

(“LTFV”), as provided in section 733 of the Tariff Act of 1930, as amended (“the Act”). The estimated margins of sales at LTFV are shown in the “Preliminary Determination” section of this notice.

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**SUPPLEMENTARY INFORMATION:**

**Background**

On March 31, 2010, the Department received a petition concerning imports of aluminum extrusions from the PRC filed in proper form by the Aluminum Extrusions Fair Trade Committee,<sup>1</sup> and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (collectively, “Petitioners”).<sup>2</sup> Between April 6 and April 19, 2010, the Department issued several requests for information and clarification of certain areas of the Petition, to which Petitioners timely filed additional responses.

The Department initiated this investigation on April 27, 2010.<sup>3</sup> In the *Initiation Notice*, the Department notified parties of the application process by which exporters and producers may obtain separate-rate status in non-market economy (“NME”)

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**DEPARTMENT OF COMMERCE**

**International Trade Administration**  
[A-570-967]

**Aluminum Extrusions From the People’s Republic of China: Notice of Preliminary Determination of Sales at Less Than Fair Value, and Preliminary Determination of Targeted Dumping**

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

**DATES:** *Effective Date:* November 12, 2010.

**SUMMARY:** The Department of Commerce (“Department”) preliminarily determines that aluminum extrusions from the People’s Republic of China (“PRC”) are being, or are likely to be, sold in the United States at less than fair value

<sup>1</sup> The Aluminum Extrusions Fair Trade Committee is comprised of Aerolite Extrusion Company, Alexandria Extrusion Company, Benada Aluminum of Florida, Inc., William L. Bonnell Company, Inc., Frontier Aluminum Corporation, Futura Industries Corporation, Hydro Aluminum North America, Inc., Kaiser Aluminum Corporation, Profile Extrusions Company, Sapa Extrusions, Inc., and Western Extrusions Corporation.

<sup>2</sup> See Petitions for the Imposition of Antidumping and Countervailing Duties: Aluminum Extrusions from the People’s Republic of China, dated March 31, 2010 (“Petition”).

<sup>3</sup> See *Aluminum Extrusions from the People’s Republic of China: Initiation of Antidumping Duty Investigation*, 75 FR 22109 (“Initiation Notice”).

investigations. The process requires exporters and producers to submit a separate-rate status application (“SRA”)<sup>4</sup> and to demonstrate an absence of both *de jure* and *de facto* government control over their export activities. The SRA for this investigation was posted on the Department’s Web site, <http://ia.ita.doc.gov/ia-highlights-and-news.html>, on April 27, 2010. The due date for filing an SRA was June 28, 2010.

On May 17, 2010, the International Trade Commission (“ITC”) determined that there is a reasonable indication that an industry in the United States is materially injured or threatened with material injury by reason of imports of aluminum extrusions from the PRC.<sup>5</sup>

### Period of Investigation

The period of investigation (“POI”) is July 1, 2009, through December 31, 2009. This period corresponds to the two most recent fiscal quarters prior to the month of the filing of the petition, which was March 2009. See 19 CFR 351.204(b)(1).

### Postponement of Preliminary Determination

On August 4, 2010, Petitioners made a timely request pursuant to section 733(c)(1)(A) of the Act and 19 CFR 351.205(b)(2) and (e) for a 50-day postponement of the preliminary determination. On August 19, 2010, the Department published a postponement of the preliminary AD determination on aluminum extrusions from the PRC.<sup>6</sup>

### Scope of the Investigation

The merchandise covered by this investigation is aluminum extrusions which are shapes and forms, produced by an extrusion process, made from aluminum alloys having metallic elements corresponding to the alloy series designations published by The Aluminum Association commencing with the numbers 1, 3, and 6 (or proprietary equivalents or other certifying body equivalents). Specifically, the subject merchandise made from aluminum alloy with an Aluminum Association series designation commencing with the

number 1 contains not less than 99 percent aluminum by weight. The subject merchandise made from aluminum alloy with an Aluminum Association series designation commencing with the number 3 contains manganese as the major alloying element, with manganese accounting for not more than 3.0 percent of total materials by weight. The subject merchandise made from an aluminum alloy with an Aluminum Association series designation commencing with the number 6 contains magnesium and silicon as the major alloying elements, with magnesium accounting for at least 0.1 percent but not more than 2.0 percent of total materials by weight, and silicon accounting for at least 0.1 percent but not more than 3.0 percent of total materials by weight. The subject aluminum extrusions are properly identified by a four-digit alloy series without either a decimal point or leading letter. Illustrative examples from among the approximately 160 registered alloys that may characterize the subject merchandise are as follows: 1350, 3003, and 6060.

Aluminum extrusions are produced and imported in a wide variety of shapes and forms, including, but not limited to, hollow profiles, other solid profiles, pipes, tubes, bars, and rods. Aluminum extrusions that are drawn subsequent to extrusion (“drawn aluminum”) are also included in the scope.

Aluminum extrusions are produced and imported with a variety of finishes (both coatings and surface treatments), and types of fabrication. The types of coatings and treatments applied to subject aluminum extrusions include, but are not limited to, extrusions that are mill finished (*i.e.*, without any coating or further finishing), brushed, buffed, polished, anodized (including bright-dip anodized), liquid painted, or powder coated. Aluminum extrusions may also be fabricated, *i.e.*, prepared for assembly. Such operations would include, but are not limited to, extrusions that are cut-to-length, machined, drilled, punched, notched, bent, stretched, knurled, swedged, mitered, chamfered, threaded, and spun. The subject merchandise includes aluminum extrusions that are finished (coated, painted, *etc.*), fabricated, or any combination thereof.

Subject aluminum extrusions may be described at the time of importation as parts for final finished products that are assembled after importation, including, but not limited to, window frames, door frames, solar panels, curtain walls, or furniture. Such parts that otherwise

meet the definition of aluminum extrusions are included in the scope. The scope includes aluminum extrusions that are attached (*e.g.*, by welding or fasteners) to form subassemblies, *i.e.*, partially assembled merchandise.

Subject extrusions may be identified with reference to their end use, such as heat sinks, door thresholds, or carpet trim. Such goods are subject merchandise if they otherwise meet the scope definition, regardless of whether they are finished products and ready for use at the time of importation.

The following aluminum extrusion products are excluded: Aluminum extrusions made from aluminum alloy with an Aluminum Association series designations commencing with the number 2 and containing in excess of 1.5 percent copper by weight; aluminum extrusions made from aluminum alloy with an Aluminum Association series designation commencing with the number 5 and containing in excess of 1.0 percent magnesium by weight; and aluminum extrusions made from aluminum alloy with an Aluminum Association series designation commencing with the number 7 and containing in excess of 2.0 percent zinc by weight.

The scope also excludes finished merchandise containing aluminum extrusions as parts that are fully and permanently assembled and completed at the time of entry, such as finished windows with glass, doors, picture frames, and solar panels. The scope also excludes finished goods containing aluminum extrusions that are entered unassembled in a “kit.” A kit is understood to mean a packaged combination of parts that contains, at the time of importation, all of the necessary parts to fully assemble a final finished good.

The scope also excludes aluminum alloy sheet or plates produced by other than the extrusion process, such as aluminum products produced by a method of casting. Cast aluminum products are properly identified by four digits with a decimal point between the third and fourth digit. A letter may also precede the four digits. The following Aluminum Association designations are representative of aluminum alloys for casting: 208.0, 295.0, 308.0, 355.0, C355.0, 356.0, A356.0, A357.0, 360.0, 366.0, 380.0, A380.0, 413.0, 443.0, 514.0, 518.1, and 712.0. The scope also excludes pure, unwrought aluminum in any form.

The scope also excludes collapsible tubular containers composed of metallic elements corresponding to alloy code 1080A as designated by the Aluminum

<sup>4</sup> See Policy Bulletin 05.1: Separate-Rates Practice and Application of Combination Rates in Antidumping Investigations involving Non-Market Economy Countries (April 5, 2005) (“Policy Bulletin 05.1”), available at <http://ia.ita.doc.gov/policy/bull05-1.pdf>.

<sup>5</sup> See Investigation Nos. 701–TA–475 and 731–TA–1177 (Preliminary): Aluminum extrusions from China, USITC Publication 4153 (June 2010).

<sup>6</sup> See *Aluminum Extrusions from the People’s Republic of China: Postponement of Preliminary Determinations of Antidumping Duty Investigations*, 75 FR 51243 (August 19, 2010).

Association where the tubular container (excluding the nozzle) meets each of the following dimensional characteristics: (1) Length of 37 mm or 62 mm, (2) outer diameter of 11.0 mm or 12.7 mm, and (3) wall thickness not exceeding 0.13 mm.

