From China

AGENCY: United States International Trade Commission.

ACTION: Institution of a five-year review concerning the antidumping duty order on paper clips from China.

SUMMARY: The Commission hereby gives notice that it has instituted a review pursuant to section 751(c) of the Tariff Act of 1930 (19 U.S.C. 1675(c)) (the Act) to determine whether revocation of the

antidumping duty order on paper clips from China would be likely to lead to continuation or recurrence of material injury. Pursuant to section 751(c)(2) of the Act, interested parties are requested to respond to this notice by submitting the information specified below to the Commission;¹ to be assured of consideration, the deadline for responses is February 2, 2011. Comments on the adequacy of responses may be filed with the Commission by March 18, 2011. For further information concerning the conduct of this review and rules of general application, consult the Commission's Rules of Practice and Procedure, part 201, subparts A through E (19 CFR part 201), and part 207, subparts A, D, E, and F (19 CFR part 207), as most recently amended at 74 FR 2847 (January 16, 2009).

DATES: *Effective Date:* January 3, 2011.

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

SUPPLEMENTARY INFORMATION:

Background.—On November 25, 1994, the Department of Commerce ("Commerce") issued an antidumping duty order on imports of paper clips from China (59 FR 60606). Following five-year reviews by Commerce and the Commission, effective August 15, 2000, Commerce issued a continuation of the antidumping duty order on imports of paper clips from China (65 FR 49784). Following second five-year reviews by Commerce and the Commission, effective February 7, 2006, Commerce issued a continuation of the antidumping duty order on imports 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. 11-5-237, expiration date June 30, 2011. Public reporting burden for the request is estimated to average 15 hours per response. Please send comments regarding the accuracy of this burden estimate to the Office of Investigations, U.S. International Trade Commission, 500 E Street, SW., Washington, DC 20436.

paper clips from China (71 FR 6269). The Commission is now conducting a third review to determine whether revocation of the order would be likely to lead to continuation or recurrence of material injury to the domestic industry within a reasonably foreseeable time. It will assess the adequacy of interested party responses to this notice of institution to determine whether to conduct a full review or an expedited review. The Commission's determination in any expedited review will be based on the facts available, which may include information provided in response to this notice.

Definitions.—The following definitions apply to this review:

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

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

(3) The *Domestic Like Product* is the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the *Subject Merchandise*. In its original determination and its expedited first and second five-year review determinations, the Commission defined the *Domestic Like Product* as certain wire paper clips, 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 determination and its expedited first and second five-year review determinations, the Commission defined the *Domestic Industry* to consist of all domestic producers of paper clips.

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

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

the names and addresses of all persons, or their representatives, who are parties to the review.

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

Limited disclosure of business proprietary information (BPI) under an administrative protective order (APO) and APO service list.—Pursuant to section 207.7(a) of the Commission's rules, the Secretary will make BPI submitted in this review available to authorized applicants under the APO issued in the review, provided that the application is made no later than 21 days after publication of this notice in the **Federal Register**. Authorized applicants must represent interested parties, as defined in 19 U.S.C. 1677(9), who are parties to the review. A separate service list will be maintained by the Secretary for those parties authorized to receive BPI under the APO.

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

and operations of the Commission pursuant to 5 U.S.C. Appendix 3.

Written submissions.—Pursuant to section 207.61 of the Commission's rules, each interested party response to this notice must provide the information specified below. The deadline for filing such responses is February 2, 2011. Pursuant to section 207.62(b) of the Commission's rules, eligible parties (as specified in Commission rule 207.62(b)(1)) may also file comments concerning the adequacy of responses to the notice of institution and whether the Commission should conduct an expedited or full review. The deadline for filing such comments is March 18, 2011. All written submissions must conform with the provisions of sections 201.8 and 207.3 of the Commission's rules and any submissions that contain BPI must also conform with the requirements of sections 201.6 and 207.7 of the Commission's rules. The Commission's rules do not authorize filing of submissions with the Secretary by facsimile or electronic means, except to the extent permitted by section 201.8 of the Commission's rules, as amended, 67 FR 68036 (November 8, 2002). Also, in accordance with sections 201.16(c) and 207.3 of the Commission's rules, each document filed by a party to the review must be served on all other parties to the review (as identified by either the public or APO service list as appropriate), and a certificate of service must accompany the document (if you are not a party to the review you do not need to serve your response).

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

Information to be Provided in Response to this Notice of Institution: As used below, the term "firm" includes any related firms.

