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## **DEPARTMENT OF COMMERCE**

International Trade Administration (A-570-918)

Steel Wire Garment Hangers from the People's Republic of China: Amended Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination

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

EFFECTIVE DATE: April 14, 2008. SUMMARY: On March 25, 2008, the Department of Commerce ("Department") published the preliminary determination of sales at less than fair value ("LTFV") in the antidumping investigation of steel wire garment hangers from the People's Republic of China ("PRC"). See Preliminary Determination of Sales at Less Than Fair Value: Steel Wire Garment Hangers from the People's Republic of China, 73 FR 15726 (March 25, 2008) ("Preliminary Determination"). We are amending our Preliminary Determination to correct certain ministerial errors with respect to the antidumping duty margin calculation for the Shaoxing Metal Companies. The corrections to the

 $<sup>^{\</sup>rm 1}{\rm The~Shaoxing~Metal~Companies}$  are: Shaoxing Gangyuan Metal Manufactured Co., Ltd.

Shaoxing Metal Companies' margin also affect the margin assigned to the PRC-Wide entity and the margin applied to companies receiving a separate rate.

FOR FURTHER INFORMATION CONTACT: Irene Gorelik, AD/CVD Operations, Office 9, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, DC, 20230; telephone: (202) 482-6905.

**SUPPLEMENTAL INFORMATION:** On March 25, 2008, the Department published in the **Federal Register** the preliminary determination that steel wire garment hangers from the PRC are being, or are likely to be, sold in the United States at LTFV, as provided in section 733 of the Tariff Act of 1930, as amended ("Act"). See Preliminary Determination.

On March 25, 2008, the Shaoxing Metal Companies and certain separaterate recipients<sup>2</sup> filed timely allegations of ministerial errors contained in the Department's *Preliminary* Determination. Additionally, on March 26, 2008, and March 27, 2008, Shaoxing Metal Companies and an interested party filed additional comments with respect to the ministerial error allegations, which the Department removed from the record pursuant to sections 351.224(c)(3) and 351.302(d) of the Department's regulations.3 On March 27, 2008, M&B Metal Products Company, Inc. ("Petitioner7rdguo;) filed comments with respect to information missing from the public record that was referenced in Shaoxing Metal Companies' ministerial errors allegations.

After reviewing the allegations, we have determined that the *Preliminary Determination* included significant ministerial errors. Therefore, in

accordance with section 351.224(e) of the Department's regulations, we have made changes, as described below, to the *Preliminary Determination*.

## **Period Of Investigation**

The period of investigation ("POI") is January 1, 2007, through June 30, 2007. This period corresponds to the two most recent fiscal quarters prior to the month of the filing of the petition, July 31, 2007. See section 351.204(b)(1) of the Department's regulations.

#### **Scope Of Investigation**

The merchandise that is subject to this investigation is steel wire garment hangers, fabricated from carbon steel wire, whether or not galvanized or painted, whether or not coated with latex or epoxy or similar gripping materials, and/or whether or not fashioned with paper covers or capes (with or without printing) and/or nonslip features such as saddles or tubes. These products may also be referred to by a commercial designation, such as shirt, suit, strut, caped, or latex (industrial) hangers. Specifically excluded from the scope of this investigation are wooden, plastic, and other garment hangers that are classified under separate subheadings of the Harmonized Tariff Schedule of the United States ("HTSUS"). The products subject to this investigation are currently classified under HTSUS subheading 7326.20.0020.

Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the merchandise is dispositive.

## Significant Ministerial Error

Ministerial errors are defined in section 735(e) of the Act as "errors in addition, subtraction, or other arithmetic function, clerical errors resulting from inaccurate copying, duplication, or the like, and any other type of unintentional error which the administering authority considers ministerial." Section 351.224(e) of the Department's regulations provides that the Department "will analyze any comments received and, if appropriate, correct any significant ministerial error by amending the preliminary determination." A significant ministerial error is defined as a ministerial error, the correction of which, singly or in combination with other errors, would result in (1) a change of at least five absolute percentage points in, but not less than 25 percent of, the weighted-average dumping margin calculated in the original (erroneous) preliminary determination, or (2) a difference

between a weighted-average dumping margin of zero or *de minimis* and a weighted-average dumping margin of greater than *de minimis* or vice versa. *See* section 351.224(g) of the Department's regulations.

## **Ministerial Error Allegations**

Brokerage and Handling and Freight

The Shaoxing Metal Companies argue that the Department incorrectly applied the surrogate value for brokerage and handling and freight on a per-kilogram basis, rather than on a per-piece basis. The Shaoxing Metal Companies contend that the resulting weighted-average dumping margin was significantly inflated. See Memorandum to the File from Julia Hancock, through Alex Villanueva, Program Manager, AD/CVD Operations, Office 9: Analysis Memorandum for the Preliminary Determination of the Antidumping Duty Investigation of Steel Wire Garment Hangers from the People's Republic of China: Shaoxing Entity, dated March 18, 2008. The Shaoxing Metal Companies state that a correction to the units of measure applied to the brokerage and handling and freight would significantly reduce the calculated dumping margin, and would constitute a significant error as set forth in the statute. Therefore, the Shaoxing Metal Companies urge that the unit of measure applied to the brokerage and handling and freight surrogate values be corrected in the margin calculation program and in the company analysis memorandum.