Imports of the subject merchandise are provided for under the following categories of the Harmonized Tariff Schedule of the United States (“HTS”): 7604.21.0000, 7604.29.1000, 7604.29.3010, 7604.29.3050, 7604.29.5030, 7604.29.5060, 7608.20.0030, and 7608.20.0090. The subject merchandise entered as parts of other aluminum products may be classifiable under the following additional Chapter 76 subheadings: 7610.10, 7610.90, 7615.19, 7615.20, and 7616.99 as well as under other HTS chapters. While HTS subheadings are provided for convenience and customs purposes, the written description of the scope in this proceeding is dispositive.

#### Scope Comments

In accordance with the preamble to our regulations,<sup>7</sup> the Department set aside a period of time for parties to raise issues regarding product coverage and encouraged all parties to submit comments within twenty calendar days of publication.<sup>8</sup>

On May 10, 2010, Petitioners submitted comments concerning the scope of the investigation. On this same date, Toagosei America, Inc. (“Toagosei”), an importer of aluminum extrusions, and Shanghai Canghai Aluminum Tube Packing Co. (“Shanghai Canghai”), its Chinese exporter and supplier, submitted a product exclusion request for collapsible tubular containers. Also on May 10, 2010, Kam Kiu Aluminium Products Sdn Bhd and Tai Shan City Kam Kiu Aluminium Extrusion Co., Ltd. (collectively “Kam Kiu”) submitted a request to exclude drawn aluminum products from the scope. On May 10, 2010, Brazeway, Inc. (“Brazeway”) submitted comments arguing that all shapes, forms, fabrications and subassemblies extruded from soft aluminum alloys (Aluminum Association series 1000, 3000, 6000) be included in the scope. On the same date, Eagle Metal Distributors, Inc. (“Eagle Metals”) also submitted comments requesting that certain aluminum extrusions that have a particular chemistry, wall thickness and length be excluded from the scope. On May 11, 2010, Shenyang Yuanda Aluminium Industry Engineering Co.,

Ltd. (“CNYD”), a Chinese exporter of assorted aluminum components, made a request for its unitized curtain walls and component parts to be considered kits excluded from the scope of the investigation. Also on May 11, 2010, the Department received scope comments from Hubbell Power Systems, Inc. (“HPS”), a U.S. importer of aluminum extrusions from the PRC, requesting a product exclusion for insulators and connectors used in the electric transmission industry. On May 20, 2010, Petitioners responded to scope comments submitted by Eagle Metals, CNYD, Kam Kiu, Toagosei, Shanghai Canghai and HPS.

On June 14, 2010, Toagosei clarified its May 20, 2010 scope comments regarding collapsible tubular containers. On June 15, 2010, the Department received scope comments from Alumi-Guard, Inc. (“Alumi-Guard”), a domestic manufacturer of fences and gates, proposing to modify the scope exclusion regarding fully assembled finished merchandise and kits so that such items comprised of at least 70 percent aluminum extrusions by weight would not be excluded from the scope of the investigation. On June 22, 2010, the Department received scope comments from Jerith Manufacturing Co., Inc. (“Jerith”), proposing to revise the scope exclusion regarding fully assembled finished merchandise and kits so that fully assembled finished merchandise and kits comprised of at least 75 percent aluminum extrusions by weight would not be excluded from the scope of the proceeding. On June 23, 2010, the Department received scope comments from Zhaoqing Asia Aluminum Factory Co. Ltd. (“ZAA”), an exporter of aluminum extrusions from the PRC and ZAA’s U.S. purchaser of aluminum extrusions, Shapes Unlimited, Inc. (“Shapes Unlimited”), requesting that certain aluminum extrusions with specific chemistry, wall thickness, finish and weight be excluded from the scope. On June 24, 2010, Elite Fence Products, Inc. (“Elite Fence”) proposed a modification of the scope language mimicking the request made by Jerith. On July 22, 2010, Delair Group, LLC (“Delair”), submitted a scope language modification requesting the exclusion for finished products and kits be modified so that finished products and complete kits comprised of at least 75 percent aluminum extrusions by weight would not be excluded from the scope of the investigations. On August 20, 2010, Petitioners submitted a request to amend the scope to exclude certain collapsible tubular containers meeting specific dimensions. On August 23,

2010, Toagosei and Shanghai Canghai submitted comments in support of Petitioners’ August 20, 2010, scope amendment request. On August 26, 2010, Digger Specialties, Inc. (“DSI”) requested a revision of scope language also mimicking the request made by Jerith.

On September 15, 2010, Nexxt Show, LLC (“Nexxt Show”), an importer of aluminum exhibition kits, inquired as to whether its imports would be covered by the “kit” exclusion. On September 17, 2010, the Department received scope comments from the Shower Door Manufacturers and Shower Enclosures Alliance (“Shower Door Manufacturers”), in which they requested clarification of the scope language covering “kits” and “finishes.” On September 27, 2010, Petitioners filed their rebuttal, objecting to the proposals made by the Shower Door Manufacturers. On September 29, 2010, the Department received scope comments from Aavid Thermalloy, LLC (“Aavid”), requesting a scope exclusion for heat sinks manufactured for electronic equipment.

On October 1, 2010, Eagle Metals submitted additional scope comments covering its May 10, 2010 submission. On October 6, 2010, the Department received comments from Brazeway, objecting to Aavid’s request to exclude heat sinks. On this same date, Petitioners filed pre-preliminary scope comments, requesting that the Department not amend the scope language in a manner contrary to Petitioners’ intent.

The Department has summarized the submitted comments and has made preliminary determinations with regard to the issues.<sup>9</sup> Based on our analysis of the comments, we preliminarily determine to amend the scope language by adding the following exclusion: “the scope also excludes collapsible tubular containers composed of metallic elements corresponding to alloy code 1080A as designated by the Aluminum Association where the tubular container (excluding the nozzle) meets each of the following dimensional characteristics: (1) Length of 37 mm or 62 mm, (2) outer diameter of 11.0 mm or 12.7 mm, and (3) wall thickness not exceeding 0.13 mm.”<sup>10</sup> No other changes to the scope language have been made for this preliminary determination. Comments received on or after October 7, 2010, were not submitted in time for

<sup>7</sup> See *Antidumping Duties; Countervailing Duties*, 62 FR 27296, 27323 (May 19, 1997).

<sup>8</sup> See *Notice of Initiation*, 75 FR at 22110.

<sup>9</sup> See the Department’s memorandum entitled “Aluminum Extrusions from the People’s Republic of China, Preliminary Determinations: Comments on the Scope of the Investigations, dated October 27, 2010.

<sup>10</sup> See *id.*

consideration for the preliminary determination; however, we will fully consider them for the final determination. Interested parties may address these comments in their case briefs, and rebuttal briefs as appropriate.

### Non-Market Economy Country

For purposes of initiation, Petitioners submitted an LTFV analysis for the PRC as an NME.<sup>11</sup> The Department's most recent examination of the PRC's market status determined that NME status should continue for the PRC.<sup>12</sup> Additionally, in two recent investigations, the Department also determined that the PRC is an NME country.<sup>13</sup> In accordance with section 771(18)(C)(i) of the Act, the NME status remains in effect until revoked by the Department. The Department has not revoked the PRC's status as an NME country, and we have therefore treated the PRC as an NME in this preliminary determination and applied our NME methodology.

### Selection of Respondents

In accordance with section 777A(c)(2) of the Act, the Department selected the two largest exporters (by quantity) of aluminum extrusions (Guang Ya Aluminium Industries Co., Ltd., Foshan Guangcheng Aluminium Co., Ltd., Kong Ah International Company Limited, and Guang Ya Aluminium Industries (Hong Kong) Limited, (collectively, "Guang Ya Group"); and ZAA as the mandatory respondents in this investigation based on the information contained in the timely submitted Quantity & Value ("Q&V") questionnaire responses filed by 49 exporters/producers.<sup>14</sup>

<sup>11</sup> See *Initiation Notice*, 75 FR at 22111.

<sup>12</sup> See *Memorandum for David M. Spooner, Assistant Secretary for Import Administration, Antidumping Duty Investigation of Certain Lined Paper Products from the People's Republic of China ("China"): China's Status as a Non-Market Economy ("NME")* (August 30, 2006) (memorandum is on file in the CRU on the record of case number A-570-901).