(1) The name and address of your firm or entity (including World Wide Web address) and name, telephone number,

fax number, and E-mail address of the certifying official.

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

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

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

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

(6) A list of all known and currently operating U.S. importers of the *Subject Merchandise* and producers of the *Subject Merchandise* in the *Subject Country* that currently export or have exported *Subject Merchandise* to the United States or other countries after 2004.

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

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

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

employed/which are members of your association.

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

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

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

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

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

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

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

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

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

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

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

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

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

(12) Identify significant changes, if any, in the supply and demand conditions or business cycle for the *Domestic Like Product* that have occurred in the United States or in the market for the *Subject Merchandise* in the *Subject Country* after 2004, and significant changes, if any, that are likely to occur within a reasonably foreseeable time. Supply conditions to consider include technology; production methods; development efforts; ability to increase production (including the shift of production facilities used for other products and the use, cost, or availability of major inputs into production); and factors related to the ability to shift supply among different national markets (including barriers to importation in foreign markets or changes in market demand abroad). Demand conditions to consider include end uses and applications; the existence and availability of substitute products; and the level of competition among the *Domestic Like Product* produced in the United States, *Subject Merchandise* produced in the *Subject*

Country, and such merchandise from other countries.

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

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

By order of the Commission.

Issued: December 22, 2010.

Marilyn R. Abbott,

Secretary to the Commission.

[FR Doc. 2010-32698 Filed 12-30-10; 8:45 am]

BILLING CODE 7020-02-P

DEPARTMENT OF JUSTICE

Office of Justice Programs

[OJP (NIJ) Docket No. 1541]

NIJ Draft Metal Detector Standards for Public Safety

AGENCY: National Institute of Justice.

ACTION: Notice and request for comments on the Draft Metal Detector Standards for Public Safety.

SUMMARY: In an effort to obtain comments from interested parties, the U.S. Department of Justice, Office of Justice Programs, National Institute of Justice (NIJ) will make available to the general public the following draft standards for metal detectors:

1. Walk-through Metal Detector Standard for Public Safety.
2. Hand-held Metal Detector Standard for Public Safety.

The opportunity to provide comments on these voluntary standards is open to industry technical representatives, law enforcement agencies and organizations, research, development and scientific communities, and all other stakeholders and interested parties. Those individuals wishing to obtain and provide comments on the draft standard under consideration are directed to the following Web site: <http://www.justnet.org>.

Please note that all comments received are considered part of the public record and may be made available for public inspection online. Such information includes personal identifying information (such as name and address) voluntarily submitted by the commenter.

If you wish to submit personal identifying information (such as your name, address, etc.) as part of your comment, but do not wish for it to be

posted online, you must include the phrase "PERSONAL IDENTIFYING INFORMATION" in the first paragraph of your comment. You also must locate all the personal identifying information you do not wish to be posted online in the first paragraph of your comment and clearly identify what information you would like redacted.

If you wish to submit confidential business information as part of your comment but do not wish for it to be posted online, you must include the phrase "CONFIDENTIAL BUSINESS INFORMATION" in the first paragraph of your comment. You also must prominently identify confidential business information to be redacted within the comment. If a comment has so much confidential business information that it cannot be effectively redacted, all or part of that comment may not be posted online.

Personal identifying information and confidential business information identified and located as set forth above will be placed in the agency's public docket file (which will be made available for public inspection upon request), but not posted online.

DATES: The comment period will be open from January 1, 2011, to February 15, 2011.

FOR FURTHER INFORMATION CONTACT:

Casandra Robinson, by telephone at 202-305-2596 [*Note:* this is not a toll-free telephone number], or by e-mail at casandra.robinson@usdoj.gov.

John H. Laub,

Director, National Institute of Justice.

[FR Doc. 2010-33081 Filed 12-30-10; 8:45 am]

BILLING CODE 4410-18-P

DEPARTMENT OF LABOR

Employment and Training Administration

[TA-W-74,575; TA-W-74,575D]

International Business Machines (IBM), Global Sales Operations Organization, Sales and Distribution Business Manager Roles; One Teleworker Located in Charleston, WV; International Business Machines (IBM), Global Sales Operations Organization, Sales and Distribution Business Unit, Relations Analyst and Band 8 Program Manager Roles; One Teleworker Located in Louisville, KY; Amended Certification Regarding Eligibility To Apply for Worker Adjustment Assistance

In accordance with Section 223 of the Trade Act of 1974, as amended ("Act"),

19 U.S.C. 2273, the Department of Labor issued a Certification of Eligibility to Apply for Worker Adjustment Assistance on November 12, 2010, applicable to workers of International Business Machines (IBM), Global Sales Operations Organization, Sales and Distribution Business Unit, Relations Analyst and Band 8 Program Manager Roles, one teleworker location in Charleston, West Virginia. The notice was published in the **Federal Register** on November 23, 2010 (75 FR 71460). The workers provide Relations Analyst and Band 8 Program Manager services.