We agree that the Department did not apply the correct unit of measure to the brokerage and handling and freight surrogate values. This error qualifies as a ministerial error in accordance with section 735(e) of the Act. Moreover, when considered in combination with the other corrections discussed below, this error constitutes a significant ministerial error in accordance with section 351.224(g) of the Department's regulations.

Adjustment to QTYUKG for Tongzhou's Sales

The Shaoxing Metal Companies allege an additional clerical error with respect to the adjustment to the quantity expressed in kilograms ("QTYUKG") field in Tongzhou's sales listing. The Shaoxing Metal Companies argue that a particular adjustment to the QTYUKG field in Tongzhou's sales listing, which is combined with the respective sales listings of Gangyuan and Andrew, was not made in the *Preliminary Determination*. The Shaoxing Metal Companies state that the failure to adjust this field in Tongzhou's sales

<sup>(&</sup>quot;Gangyuan"), Shaoxing Andrew Metal Manufactured Co., Ltd., and Shaoxing Tongzhou Metal Manufactured Co., Ltd. ("Tongzhou7rdquo;) and Company X.

<sup>&</sup>lt;sup>2</sup> The separate-rate recipients that submitted a ministerial error allegation are: Zhejiang Lucky Cloud Hanger Co., Ltd., Shangyu Baoxiang Metal Product Co., Ltd., Shaoxing Liangbao Metal Products Co., Ltd., Shaoxing Meideli Metal Products Co., Ltd., Shaoxing Shunji Metal Clotheshorse Co., Ltd., and Shaoxing Zhongbao Metal Manufactured Co., Ltd., (collectively, "SR Recipients").

<sup>&</sup>lt;sup>3</sup> See Memorandum to the File from Irene Gorelik, Senior Analyst, Office 9; Antidumping Duty Investigation of Steel Wire Garment Hangers from China: Removal from the Official and Public Record of Untimely Ministerial Error Comments following the Preliminary Determination, dated March 31, 2008, and Memorandum to the File from Irene Gorelik, Senior Analyst, Office 9; Antidumping Duty Investigation of Steel Wire Garment Hangers from China: Additional Removal from the Official and Public Record of Untimely Ministerial Error Comments following the Preliminary Determination, dated March 31, 2008.

listing also affects the margin calculation with respect to the units of measure applied to the brokerage and handling surrogate value.

The sales database submitted by the Shaoxing Metal Companies contained the error within the QTYUKG field, which counsel for Tongzhou addressed through electronic mail communications to the Department. These communications included a method to adjust the QTYUKG field within the margin calculation program, which would correct the sales database. See Memorandum to the File from Julia Hancock, Senior Case Analyst: Program Analysis for the Amended Preliminary Determination of Antidumping Duty Investigation of Steel Wire Garment Hangers from the People's Republic of China: Shaoxing Metal Companies, dated concurrent with this Federal Register notice ("Shaoxing Metal Companies' Amended Prelim Analysis Memorandum"). Although counsel for Tongzhou provided this adjustment, we did not adjust for the QTYUKG field from Tongzhou's sales listing in the Preliminary Determination. This error qualifies as a ministerial error in accordance with section 735(e) of the Act. Moreover, when considered in combination with the other correction discussed above, this error constitutes a significant ministerial error in accordance with section 351.224(g) of the Department's regulations.

## **Amended Preliminary Determination**

We determine that these allegations qualify as ministerial errors as defined in section 351.224(g) of the Department's regulations because they result in a change of more than five absolute percentage points to the Shaoxing Metal Companies' dumping margin. Accordingly, we have corrected the errors alleged by the Shaoxing Metal Companies and the SR Recipients. See Shaoxing Metal Companies' Amended Prelim Analysis Memorandum.

As a result of correcting the above errors in the Shaoxing Metal Companies' margin, the margin for the companies granted separate-rate status must also be revised because the margin for those companies was partially derived from the Shaoxing Metal Companies' margin. See Memorandum to the File from Irene Gorelik, Analyst; Investigation of Steel Wire Garment Hangers from the People's Republic of China: Amended Preliminary Weight-Averaged Margin for Separate Rate Companies, dated concurrent with this Federal Register notice.