<sup>13</sup> See, e.g., *Certain Kitchen Appliance Shelving and Racks From the People's Republic of China: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination*, 74 FR 9591, 9593 (March 5, 2009) ("*Kitchen Racks Prelim*") (unchanged in *Certain Kitchen Appliance Shelving and Racks From the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 74 FR 36656 (July 24, 2009) ("*Kitchen Racks Final*") and *Certain Tow Behind Lawn Groomers and Certain Parts Thereof from the People's Republic of China: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination*, 74 FR 4929, 4931 (January 28, 2009) (unchanged in *Certain Tow Behind Lawn Groomers and Certain Parts Thereof from the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 74 FR 29167 (June 19, 2009)).

<sup>14</sup> See the Department's memorandum entitled, "Antidumping Duty Investigation of Aluminum

On April 16, 2010, and September 8, 2010, Zhaoqing New Zhongya Aluminum Co., Ltd. ("ZNZ"), Zhongya Shaped Aluminium (HK) Holding Limited ("Shaped Aluminum") and Karlton Aluminum Company Ltd. ("Karlton") (collectively "New Zhongya") filed an Original Questionnaire response to sections A and sections C and D, respectively, requesting to be considered as a voluntary respondent. Further, on June 29, 2010, ZNZ, Shaped Aluminum and Karlton each filed SRA's.

The Department issued its antidumping questionnaire to Guang Ya Group and ZAA on July 16, 2010. The Department requested that the respondents provide a response to section A of the Department's questionnaire on August 6, 2010, and a response to sections C and D of the questionnaire on August 23, 2010. From August 5, 2010, until the present, the Department has granted both respondents several extensions for their submissions.

Guang Ya Group submitted its responses to the section A and sections C and D questionnaires on August 16, 2010 and September 8, 2010, respectively. The Department issued several supplemental questionnaires and Guang Ya Group submitted responses to these supplemental questionnaires on September 22, 24, 27, 29, October 15, and 21, 2010.

ZAA submitted its section A response on August 13, 2010. ZAA submitted responses to section C and D on September 3, 2010. On September 10, 2010, ZAA informed the Department that it would no longer participate in the investigation.<sup>15</sup> The Department subsequently determined that it did not have sufficient time to investigate New Zhongya as a voluntary respondent.<sup>16</sup> However, as described in the *Affiliation* section below, New Zhongya is being examined in the context of its relationship to the Guang Ya Group.

### Surrogate Country

When the Department is investigating imports from an NME, section 773(c)(1) of the Act directs it to base normal value, in most circumstances, on the NME producer's factors of production

extrusions from the People's Republic of China: Selection of Mandatory Respondents," dated July 16, 2010 ("Respondent Selection Memo"). Of the companies that filed Q&Vs, 34 were named in the Petition, 15 were not. Some companies submitted one Q&V for multiple entities, resulting in 45 submissions in total, covering 49 companies.

<sup>15</sup> See ZAA's September 10, 2010, letter to the Department stating that it would no longer participate in the investigation.

<sup>16</sup> See The Department's October 1, 2010 supplemental questionnaire to New Zhongya.

("FOPs") valued in a surrogate market-economy country or countries considered to be appropriate by the Department. In accordance with section 773(c)(4) of the Act, in valuing the FOPs, the Department shall utilize, to the extent possible, the prices or costs of FOPs in one or more market-economy countries that are at a level of economic development comparable to that of the NME country and are significant producers of comparable merchandise. The sources of the surrogate values we have used in this investigation are discussed under the "Normal Value" section below.

The Department determined that India, the Philippines, Indonesia, Thailand, Ukraine and Peru are countries comparable to the PRC in terms of economic development.<sup>17</sup> Once the countries that are economically comparable to the PRC have been identified, we select an appropriate surrogate country by determining whether an economically comparable country is a significant producer of comparable merchandise and whether the data for valuing FOPs is both available and reliable.<sup>18</sup> No parties provided comments on the record concerning the surrogate country.

We have determined that it is appropriate to use India as a surrogate country pursuant to section 773(c)(4) of the Act based on the following: (1) It is at a similar level of economic development pursuant to section 773(c)(4) of the Act; (2) it is a significant producer of comparable merchandise; and (3) we have reliable data from India that we can use to value the FOPs. Thus, we have calculated normal value ("NV") using Indian prices when available and appropriate to value the FOPs of the aluminum extrusion producers under investigation. We have obtained and relied upon contemporaneous publicly available information wherever possible.<sup>19</sup>

In accordance with 19 CFR 351.301(c)(3)(i), for the final determination in an antidumping investigation, interested parties may submit publicly available information to

<sup>17</sup> See Memorandum to Eugene Degnan from Carole Showers, "Request for a List of Surrogate Countries for an Antidumping Duty Investigation of Aluminum Extrusions from the People's Republic of China ("PRC") ("Office of Policy Surrogate Countries Memorandum"), dated July 26, 2010. The Department notes that these six countries are part of a non-exhaustive list of countries that are at a level of economic development comparable to the PRC.

<sup>18</sup> See *id.*

<sup>19</sup> See Memorandum to Wendy J. Frankel, "Aluminum Extrusions from the People's Republic of China: Surrogate Value Memorandum" (October 27, 2010) ("Surrogate Value Memorandum").

value the FOPs within 40 days after the date of publication of the preliminary determination.<sup>20</sup>

### Surrogate Value Comments

Surrogate factor valuation comments and surrogate value information with which to value the FOPs for the preliminary determination in this proceeding were originally due August 24, 2010. On August 4, 2010, Petitioners requested an extension to submit surrogate values. On August 6, 2010, the Department granted this request extending the deadline for submission of surrogate value information for all interested parties until 7 days after both mandatory respondents had submitted their section D questionnaire responses. Surrogate value submissions were filed September 10, 2010, by Petitioners and Guang Ya Group, respectively. Petitioners filed rebuttal surrogate values comments on September 28, 2010. For a detailed discussion of the surrogate values used in this LTFV proceeding, see the “Factor Valuation” section below and the Surrogate Value Memorandum.

### Affiliation

Based on the evidence presented in Guang Ya Group’s questionnaire responses, we preliminarily find affiliation between the entities comprising Guang Ya Group pursuant to section 771(33)(A) and (F) of the Act.<sup>21</sup> In addition, based on the evidence presented in Guang Ya Group’s questionnaire responses, we find that Guang Ya Group should be collapsed and treated as a single entity for

<sup>20</sup> In accordance with 19 CFR 351.301(c)(1), for the final determination of this investigation, interested parties may submit factual information to rebut, clarify, or correct factual information submitted by an interested party less than ten days before, on, or after, the applicable deadline for submission of such factual information. However, the Department notes that 19 CFR 351.301(c)(1) permits new information only insofar as it rebuts, clarifies, or corrects information recently placed on the record. The Department generally will not accept the submission of additional, previously absent-from-the-record alternative surrogate value information pursuant to 19 CFR 351.301(c)(1). See *Glycine from the People’s Republic of China: Final Results of Antidumping Duty Administrative Review and Final Rescission, in Part*, 72 FR 58809 (October 17, 2007), and accompanying Issues and Decision Memorandum at Comment 2.

<sup>21</sup> See Memorandum to Wendy J. Frankel, Investigation of Aluminum Extrusions from the People’s Republic of China: Preliminary Determination Regarding Affiliation and Collapsing of Guang Ya Aluminium Industries Co., Ltd., Foshan Guangcheng Aluminium Co., Ltd., Kong Ah International Company Limited, and Guang Ya Aluminium Industries (Hong Kong) Limited, and Zhaoqing New Zhongya Aluminium Co., Ltd., Zhongya Shaped Aluminium (HK) Holding Limited; Xinya Aluminum & Stainless Steel Product Co., Ltd. and Dayang Aluminum Co., Ltd. (October 27, 2010) (“Affiliation and Collapsing Memo”).

purposes of this investigation, pursuant to sections 771(33)(A) and (F) of the Act, and 19 CFR 351.401(f)(1) and (2).<sup>22</sup>

Further, while we have not accepted New Zhongya as a voluntary respondent in this investigation, we have determined to examine New Zhongya in the context of its relationship to Guang Ya Group.<sup>23</sup> In that context, we issued supplemental questionnaires to New Zhongya on October 1, 2010, and October 12, 2010.<sup>24</sup> Based on the evidence on the record, we have preliminarily determined that the New Zhongya entities are affiliated and should be collapsed and treated as a single entity pursuant to sections 771(33)(A) and (F) of the Act and 19 CFR 351.401(f)(1) and (2).<sup>25</sup> Additionally, we have preliminarily determined that Guang Ya Group and New Zhongya are also affiliated with each other pursuant to section 771(33)(A) and (F) of the Act.<sup>26</sup>

Similarly, we also find that the Guang Ya Group and New Zhongya should be collapsed and treated as a single entity (collectively “Guang Ya Group/New Zhongya”) for purposes of this investigation, pursuant to sections 771(33)(A) and (F) of the Act, and 19 CFR 351.401(f)(1) and (2).<sup>27</sup> Furthermore, we find that Guang Ya Group/New Zhongya is affiliated with another exporter/producer of aluminum extrusions: Xinya Aluminum & Stainless Steel Product Co., Ltd. (“Xinya”), pursuant to sections 771(33)(A) and (F) of the Act.<sup>28</sup> Although neither Guang Ya Group nor New Zhongya provided the full ownership information of this entity, as requested by the Department, Guang Ya Group stated on the record of this antidumping (“AD”) investigation that a

<sup>22</sup> *Id.*

<sup>23</sup> See October 1, 2010 supplemental questionnaire.