At the request of the petitioner, the Department reviewed the certification for workers of the subject firm.

New findings show that worker separations occurred during the relevant time period affecting one teleworker in Louisville, Kentucky of International Business Machines (IBM), Global Sales Operations Organization, Sales and Distribution Business Unit, Relations Analyst and Band 8 Program Unit. The teleworker in Louisville, Kentucky provided Relations Analyst and Band 8 Program Manager services.

Accordingly, the Department is amending the certification to include one teleworker in Louisville, Kentucky of International Business Machines (IBM), Global Sales Operations Organization, Sales and Distribution Business Unit, Relations Analyst and Band 8 Program Unit.

The intent of the Department's certification is to include all workers of the subject firm who were adversely affected by a shift of services like or directly competitive with the Relations Analyst and Band 8 Program Manager services supplied by the workers to a foreign country.

The amended notice applicable to TA-W-74,575 is hereby issued as follows:

All workers of International Business Machines (IBM) Global Sales Operations Organization, Sales and Distribution Business Unit, Relations Analyst and Brand 8 Program Manager Roles, one teleworker located in Charleston, West Virginia (TA-W-74,575); International Business Machines (IBM), Global Sales Operations Organization, Sales and Distribution Business Unit, Relations Analyst and Brand 8 Program Manager Roles, one teleworker located in Dallas, Texas (TA-W-74,575A); International Business Machines (IBM), Global Sales Operations Organization, Sales and Distribution Business Unit, Relations Analyst and Brand 8 Program Manager Roles, two teleworkers located in Atlanta, Georgia (TA-W-74,575B); International Business Machines (IBM), Global Sales Operations Organization, Sales and Distribution Business Unit, Relations Analyst and Brand 8 Program Manager Roles, one teleworker

Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-0747.

SUPPLEMENTARY INFORMATION:

Background

At the request of interested parties, the Department of Commerce (the Department) initiated an administrative review of the antidumping duty order on polyethylene retail carrier bags from Thailand for the period August 1, 2009, through July 31, 2010. See *Initiation of Antidumping and Countervailing Duty Administrative Reviews and Requests for Revocation in Part*, 75 FR 60076 (September 29, 2010). The preliminary results of this administrative review are currently due no later than May 3, 2011.

Extension of Time Limit for Preliminary Results

Section 751(a)(3)(A) of the Tariff Act of 1930, as amended (the Act), requires the Department to complete the preliminary results within 245 days after the last day of the anniversary month of an order for which a review is requested and the final results within 120 days after the date on which the preliminary results are published in the **Federal Register**. If it is not practicable to complete the review within these time periods, section 751(a)(3)(A) of the Act allows the Department to extend the time limit for the preliminary results to a maximum of 365 days after the last day of the anniversary month.

We determine that it is not practicable to complete the preliminary results of this review by the current deadline of May 3, 2011, because we require additional time to analyze complex cost issues raised by the petitioner in this administrative review. Therefore, in accordance with section 751(a)(3)(A) of the Act and 19 CFR 351.213(h)(2), we are extending the time period for issuing the preliminary results of this review by 15 days to May 18, 2011.

This notice is published in accordance with sections 751(a)(3)(A) and 777(i)(1) of the Act.

Dated: May 2, 2011.

Christian Marsh,

Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations.

[FR Doc. 2011-11124 Filed 5-5-11; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-826]

Paper Clips From the People's Republic of China: Final Results of Expedited Sunset Review of Antidumping Duty Order

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

SUMMARY: On January 3, 2011, the Department of Commerce ("the Department") initiated the third sunset review of the antidumping duty order on paper clips from the People's Republic of China ("PRC") pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"). Based on the notice of intent to participate and adequate substantive response filed by a domestic interested party, and the lack of response from any respondent interested party, the Department conducted an expedited (120-day) sunset review of the antidumping duty order on paper clips from the PRC, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2). As a result of this sunset review, the Department finds that revocation of the antidumping duty order would be likely to lead to continuation or recurrence of dumping, at the levels indicated in the "Final Results of Review" section of this notice, *infra*.