# **PRC-Wide Entity**

As a result of the Department's correction of the ministerial errors, we note that the PRC-Wide entity rate must also be revised. In the *Preliminary Determination*, the Department stated that "as the single PRC-Wide rate, we have taken the simple average of: (A) the weighted-average of the calculated rates

of Shaoxing Metal Companies and Shanghai Wells and (B) the simple average of the petition rates that fell within the range of Shaoxing Metal Companies' and Shanghai Wells' individual transaction margins, resulting in a single rate applicable to the PRC-Wide entity of 221.05 %." See Preliminary Determination. However. due to the correction of the ministerial errors, the resulting single rate applicable to the PRC-Wide entity is 182.44 %, which is the simple average of: A) the weighted-average of the calculated rates for Shaoxing Metal Companies and Shanghai Wells and B) a simple average of petition rates based on U.S. prices and normal values within the range of the U.S. prices and normal values calculated for Shaoxing Metal Companies and Shanghai Wells. This rate applies to all entries of the merchandise under investigation with the exception of those entries from Shanghai Wells, the Shaoxing Metal Companies, and the separate-rate recipients. See Memorandum to the File from Irene Gorelik, Senior Analyst; Investigation of Steel Wire Garment Hangers from the People's Republic of China: Corroboration Memorandum for the Amended Preliminary Determination, dated concurrent with this **Federal Register** notice.

As a result of corrections of ministerial errors, the weighted-average dumping margins are as follows:

## STEEL WIRE GARMENT HANGERS FROM THE PRC - AMENDED DUMPING MARGINS

Exporter & Producer	Weighted-Average Deposit Rate
Shanghai Wells Hanger Co., Ltd	33.85 %
Shaoxing Metal Companies: Shaoxing Gangyuan Metal Manufactured Co., Ltd., Shaoxing Andrew Metal Manu-	
factured Co., Ltd., Shaoxing Tongzhou Metal Manufactured Co., Ltd., Company "X"	56.98 %
Jiangyin Hongji Metal Products Co., Ltd	45.69 %
Shaoxing Meideli Metal Hanger Co., Ltd.	45.69 %
Shaoxing Dingli Metal Clotheshorse Co., Ltd.	45.69 %
Shaoxing Liangbao Metal Manufactured Co. Ltd.	45.69 %
Shaoxing Zhongbao Metal Manufactured Co. Ltd.	45.69 %
Shangyu Baoxiang Metal Manufactured Co. Ltd.	45.69 %
Zhejiang Lucky Cloud Hanger Co., Ltd.	45.69 %
Pu Jiang County Command Metal Products Co., Ltd.	45.69 %
Shaoxing Shunji Metal Clotheshorse Co., Ltd.	45.69 %
Ningbo Dasheng Hanger Ind. Co., Ltd.	45.69 %
Jiaxing Boyi Medical Device Co., Ltd.	45.69 %
Yiwu Āo-Si Metal Products Co., Ltd.	45.69 %
Shaoxing Guochao Metallic Products Co., Ltd.	45.69 %
PRC-Wide Rate <sup>4</sup>	182.44 %

<sup>&</sup>lt;sup>4</sup>The PRC-Wide entity includes Tianjin Hongtong Metal Manufacture Co. Ltd.

The collection of bonds or cash deposits and suspension of liquidation will be revised accordingly and parties will be notified of this determination, in accordance with section 733(d) and (f) of the Act.

# Postponement Of The Final Determination

In the *Preliminary Determination*, the Department stated that it would make its final determination for this antidumping duty investigation no later

than 75 days after the preliminary determination.

Section 735(a)(2) of the Tariff Act of 1930 ("the Act") provides that a final determination may be postponed until not later than 135 days after the date of the publication of the preliminary determination if, in the event of an affirmative determination, a request for such postponement is made by exporters who account for a significant proportion of exports of the subject merchandise, or in the event of a negative preliminary determination, a request for such postponement is made by petitioner. In addition, section 351.210(e)(2) of the Department's regulations require that requests by respondents for postponement of a final determination be accompanied by a request for extension of provisional measures from a four month period to not more than six months.

On March 25, 2008, Shanghai Wells Hanger Co., Ltd., one of the two mandatory respondents, requested a 60day extension of the final determination and extension of the provisional measures. Thus, because our amended preliminary determination is affirmative, and the respondent requesting a postponement of the final determination and an extension of the provisional measures, accounts for a significant proportion of exports of hangers, and no compelling reasons for denial exist, we are postponing the deadline for the final determination by 60 days until August 7, 2008, based on the publication date of the *Preliminary* Determination.

## International Trade Commission Notification

In accordance with section 733(f) of the Act, we have notified the International Trade Commission ("ITC") of our amended preliminary determination. If our final determination is affirmative, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports of steel wire garment hangers, or sales (or the likelihood of sales) for importation, of the merchandise under investigation, within 45 days of our final determination.

This determination is issued and published in accordance with sections 733(f), 735(a)(2), and 777(i) of the Act and sections 351.210(g) and 351.224(e) of the Department's regulations.

Dated: April 7, 2008.

## David M. Spooner,

Assistant Secretary for Import Administration.

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