<sup>24</sup> New Zhongya requested, and the Department granted, an extension to the submission of the response to the October 12, 2010 supplemental questionnaire until October 28, 2010. Additionally, the U.S. sales and FOP databases submitted pursuant to the October 1, 2010 supplemental questionnaire were consolidated with Guang Ya Group data and due to the Department on October 19, 2010. However, Guang Ya Group requested an extension for the submission of the consolidated database to October 21, 2010. The Department granted this extension request, but informed Guang Ya Group that as a result of the extension, the Department may not be able to use this data for the preliminary determination. In fact, due to the need to make multiple formatting changes to the consolidated database to render it usable for margin calculation, the Department was unable to use this data for the preliminary determination. See Analysis Memo.

<sup>25</sup> See Affiliation and Collapsing Memo.

<sup>26</sup> *Id.*

<sup>27</sup> *Id.*

<sup>28</sup> *Id.*

sibling of its owner was “shareholder” of Xinya, and New Zhongya stated on the public record of the companion countervailing duty investigation of aluminum extrusions from the PRC (“CVD investigation”) that a sibling of its owner was “owner” of Xinya. Because this information was provided on the public record of that proceeding, it is deemed to be public information.<sup>29</sup> Accordingly, we find it reasonable to infer, as facts available, that the family members identified in the AD response as “shareholder” of Xinya, and the public CVD investigation response as the “owner” of Xinya, holds full ownership of his or her respective company. Therefore, because Xinya is owned by members of the same family that has ownership interests in Guang Ya Group and New Zhongya, we have determined to preliminarily treat Xinya as owned by the family grouping. Thus, we also find Xinya to be affiliated with Guang Ya Group/New Zhongya, based on common family ownership, pursuant to sections 771(33)(A) and (F) of the Act.

Finally, we determine that Guang Ya Group, New Zhongya, and Xinya should be collapsed and treated as a single entity for the purposes of this investigation, pursuant to sections 19 CFR 351.401(f)(1) and (2).<sup>30</sup> This finding is based on the determination that Guang Ya Group, New Zhongya, and Xinya are affiliated, that each are exporters/producers of similar or

<sup>29</sup> On October 22, 2010, the Department sent letters to Guang Ya Group and New Zhongya asking them to provide an explanation of why certain company names and company ownership information should be accorded business proprietary (“BPI”) treatment, in light of the fact that this information was previously submitted as public information on the record of the countervailing duty investigation of aluminum extrusions and/or found to be publicly available on the Internet. Specifically, the Department requested that New Zhongya address the fact that it had previously submitted the names and shareholdings of each of its intermediate and ultimate owners as public information, but was now treating this information as BPI. In regard to Guang Ya Group, the Department requested that Guang Ya Group also provide an explanation of why it was treating the ownership information referenced above as BPI. On October 25, 2010, both companies responded that they agree to the treatment of this information as public information. See October 25, 2010 letter to the Department from New Zhongya: Aluminum Extrusions from China: Antidumping, and October 25, 2010 letter to the Department from Guang Ya Group: Aluminum Extrusions from the PRC: Comments by the Guang Ya Group Regarding Treatment of Affiliated Party Information as BPI. Accordingly, we have determined to treat this information as public information going forward in this investigation. See October 27, 2010 memorandum to the file: Reclassification of Business Proprietary Information (placing the public version of New Zhongya’s August 6, 2010, supplemental questionnaire response and certain publicly available information found on the Internet, on the record of the AD investigation).

<sup>30</sup> See Affiliation and Collapsing Memo.

identical products and no retooling would be necessary in order to restructure manufacturing priorities,<sup>31</sup> and that there is significant potential for manipulation of price or production between the parties based on the familial ownership of these companies.

In considering the level of common ownership pursuant to 19 CFR 351.401(f)(2)(i), we find common ownership of Guang Ya Group, New Zhongya, and Xinya by the family grouping. In this context, the family in question is the "person" jointly owning these entities. In regards to 19 CFR 351.401(f)(2)(ii), the record of this proceeding shows that family members are directors and managers of each of the three companies.<sup>32</sup> Given that (1) the family grouping has ownership interests in both Guang Ya Group and New Zhongya, and we are concluding based on facts available that the family grouping holds ownership over Xinya, (2) the family grouping has directors and senior managers at each company, and (3) all of the companies produce and or export merchandise under consideration in this investigation, we find that the family grouping is in a position to have significant influence over the production and sales decisions of all three companies. We find that these factors support a finding of significant potential for manipulation such that all three companies should be treated as a single entity for purposes of margin calculation and assessment.<sup>33</sup> For further discussion of the Department's affiliation and collapsing decision, see the Affiliation and Collapsing Memo.

The calculation of the margin for the preliminary determination will necessarily be based only on the data submitted by Guang Ya Group/New Zhongya. However, we will request that the single entity of Guang Ya Group/New Zhongya/Xinya provide additional information and data pursuant to a post-preliminary determination supplemental questionnaire, including but not limited to, separate rate information, U.S. sales data and FOP data relating to Xinya. We will recalculate the margin for the final determination using this information, as appropriate.

<sup>31</sup> See Guang Ya Group August 16, 2010, section A response at 16.

<sup>32</sup> See October 27, 2010, memorandum to the file: Reclassification of Business Proprietary Information.

<sup>33</sup> See, e.g., *Stainless Steel Bar from India: Final Results of Antidumping Duty Administrative Review*, 74 FR 47198 (September 15, 2009), and accompanying Issues and Decision Memorandum at Comment 1.

We note that record evidence shows that Guang Ya Group/New Zhongya/Xinya are also potentially affiliated through family ownership with another company that produces and/or exports aluminum extrusions: Da Yang Aluminum Co., Ltd. ("Da Yang"). Da Yang was named in the petition of this investigation, and the Department issued a Q&V questionnaire to Da Yang on April 27, 2010. Our records show that the Q&V questionnaire was delivered to Da Yang on May 5, 2010. Da Yang never responded to our Q&V questionnaire. Our practice is to treat companies who did not respond to the Department's request for information as part of the PRC-wide entity.<sup>34</sup> Therefore, Da Yang is already considered part of the PRC-wide entity and is not eligible for consideration in the collapsing analysis of the other individually reviewed respondents. See *The PRC-Wide Entity and PRC-Wide Rate*, below.

#### Targeted Dumping

On September 17 and September 30, 2010, respectively, the Department received Petitioners' allegations of targeted dumping by Guang Ya Group and New Zhongya using the Department's methodology as established in *Certain Steel Nails from the United Arab Emirates: Notice of Final Determination of Sales at Not Less Than Fair Value*, 73 FR 33985 (June 16, 2008) ("*Steel Nails*"). Based on our examination of the targeted dumping allegations filed by Petitioners, and pursuant to section 777A(d)(1)(B)(i) of the Act, the Department has determined that Petitioners' allegations sufficiently indicate that there is a pattern of export prices (or constructed export prices) for comparable merchandise that differ significantly among purchasers, time periods, and regions.