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

FOR FURTHER INFORMATION CONTACT: Krishna Hill or Charles Riggle, AD/CVD Operations, Office 8, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; *telephone:* (202) 482-4037 or (202) 482-0650, respectively.

SUPPLEMENTARY INFORMATION: On November 25, 1994, the Department published the antidumping duty order on paper clips from the PRC.¹ On January 3, 2011, the Department published the notice of initiation of the third sunset review of the antidumping duty order on paper clips from the PRC pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"). See *Initiation of Five-Year ("Sunset") Review*, 76 FR 89 (January 3, 2011). On January 10, 2011, the Department received a notice of intent to participate from ACCO Brands USA LLP ("ACCO"), a domestic interested party, within the

deadline specified in 19 CFR 351.218(d)(1)(i). ACCO claimed interested parties status under section 771(9)(C) of the Act, as a producer in the United States of a domestic like product. On February 2, 2011, the Department received a complete and adequate substantive response from ACCO within 30 days of publication of the initiation. The Department did not receive a response from any respondent interested parties to this proceeding. As a result, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), the Department conducted an expedited (120-day) sunset review of the antidumping duty order on paper clips from the PRC.

Scope of the Order

The products covered by the order are certain paper clips, wholly of wire of base metal, whether or not galvanized, whether or not plated with nickel or other base metal (e.g., copper), with a wire diameter between 0.025 inches and 0.075 inches (0.64 to 1.91 millimeters), regardless of physical configuration, except as specifically excluded. The products subject to the order may have a rectangular or ring-like shape and include, but are not limited to, clips commercially referred to as No. 1 clips, No. 3 clips, Jumbo or Giant clips, Gem clips, Frictioned clips, Perfect Gems, Marcel Gems, Universal clips, Nifty clips, Peerless clips, Ring clips, and Glide-On clips. The products subject to the order are currently classifiable under subheading 8305.90.3010 of the Harmonized Tariff Schedule of the United States ("HTSUS").

Specifically excluded from the scope of the order are plastic and vinyl covered paper clips, butterfly clips, binder clips, or other paper fasteners that are not made wholly of wire of base metal and are covered under a separate subheading of the HTSUS.

Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the order is dispositive.

Analysis of Comments Received

A complete discussion of all issues raised in this sunset review is provided in the accompanying Issues and Decision Memorandum ("I&D Memo"), dated concurrently with this notice. The issues discussed in the I&D Memo include the likelihood of continuation or recurrence of dumping and the magnitude of the margins likely to prevail if the order is revoked. Parties can obtain a public copy of the I&D Memo from the Central Records Unit, room 7046, of the main Commerce building. In addition, a complete public

¹ See *Antidumping Duty Order: Certain Paper Clips From the People's Republic of China*, 59 FR 60606 (November 25, 1994).

version of the I&D Memo can be accessed directly on the Web at <http://ia.ita.doc.gov/frn>. The paper copy and electronic version of the I&D Memo are identical in content.

Final Results of Review

The Department determines that revocation of the antidumping duty order on paper clips from the PRC

would be likely to lead to continuation or recurrence of dumping at the following weighted-average margins:

Manufacturers/exporters/producers	Weighted-average margin (percent)
Shanghai Lansheng Corporation	57.64
Zhejiang Light Industrial Products Import & Export Corporation	46.01
Zhejiang Machinery and Equipment Import & Export Corporation	60.70
PRC-wide Rate	126.94

Notification Regarding Administrative Protective Order

This notice also serves as the only reminder to parties subject to administrative protective order ("APO") of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an 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(c), and 777(i)(1) of the Act.

Dated: April 26, 2011.

Paul Piquado,

Acting Deputy Assistant Secretary for Import Administration.

[FR Doc. 2011-11126 Filed 5-5-11; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-821-807]

Initiation of Anticircumvention Inquiry on Antidumping Duty Order on Ferrovandium and Nitrided Vanadium From the Russian Federation

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

SUMMARY: In response to a request from AMG Vanadium, Inc. (AMG Vanadium), the Department of Commerce (the Department) is initiating an anticircumvention inquiry to determine whether imports of vanadium pentoxide from the Russian Federation (Russia) that is converted into ferrovanadium in the United States are circumventing the antidumping duty order on ferrovanadium and nitrided vanadium (ferrovandium) from Russia. *See Notice*

of Antidumping Order: Ferrovandium and Nitrided Vanadium From the Russian Federation, 60 FR 35550 (July 10, 1995).