As a result, the Department has applied the targeted dumping analysis established in *Steel Nails* to the Guang Ya Group/New Zhongya's U.S. sales to targeted purchasers, time periods, and regions. The methodology we employed involves a two-stage test; the first stage

<sup>34</sup> *Drill Pipe From the People's Republic of China: Preliminary Determination of Sales at Less Than Fair Value and Affirmative Determination of Critical Circumstances, and Postponement of Final Determination*, 75 FR 51004 (August 18, 2010) stating "although all exporters/producers were given an opportunity to submit Q&V responses, we only received seven timely filed Q&V responses in response to our request. Therefore, the Department has preliminarily determined that there were exporters/producers of the merchandise under investigation during the POI from the PRC that did not respond to the Department's request for information and that it is appropriate to treat these non-responsive PRC exporters/producers as part of the PRC-wide entity because they did not qualify for a separate rate."

addresses the pattern requirement and the second stage addresses the significant-difference requirement. See section 777A(d)(1)(B)(i) of the Act and *Steel Nails*. In this test we made all price comparisons on the basis of comparable merchandise (*i.e.*, by control number or CONNUM). The test procedures are the same for the customer, time period and region targeted-dumping allegations. We based all of our targeted-dumping calculations on the net U.S. price which we determined for U.S. sales by Guang Ya Group/New Zhongya in our standard margin calculations. For further discussion of the test and the results, see Analysis Memo. As a result of our analysis, we preliminarily determine that there is a pattern of sales for comparable merchandise that differ significantly among certain purchasers, time periods, and regions for Guang Ya Group/New Zhongya in accordance with section 777A(d)(1)(B)(i) of the Act, and our practice as discussed in *Steel Nails*. For the preliminary determination, however, we find that in this investigation the result using the standard average-to-average methodology is not substantially different from that using the alternative average-to-transaction methodology. Accordingly, for this preliminary determination we have applied the standard average-to-average methodology to all U.S. sales that Guang Ya Group/New Zhongya reported.

#### Separate Rates

In the *Initiation Notice*, the Department notified parties of the application process by which exporters and producers may obtain separate-rate status in NME investigations.<sup>35</sup> The process requires exporters and producers to submit a SRA.<sup>36</sup> The standard for eligibility for a separate rate is whether a firm can demonstrate an

<sup>35</sup> See *Initiation Notice*, 75 FR at 22113.

<sup>36</sup> See Policy Bulletin 05.1: "While continuing the practice of assigning separate rates only to exporters, all separate rates that the Department will now assign in its NME investigations will be specific to those producers that supplied the exporter during the period of investigation. Note, however, that one rate is calculated for the exporter and all of the producers which supplied subject merchandise to it during the period of investigation. This practice applied both to mandatory respondents receiving an individually calculated separate rate as well as the pool of non-investigated firms receiving the weighted-average of the individually calculated rates. This practice is referred to as the application of 'combination rates' because such rates apply to specific combinations of exporters and one or more producers. The cash-deposit rate assigned to an exporter will apply only to merchandise both exported by the firm in question and produced by a firm that supplied the exporter during the period of investigation." See Policy Bulletin 05.1 at 6.

absence of both *de jure* and *de facto* government control over its export activities. In the instant investigation, the Department received timely-filed SRAs from 39 companies.<sup>37</sup>

Because ZAA did not cooperate in this investigation, we find that ZAA did not demonstrate that it was eligible for a separate rate, and it is thus part of the PRC-entity. One SR applicant, Press Metal Huasheng Aluminum Extrusion Co. Ltd., did not have any shipments of the merchandise under investigation during the POI, and so is not eligible for consideration for a separate rate.

One SR applicant, Shanghai Canghai Aluminum Tube Packing Co., submitted an SRA on June 30, 2010 (pursuant to an extension granted by the Department).<sup>38</sup> On August 18, 2010, the Department issued a Supplemental Questionnaire (“SQ”) to Shanghai Canghai. On September 8, 2010, Shanghai Canghai improperly filed its response to the SQ and the Department was not able to analyze the information contained in the response. Therefore, Shanghai Canghai will not be considered for a separate rate in the preliminary determination. However, we are providing Shanghai Canghai an

additional opportunity to correct these deficiencies after the preliminary determination.

The remaining 36 SR applicants have all stated that they are wholly foreign-owned enterprises or located in a market economy, are joint ventures between Chinese and foreign companies, or are wholly Chinese-owned companies. Therefore, the Department must analyze whether these respondents are wholly foreign-owned or located in a market economy as claimed or demonstrated an absence of both *de jure* and *de facto* governmental control over export activities, as appropriate.

In proceedings involving NME countries, the Department has a rebuttable presumption that all companies within the country are subject to government control and thus should be assessed a single antidumping duty rate. It is the Department’s policy to assign all exporters of merchandise subject to investigation in an NME country this single rate unless an exporter can demonstrate that it is sufficiently independent so as to be entitled to a separate rate. Exporters can demonstrate this independence through the absence of both *de jure* and *de facto* governmental control over export activities. The Department analyzes each entity exporting the subject merchandise under a test arising from *Final Determination of Sales at Less Than Fair Value: Sparklers from the People’s Republic of China*, 56 FR 20588 (May 6, 1991) (“*Sparklers*”), as further developed in *Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the People’s Republic of China*, 59 FR 22585 (May 2, 1994) (“*Silicon Carbide*”). In accordance with the separate-rates criteria, the Department assigns separate rates in NME cases only if respondents can demonstrate the absence of both *de jure* and *de facto* governmental control over export activities.

#### A. Separate-Rate Recipients<sup>39</sup>

##### 1. Wholly Foreign-Owned or Located in a Market Economy

Thirteen separate rate applicants, *i.e.*, the three New Zhongya entities, the two Guang Ya Group entities and eight other separate rate companies, provided evidence in their SRAs that they are wholly owned by individuals or companies located in a market economy (“ME”), (collectively “Foreign-Owned SR

Applicants”).<sup>40</sup> Therefore, because they are wholly foreign-owned or located in a market economy, and we have no evidence indicating that they are under the control of the PRC, a separate-rate analysis is not necessary to determine whether these companies are independent from government control.<sup>41</sup> Accordingly, we have preliminarily granted a separate rate to these companies.

##### 2. Joint Ventures Between Chinese and Foreign Companies or Wholly Chinese-Owned Companies

Guang Ya Aluminium Industries Co., Ltd., Foshan Guangcheng Aluminium Co., Ltd. and twenty-one of the separate-rate companies in this investigation stated that they are either joint ventures between Chinese and foreign companies or are wholly Chinese-owned companies (collectively “PRC SR Applicants”). Therefore, the Department must analyze whether these respondents can demonstrate the absence of both *de jure* and *de facto* governmental control over export activities.

##### a. Absence of *De Jure* Control

The Department considers the following *de jure* criteria in determining whether an individual company may be granted a separate rate: (1) An absence of restrictive stipulations associated with an individual exporter’s business and export licenses; (2) any legislative enactments decentralizing control of companies; and (3) other formal measures by the government decentralizing control of companies. *See Sparklers*, 56 FR at 20589.

The evidence provided by the PRC SR Recipients supports a preliminary finding of *de jure* absence of governmental control based on the following: (1) An absence of restrictive stipulations associated with the individual exporters’ business and export licenses; (2) there are applicable legislative enactments decentralizing control of the companies; and (3) and there are formal measures by the government decentralizing control of companies.

<sup>40</sup> The wholly foreign-owned SR Applicants are: (1) Cosco (J.M.) Aluminium Developments Co., Ltd.; (2) Guangdong Xingfa Aluminum Co., Ltd.; (3) PanAsia Aluminum (China) Limited; (4) Pingguo Asia Aluminum Co., Ltd.; (5) Popular Plastics Company Limited; (6) Tai-Ao Aluminium (Taishan) Co., Ltd.; (7) USA Worldwide Door Components (Pinghu) Co., Ltd., and (8) Worldwide Door Components Co.

<sup>41</sup> *See, e.g., Notice of Final Determination of Sales at Less Than Fair Value: Creatine Monohydrate from the People’s Republic of China*, 64 FR 71104, 71104–05 (December 20, 1999) (where the respondent was wholly foreign-owned and, thus, qualified for a separate rate).

<sup>37</sup> The 39 separate-rate applicants are: (1) Alnan Aluminium Co., Ltd.; (2) Changshu Changsheng Aluminium Products Co., Ltd.; (3) China Square Industrial Limited; (4) Cosco (J.M) Aluminium Developments Co., Ltd.; (5) First Union Property Limited/Top-Wok Metal Co., Ltd.; (6) Foshan Guangcheng Aluminium Co., Ltd.; (7) Foshan Jinlan Non-ferrous Metal Product Co., Ltd.; (8) Foshan Sanshui Fenglu Aluminium Co., Ltd.; (9) Guang Ya Aluminium Industries (Hong Kong) Limited; (10) Guang Ya Aluminium Industries Co., Ltd.; (11) Guangdong Hao Mei Aluminium Co., Ltd./Hao Mei Aluminium Co., Ltd./Hao Mei International Co., Ltd.; (12) Guangdong Weiye Aluminium Factory Co., Ltd.; (13) Guangdong Xingfa Aluminum Co., Ltd.; (14) Hanwood Enterprises Limited; (15) Honsense Development Company; (16) Innovative Aluminium (Hong Kong) Limited; (17) Jianguin Trust International Inc.; (18) JMA (HK) Company Limited; (19) Kam Kiu Aluminium Products Sdn Bhd; (20) Karlton Aluminium Company Limited; (21) Kong Ah International Company Limited; (22) Longkou Donghai Trade Co., Ltd.; (23) Ningbo Yili Import and Export Co., Ltd.; (24) North China Aluminum Co., Ltd.; (25) PanAsia Aluminium (China) Limited; (26) Pingguo Asia Aluminum Co., Ltd.; (27) Popular Plastics Co., Ltd.; (28) Press Metal Huasheng Aluminum Extrusion Co., Ltd.; (29) Press Metal International Ltd.; (30) Shanghai Canghai Aluminium Tube Packing Co., Ltd.; (31) Shenyang Yuanda Aluminium Industry Engineering Co. Ltd.; (32) Tai-Ao Aluminium (Taishan) Co., Ltd.; (33) Tianjin Ruixin Electric Heat Transmission Technology Co., Ltd.; (34) USA Worldwide Door Components (Pinghu) Co., Ltd./Worldwide Door Components (Pinghu) Co.; (35) Zhaoqing Asia Aluminum Factory Co., Ltd.; (36) Zhaoqing New Zhongya Aluminium Co., Ltd.; (37) Zhejiang Yongkang Listar Aluminium Industry Co., Ltd.; (38) Zhongshan Gold Mountain Aluminium Factory Ltd.; and (39) Zhongya Shaped Aluminium (HK) Holding Limited.

<sup>38</sup> *See* the Department’s June 25, 2010, letter to Shanghai Canghai granting the company’s request to extend the deadline for its SRA submission to July 2, 2010.

<sup>39</sup> All separate-rate applicants receiving a separate rate are hereby referred to collectively as the “SR Recipients;” this includes the mandatory respondents.

#### b. Absence of *De Facto* Control

Typically, the Department considers four factors in evaluating whether each respondent is subject to *de facto* government control of its export functions: (1) Whether the export prices are set by or are subject to the approval of a government agency; (2) whether the respondent has authority to negotiate and sign contracts and other agreements; (3) whether the respondent has autonomy from the government in making decisions regarding the selection of management; and (4) whether the respondent retains the proceeds of its export sales and makes independent decisions regarding disposition of profits or financing of losses. See *Silicon Carbide*, 59 FR at 22586–87; see also *Notice of Final Determination of Sales at Less Than Fair Value: Furfuryl Alcohol From the People's Republic of China*, 60 FR 22544, 22545 (May 8, 1995). The Department has determined that an analysis of *de facto* control is critical in determining whether respondents are, in fact, subject to a degree of government control which would preclude the Department from assigning separate rates.

In this investigation, the separate rate applicants each asserted the following: (1) That the export prices are not set by, and are not subject to, the approval of a governmental agency; (2) they have authority to negotiate and sign contracts and other agreements; (3) they have autonomy from the government in making decisions regarding the selection of management; and (4) they retain the proceeds of their export sales and make independent decisions regarding disposition of profits or financing of losses. Additionally, each of these companies' SRA responses indicates that its pricing during the POI does not involve coordination among exporters.

Evidence placed on the record of this investigation by 36 of the SR Applicants demonstrate an absence of *de jure* and *de facto* government control with respect to their respective exports of the merchandise under investigation, in accordance with the criteria identified in *Sparklers* and *Silicon Carbide*. Therefore, we are preliminarily granting a separate rate to these entities and have identified each of them in the *Preliminary Determination* section of this notice, below.

#### Application of Facts Otherwise Available and Adverse Facts Available

##### *The PRC-Wide Entity and PRC-Wide Rate*

We issued our request for Q&V information to 130 potential Chinese exporters of the subject merchandise, in addition to posting the Q&V questionnaire on the Department's website. See Respondent Selection Memo. While information on the record of this investigation indicates that there are numerous producers/exporters of aluminum extrusions in the PRC, we received 45 timely filed Q&V responses.<sup>42</sup> Although all exporters were given an opportunity to provide Q&V information, not all exporters provided a response to the Department's Q&V letter. Therefore, the Department has preliminarily determined that there were exporters/producers of the subject merchandise during the POI from the PRC that did not respond to the Department's request for information (including Da Yang).<sup>43</sup> We have treated these non-responsive PRC producers/exporters as part of the PRC-wide entity because they did not demonstrate their eligibility for a separate rate. See, e.g., *Kitchen Racks Prelim*, unchanged in *Kitchen Racks Final*.

Section 776(a)(2) of the Act provides that, if an interested party (A) withholds information that has been requested by the Department, (B) fails to provide such information in a timely manner or in the form or manner requested, subject to subsections 782(c)(1) and (F) of the Act, (C) significantly impedes a proceeding under the antidumping statute, or (D) provides such information but the information cannot be verified, the Department shall, subject to subsection 782(d) of the Act, use facts otherwise available in reaching the applicable determination.

Information on the record of this investigation indicates that the PRC-wide entity was non-responsive. Specifically, certain companies did not respond to our questionnaire requesting Q&V information. Additionally, on September 10, 2010, ZAA informed the Department that it would no longer participate in the investigation. Accordingly, we find that the PRC-entity withheld information requested by the Department; failed to provide information in a timely manner and neither indicated that it was having

difficulty providing the information nor requested that it be allowed to submit the information in an alternate form; significantly impeded the proceeding by not submitting the requested proceeding, and in the case of ZAA, submitted information that cannot be verified as a result of its determination to discontinue participation in the proceeding. As a result, pursuant to section 776(a)(2)(A) of the Act, we find that the use of facts available ("FA") is appropriate to determine the PRC-wide rate. See *Preliminary Determination of Sales at Less Than Fair Value, Affirmative Preliminary Determination of Critical Circumstances and Postponement of Final Determination: Certain Frozen Fish Fillets from the Socialist Republic of Vietnam*, 68 FR 4986 (January 31, 2003), unchanged in *Final Determination of Sales at Less Than Fair Value and Affirmative Critical Circumstances: Certain Frozen Fish Fillets from the Socialist Republic of Vietnam*, 68 FR 37116 (June 23, 2003).

Section 776(b) of the Act provides that, in selecting from among the facts otherwise available, the Department may employ an adverse inference if an interested party fails to cooperate by not acting to the best of its ability to comply with requests for information. See *Statement of Administrative Action*, accompanying the Uruguay Round Agreements Act ("URAA"), H.R. Rep. No. 103–316, 870 (1994) ("SAA"); see also *Notice of Final Determination of Sales at Less Than Fair Value: Certain Cold-Rolled Flat-Rolled Carbon-Quality Steel Products from the Russian Federation*, 65 FR 5510, 5518 (February 4, 2000). We find that, because the PRC-wide entity (including ZAA) did not respond to our requests for information, it has failed to cooperate to the best of its ability. Furthermore, the PRC-wide entity's refusal to provide the requested information constitutes circumstances under which it is reasonable to conclude that less than full cooperation has been shown. See *Nippon Steel Corporation v. United States*, 337 F.3d 1373, 1383 (Fed. Cir. 2003) ("*Nippon Steel*") where the Court of Appeals for the Federal Circuit provided an explanation of the "failure to act to the best of its ability" standard noting that the Department need not show intentional conduct existed on the part of the respondent, but merely that a "failure to cooperate to the best of a respondent's ability" existed (*i.e.*, information was not provided "under circumstances in which it is reasonable to conclude that less than full cooperation has been shown").

<sup>42</sup> Several of the Q&V responses provided Q&V data for more than one company. As a result, the 45 Q&V responses provided quantity and value for 49 entities.

<sup>43</sup> Da Yang is one of the companies identified in the Petition to whom we issued a Q&V questionnaire but received no response.

Therefore, the Department preliminarily finds that, in selecting from among the facts available, an adverse inference is appropriate.

When employing an adverse inference, section 776 of the Act indicates that the Department may rely upon information derived from the petition, the final determination from the LTFV investigation, a previous administrative review, or any other information placed on the record. In selecting a rate for adverse facts available (“AFA”), the Department selects a rate that is sufficiently adverse to ensure that the uncooperative party does not obtain a more favorable result by failing to cooperate than if it had fully cooperated. It is the Department’s practice to select, as AFA, the higher of the (a) highest margin alleged in the petition, or (b) the highest calculated rate of any respondent in the investigation.<sup>44</sup> With respect to adverse facts available (“AFA”), for the preliminary determination, we have assigned the PRC-wide entity the rate of 59.31 percent, which is the dumping margin calculated for Guang Ya Group/New Zhongya/Xinya in the preliminary determination. No corroboration of this rate is necessary because we are relying on information obtained in the course of this investigation, rather than secondary information.<sup>45</sup>

#### *Partial AFA for Guang Ya Group/New Zhongya*

New Zhongya did not provide a sufficient description of the FOP inputs named: Additive, Aluminum sealant, Chromaking agent, Deslagging agent, Long life additive for alkaline etching, and Refining agent for the Department to determine an appropriate source with which to value these inputs. However, information contained in New Zhongya’s questionnaire responses, identified these as broadly as various “additives.” Because New Zhongya did not provide us with sufficient means to identify an appropriate surrogate value for these inputs as requested by the Department, as adverse facts available, we have applied the highest surrogate value on the record for any input

<sup>44</sup> See *Final Determination of Sales at Less Than Fair Value: Certain Cold-Rolled Carbon Quality Steel Products from the People’s Republic of China*, 65 FR 34660 (May 31, 2000), and accompanying Issues and Decision Memorandum, at “Facts Available.”