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

FOR FURTHER INFORMATION CONTACT: David Goldberger or Rebecca Trainor, AD/CVD Operations, Office 2, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-4136 or (202) 482-4007, respectively.

SUPPLEMENTARY INFORMATION:

Background

On February 25, 2011, AMG Vanadium submitted a request that the Department initiate an anticircumvention inquiry (AMG Request), pursuant to section 781(a) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.225(c) and (g), to determine whether imports of vanadium pentoxide from Russia that is processed into ferrovanadium in the United States are circumventing the antidumping duty order on ferrovanadium from Russia. Specifically, AMG Vanadium alleges that the Evraz Group¹ is importing vanadium pentoxide, an intermediate product used in the production of ferrovanadium, from its Russian affiliate OAO Vanady-Tula. The imported vanadium pentoxide is then toll-converted into ferrovanadium in the United States by an unaffiliated processor (which never takes title), prior to sale in the United States. AMG Vanadium alleges that this trade pattern is circumventing the antidumping duty order within the meaning of section 781(a) of the Act.

AMG Vanadium further claims that:

- (1) The ferrovanadium sold in the United States is of the same class or kind of merchandise as the ferrovanadium that is subject to the order;
- (2) the ferrovanadium is

completed or assembled in the United States from parts or components produced in Russia; (3) the process of converting vanadium pentoxide to ferrovanadium in the United States is minor or insignificant; and (4) the value of the Russian vanadium pentoxide constitutes a significant portion of the value of the finished ferrovanadium sold in the United States. Accordingly, AMG Vanadium requests that the Department include within the scope of the ferrovanadium order vanadium pentoxide manufactured in Russia, regardless of form, that is produced, exported, or imported by the Evraz Group or any of its affiliates.

In response to the Department's March 9, 2011, request, on March 16, 2011, AMG Vanadium provided additional information pertinent to its anticircumvention inquiry request (March 16 Submission).

On March 25, 2011, the Evraz Group filed comments opposing AMG Vanadium's circumvention allegation on the grounds that the Department is legally precluded from including vanadium pentoxide in the scope of the order. The Evraz Group included in its submission calculations performed using a cost-based methodology, as an alternative to the value-based methodology used by AMG Vanadium, arguing that AMG Vanadium's approach leads to misleading results. Between April 1 and 22, 2011, AMG Vanadium and the Evraz Group submitted additional comments with respect to whether the Department should initiate this anticircumvention inquiry. The Department met with representatives of AMG Vanadium and the Evraz Group on March 3, and April 5, 2011, respectively, to discuss the request.

Scope of the Order

The products covered by the antidumping duty order are ferrovanadium and nitrided vanadium, regardless of grade, chemistry, form or size, unless expressly excluded from the scope of this order. Ferrovanadium

¹ The Evraz Group includes OAO Vanady-Tula, East Metals S.A., and East Metals N.A.

cannot guarantee that we will be able to do so.

Sue E. Masica,

Regional Director, Alaska.

[FR Doc. 2011-13242 Filed 5-27-11; 8:45 am]

BILLING CODE 4312-GY-P

INTERNATIONAL TRADE COMMISSION

[Investigation No. 731-TA-663 Third Review]

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

AGENCY: United States International Trade Commission.

ACTION: Notice.

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

DATES: *Effective Date:* April 8, 2011.

FOR FURTHER INFORMATION CONTACT: Elizabeth Haines (202-205-3200), Office of Investigations, U.S. International Trade Commission, 500 E Street, SW., Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting the Commission's TDD terminal on 202-205-1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202-205-2000. General information concerning the Commission may also be obtained by accessing its Internet server (<http://www.usitc.gov>). The public record for this review may be viewed on the Commission's electronic docket (EDIS) at <http://edis.usitc.gov>.

SUPPLEMENTARY INFORMATION:

Background. On April 8, 2011, the Commission determined that the domestic interested party group response to its notice of institution (76 FR 171, January 3, 2011) of the subject

five-year review was adequate and that the respondent interested party group response was inadequate. The Commission did not find any other circumstances that would warrant conducting a full review.¹ Accordingly, the Commission determined that it would conduct an expedited review pursuant to section 751(c)(3) of the Act.²

Staff report. A staff report containing information concerning the subject matter of the review will be placed in the nonpublic record on June 8, 2011, and made available to persons on the Administrative Protective Order service list for this review. A public version will be issued thereafter, pursuant to section 207.62(d)(4) of the Commission's rules.