<sup>45</sup> See 19 CFR 351.308(c) and (d) and section 776(c) of the Act; see also *Final Determination of Sales at Less Than Fair Value and Affirmative Determination of Critical Circumstances, in Part: Light-Walled Rectangular Pipe and Tube from the People’s Republic of China*, 73 FR 35652, 35653 (June 24, 2008), and accompanying Issues and Decision Memorandum at 1.

described as an “additive.” We intend to address these FOP valuations further in post-preliminary determination supplemental questionnaires.

#### **Margin for the Separate Rate Companies**

As discussed above, the Department has preliminarily determined that in addition to the individually reviewed entities, 29 other companies have demonstrated their eligibility for a separate rate. The Department’s practice is to establish a margin, as the separate rate, for these entities based on the average of the rates we calculated for the mandatory respondents, excluding any rates that were zero, *de minimis*, or based entirely on AFA.<sup>46</sup> In the instant investigation we have only one mandatory respondent, Guang Ya Group/New Zhongya/Xinya. As the rate for Guang Ya Group/New Zhongya/Xinya is not zero, *de minimis*, or based entirely on AFA, we are using its margin to establish the separate rate margin.

#### **Date of Sale**

19 CFR 351.401(i) states that, “in identifying the date of sale of the merchandise under consideration or foreign like product, the Secretary normally will use the date of invoice, as recorded in the exporter or producer’s records kept in the normal course of business.” In *Allied Tube*, the CIT noted that a “party seeking to establish a date of sale other than invoice date bears the burden of producing sufficient evidence to ‘satisfy’ the Department that ‘a different date better reflects the date on which the exporter or producer establishes the material terms of sale.’” *Allied Tube & Conduit Corp. v. United States* 132 F. Supp. 2d at 1090 (CIT 2001) (quoting 19 CFR 351.401(i)) (“*Allied Tube*”). Additionally, the Secretary may use a date other than the date of invoice if the Secretary is satisfied that a different date better reflects the date on which the exporter or producer establishes the material terms of sale. See 19 CFR 351.401(i); see also *Allied Tube*, 132 F. Supp. 2d 1087, 1090–1092. The date of sale is generally the date on which the parties agree upon all substantive terms of the sale. This normally includes the price, quantity, delivery terms and payment terms. See *Carbon and Alloy Steel Wire*

<sup>46</sup> See, e.g., *Preliminary Determination of Sales at Less Than Fair Value and Partial Affirmative Determination of Critical Circumstances: Certain Polyester Staple Fiber from the People’s Republic of China*, 71 FR 77373, 77377 (December 26, 2006), unchanged in *Final Determination of Sales at Less Than Fair Value and Partial Affirmative Determination of Critical Circumstances: Certain Polyester Staple Fiber from the People’s Republic of China*, 72 FR 19690 (April 19, 2007).

*Rod from Trinidad and Tobago: Final Results of Antidumping Duty Administrative Review*, 72 FR 62824 (November 7, 2007), and accompanying Issue and Decision Memorandum at Comment 1; *Notice of Final Determination of Sales at Less Than Fair Value: Certain Cold-Rolled Flat-Rolled Carbon Quality Steel Products from Turkey*, 65 FR 15123 (March 21, 2000), and accompanying Issues and Decision Memorandum at Comment 1.

For sales by Guang Ya Group/New Zhongya, consistent with 19 CFR 351.401(i), we used the commercial invoice date as the sale date because record evidence indicates that the terms of sale were not set until the issuance of the commercial invoice.<sup>47</sup>

#### **Fair Value Comparisons**

To determine whether sales of aluminum extrusions to the United States by the respondents were made at LTFV, we compared export price (“EP”) and constructed export price (“CEP”) to normal value (“NV”), as described in the “Constructed Export Price,” “Export Price,” and “Normal Value” sections of this notice.

#### **U.S. Price**

##### *Constructed Export Price*

In accordance with section 772(a) of the Act, CEP is the price at which the subject merchandise is first sold (or agreed to be sold) in the United States before or after the date of importation by or for the account of the producer or exporter of such merchandise or by a seller affiliated with the producer or exporter, to a purchaser not affiliated with the producer or exporter, as adjusted under subsections (c) and (d). In its questionnaire responses, Guang Ya Group stated that it made CEP sales through its U.S. affiliate, Guangcheng Aluminum Industries (USA) Inc. (“Guangcheng USA”). In accordance with section 772(a) of the Act, we used CEP for Guang Ya Group’s U.S. sales where the merchandise subject to this investigation was sold directly to an affiliated purchaser located in the United States.

For sales reported by Guang Ya Group as CEP sales, we calculated CEP based on delivered prices to unaffiliated purchasers in the United States. We made deductions from the U.S. sales price, where applicable, for movement expenses in accordance with section 772(c)(2)(A) of the Act. These included such expenses as foreign inland freight from the plant to the port of exportation

<sup>47</sup> See, e.g., the Guang Ya Group’s section A response at page 29, and New Zhongya’s section A response at 29.

and marine insurance. In accordance with section 772(d)(1) of the Act, the Department deducted commissions, credit expenses, inventory carrying costs and indirect selling expenses from the U.S. price, all of which relate to commercial activity in the United States. Finally, we deducted CEP profit, in accordance with sections 772(d)(3) and 772(f) of the Act.<sup>48</sup>

New Zhongya also reported that it had CEP sales, but requested that the Department not require it to submit data for these sales based on the fact that they comprised a very small percentage of its total sales. Where the percentage of CEP sales is less than five percent, the Department practice is to not require that the sales be reported.<sup>49</sup> Accordingly, the Department has permitted New Zhongya not to report these sales.<sup>50</sup>

#### Export Price

In accordance with section 772(a) of the Act, we used EP for certain U.S. sales reported by Guang Ya Group and all sales reported by New Zhongya. We calculated EP based on the packed prices to unaffiliated purchasers in, or for exportation to, the United States. We made deductions, as appropriate, for any movement expenses (e.g., foreign inland freight from the plant to the port of exportation, domestic brokerage, international freight to the port of importation, etc.) in accordance with section 772(c)(2)(A) of the Act. Where foreign inland freight or foreign brokerage and handling fees were provided by PRC service providers or paid for in renminbi, we based those charges on surrogate value rates from India. See "Factor Valuation" section below for further discussion of surrogate value rates.

#### Adjustments to Guang Ya Group and New Zhongya Data

For the preliminary determination, using information from Guang Ya Group's narrative questionnaire/supplemental questionnaire responses, the Department made adjustments to Guang Ya Group's and New Zhongya's FOP and U.S. sales data to resolve multiple flaws with respect to formatting, variable names, and spreadsheet reference errors. For example, where values for credit

expenses were lost in Guang Ya Group's Excel version of its U.S. sales database due to broken cell links, resulting in "reference" errors, the Department used data found in Guang Ya Group's questionnaire/supplemental questionnaire response narratives to calculate the missing values using SAS programming language.<sup>51</sup>

#### Normal Value

Section 773(c)(1) of the Act provides that the Department shall determine the NV using an FOP methodology if the merchandise is exported from an NME and the information does not permit the calculation of NV using home-market prices, third-country prices, or constructed value under section 773(a) of the Act. The Department bases NV on the FOPs because the presence of government controls on various aspects of NMEs renders price comparisons and the calculation of production costs invalid under the Department's normal methodologies. Therefore, for this preliminary determination we have calculated NV based on FOPs in accordance with sections 773(c)(3) and (4) of the Act and 19 CFR 351.408(c). The FOPs include: (1) Hours of labor required; (2) quantities of raw materials employed; (3) amounts of energy and other utilities consumed; and (4) representative capital costs. See, e.g., *Kitchen Racks Prelim*, 71 FR at 19703 (unchanged in *Kitchen Racks Final*). In accordance with 19 CFR 351.408(c)(1), the Department will normally use publicly available information to find an appropriate surrogate value to value FOPs, but when a producer sources an input from a ME and pays for it in a ME currency, the Department may value the factor using the actual price paid for the input. See 19 CFR 351.408(c)(1); see also *Shakeproof Assembly Components Div of Ill v. United States*, 268 F.3d 1376, 1382–1383 (Fed. Cir. 2001) (affirming the Department's use of market-based prices to value certain FOPs).