Written submissions. As provided in section 207.62(d) of the Commission's rules, interested parties that are parties to the review and that have provided individually adequate responses to the notice of institution,³ and any party other than an interested party to the review may file written comments with the Secretary on what determination the Commission should reach in the review. Comments are due on or before June 13, 2011 and may not contain new factual information. Any person that is neither a party to the five-year review nor an interested party may submit a brief written statement (which shall not contain any new factual information) pertinent to the review by June 13, 2011. However, should the Department of Commerce extend the time limit for its completion of the final results of its review, the deadline for comments (which may not contain new factual information) on Commerce's final results is three business days after the issuance of Commerce's results. If comments contain business proprietary information (BPI), they must conform with the requirements of sections 201.6, 207.3, and 207.7 of the Commission's rules. The Commission's rules do not authorize filing of submissions with the Secretary by facsimile or electronic means, except to the extent permitted by section 201.8 of the Commission's rules, as amended, 67 FR 68036 (November 8, 2002). Even where electronic filing of a document is permitted, certain documents must also be filed in paper

¹ A record of the Commissioners' votes, the Commission's statement on adequacy, and any individual Commissioner's statements will be available from the Office of the Secretary and at the Commission's Web site.

² Commissioners Shara L. Aranoff and Daniel R. Pearson dissenting.

³ The Commission has found the responses submitted by ACCO Brands USA, LLC and Officemate International Corp. to be individually adequate. Comments from other interested parties will not be accepted (*see* 19 CFR 207.62(d)(2)).

form, as specified in II (C) of the Commission's Handbook on Electronic Filing Procedures, 67 FR 68168, 68173 (November 8, 2002).

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

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).

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

Issued: May 24, 2011.

By order of the Commission.

James R. Holbein,

Secretary to the Commission.

[FR Doc. 2011-13383 Filed 5-27-11; 8:45 am]

BILLING CODE 7020-02-P

DEPARTMENT OF JUSTICE

Notice of Lodging of Consent Decree Under the Comprehensive Environmental Response, Compensation, and Liability Act

Notice is hereby given that on May 16, 2011, a proposed Consent Decree in *United States and State of Texas v. Halliburton Energy Services, Inc., et al.*, Civil Action No. 4-07-CV-3795, was lodged with the United States District Court for the Southern District of Texas.

In this action the United States, on behalf of the United States Environmental Protection Agency, and the State of Texas, on behalf of the Texas Commission on Environmental Quality ("TCEQ"), sought, pursuant to Sections 107 and 113 of the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. 9607 and 9613, seeking reimbursement of response costs incurred or to be incurred for response actions taken at or in connection with the release or threatened release of hazardous substances at three facilities located in Webster, Texas (the "Webster Site"), Odessa, Texas (the "Odessa Site"), and Houston, Texas (the "Tavenor Site"), known collectively as the "Gulf Nuclear Sites" or "Sites" as well as declaratory relief.

The United States and the State have negotiated a Consent Decree with

APPENDIX B
STATEMENT ON ADEQUACY

EXPLANATION OF COMMISSION DETERMINATION ON ADEQUACY

in

Paper Clips from China

Inv. No. 731-TA-663 (Third Review)

On April 8, 2011, the Commission determined that it should proceed to an expedited review in the subject five-year review pursuant to section 751(c)(3)(B) of the Tariff Act of 1930, as amended, 19 U.S.C. § 1675(c)(3)(B).¹

The Commission received submissions from two domestic interested parties in response to the notice of institution. The two responses were filed by ACCO Brands USA, LLC and Officemate International Corporation, domestic producers of paper clips. The Commission found the individual responses to be adequate, and determined that because the responding producers accounted for a substantial percentage of U.S. production, the domestic interested party group response was adequate.

The Commission received no response from any respondent interested party, and therefore determined that the respondent interested party group response was inadequate. In the absence of an adequate respondent interested party group response or any other circumstances warranting a full review, the Commission determined to conduct an expedited review.

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

¹ Commissioners Daniel R. Pearson and Shara L. Aranoff found that circumstances warranted conducting a full review of the antidumping duty order and therefore voted to conduct a full review.