#### Factor Valuation Methodology

In accordance with section 773(c) of the Act, we calculated NV based on FOP data reported by respondents during the POI. To calculate NV, we multiplied the reported per-unit factor-consumption rates by publicly available surrogate values (except as discussed below). In

selecting the surrogate values, we considered the quality, specificity, and contemporaneity of the data. See, e.g., *Fresh Garlic From the People's Republic of China: Final Results of Antidumping Duty New Shipper Review*, 67 FR 72139 (December 4, 2002), and accompanying Issues and Decision Memorandum at Comment 6; and *Final Results of First New Shipper Review and First Antidumping Duty Administrative Review: Certain Preserved Mushrooms From the People's Republic of China*, 66 FR 31204 (June 11, 2001), and accompanying Issues and Decision Memorandum at Comment 5. As appropriate, we adjusted input prices by including freight costs to make them delivered prices. Specifically, we added to Indian import surrogate values a surrogate freight cost using the shorter of the reported distance from the domestic supplier to the factory or the distance from the nearest seaport to the factory where appropriate. This adjustment is in accordance with the Court of Appeals for the Federal Circuit's decision in *Sigma Corp. v. United States*, 117 F.3d 1401, 1407–08 (Fed. Cir. 1997). A detailed description of all surrogate values used for Guang Ya Group/New Zhongya can be found in the Surrogate Value Memorandum.

For the preliminary determination, in accordance with the Department's practice, we used data from the Indian Import Statistics and other publicly available Indian sources in order to calculate surrogate values for Guang Ya Group and New Zhongya's FOPs (direct materials, energy, and packing materials) and certain movement expenses. In selecting the best available information for valuing FOPs in accordance with section 773(c)(1) of the Act, the Department's practice is to select, to the extent practicable, surrogate values which are non-export average values, most contemporaneous with the POI, product-specific, and tax-exclusive. See, e.g., *Notice of Preliminary Determination of Sales at Less Than Fair Value, Negative Preliminary Determination of Critical Circumstances and Postponement of Final Determination: Certain Frozen and Canned Warmwater Shrimp From the Socialist Republic of Vietnam*, 69 FR 42672, 42682 (July 16, 2004), unchanged in *Final Determination of Sales at Less Than Fair Value: Certain Frozen and Canned Warmwater Shrimp from the Socialist Republic of Vietnam*, 69 FR 71005 (December 8, 2004). The record shows that data in the Indian Import Statistics, as well as those from the other Indian sources, are contemporaneous with the POI,

<sup>48</sup> See Surrogate Value Memorandum.

<sup>49</sup> See 19 CFR 351.408(d); see also *Notice of Final Determination of Sales at Less Than Fair Value and Affirmative Final Determination of Critical Circumstances: Certain Orange Juice from Brazil*, 71 FR 2183 (January 13, 2006), and accompanying Issues and Decision Memorandum at 6.

<sup>50</sup> See October 20, 2010, letter to New Zhongya: Extension of Deadline to submit supplemental questionnaire.

<sup>51</sup> See the memorandum to the file: Preliminary Determination Analysis Memorandum for Guang Ya Aluminium Industries Co., Ltd., Foshan Guangcheng Aluminium Co., Ltd., Kong Ah International Company Limited, and Guang Ya Aluminium Industries (Hong Kong) Limited, (collectively, the "Guang Ya Group") dated October 27, 2010, for a complete listing of all such adjustments.

product-specific, and tax-exclusive. See Surrogate Value Memorandum. In those instances where we could not obtain publicly available information contemporaneous to the POI with which to value factors, we adjusted the surrogate values using, where appropriate, the Indian WPI as published in the IMF's *International Financial Statistics*. See, e.g., *Kitchen Racks*, 74 FR at 9600.

Furthermore, with regard to the Indian import-based surrogate values, we have disregarded import prices that we have reason to believe or suspect may be subsidized. We have reason to believe or suspect that prices of inputs from Indonesia, South Korea, and Thailand may have been subsidized. We have found in other proceedings that these countries maintain broadly available, non-industry-specific export subsidies and, therefore, it is reasonable to infer that all exports to all markets from these countries may be subsidized. See *Notice of Final Determination of Sales at Less Than Fair Value and Negative Final Determination of Critical Circumstances: Certain Color Television Receivers From the People's Republic of China*, 69 FR 20594 (April 16, 2004), and accompanying Issues and Decision Memorandum at Comment 7.<sup>52</sup>

Further, guided by the legislative history, it is the Department's practice not to conduct a formal investigation to ensure that such prices are not subsidized. See Omnibus Trade and Competitiveness Act of 1988, Conference Report to accompany H.R. Rep. 100-576 at 590 (1988) reprinted in 1988 U.S.C.C.A.N. 1547, 1623-24; see also *Preliminary Determination of Sales at Less Than Fair Value: Coated Free Sheet Paper from the People's Republic of China*, 72 FR 30758 (June 4, 2007) unchanged in *Final Determination of Sales at Less Than Fair Value: Coated Free Sheet Paper from the People's Republic of China*, 72 FR 60632 (October 25, 2007). Rather, the Department bases its decision on

information that is available to it at the time it makes its determination. See *Polyethylene Terephthalate Film, Sheet, and Strip from the People's Republic of China: Preliminary Determination of Sales at Less Than Fair Value*, 73 FR 24552, 24559 (May 5, 2008), unchanged in *Polyethylene Terephthalate Film, Sheet, and Strip from the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 73 FR 55039 (September 24, 2008). Therefore, we have not used prices from these countries in calculating the Indian import-based surrogate values. Additionally, we disregarded prices from NME countries. Finally, imports that were labeled as originating from an "unspecified" country were excluded from the average value, because the Department could not be certain that they were not from either an NME country or a country with general export subsidies. See *id.*

Pursuant to 19 CFR 351.408(c)(1), when a respondent sources inputs from an ME supplier in meaningful quantities (i.e., not insignificant quantities), we use the actual price paid by respondent for those inputs, except when prices may have been distorted by findings of dumping by the PRC and/or subsidies.<sup>53</sup> Where we find ME purchases to be of significant quantities (i.e., 33 percent or more), in accordance with our statement of policy as outlined in *Antidumping Methodologies: Market Economy Inputs*,<sup>54</sup> we use the actual purchases of these inputs to value the inputs. Where the quantity of the reported input purchased from ME suppliers is below 33 percent of the total volume of the input purchased from all sources during the POI, and were otherwise valid, we weight-average the ME input's purchase price with the appropriate surrogate value for the input according to their respective shares of the reported total volume of purchases.<sup>55</sup> Where appropriate, we add freight to the ME prices of inputs.

Both Guang Ya Group and New Zhongya claimed that certain of their reported raw material inputs were sourced from an ME country and paid for in ME currencies. Record evidence indicates, however, that New Zhongya's purchases were not from an NME country. Accordingly, we valued these

purchases with a surrogate value.<sup>56</sup> With respect to the Guang Ya Group's claim that it had certain purchases of inputs from an ME country(ies), record evidence brings into question the quantities and types of merchandise that may have been imported from market economy countries.<sup>57</sup> Thus, we valued these inputs with surrogate values for the preliminary determination.

As a consequence of the decision of the Court of Appeals for the Federal Circuit in *Dorbest Ltd. v. United States*, 604 F. 3d 1363 (Fed. Cir. 2010), the Department is no longer relying on the regression-based wage rate described in 19 CFR 351.408(c)(3). The Department is continuing to evaluate options for determining labor values in light of the recent Federal Circuit decision. For these preliminary results, we have calculated an hourly wage rate to use in valuing the reported labor input by averaging earnings and/or wages in countries that are economically-comparable to the PRC and that are significant producers of comparable merchandise. To calculate the hourly wage data, we used wage rate data reported by the International Labor Organization ("ILO").<sup>58</sup> Because an industry-specific dataset relevant to this proceeding exists within the Department's preferred ILO source, we used industry-specific data to calculate a surrogate wage rate for this review, in accordance with section 773(c)(1) of the Act.

For this review, the Department has calculated the wage rate using a simple average of the data provided to the ILO under Sub-Classification 28 ("Manufacture of fabricated metal products, except machinery and equipment") of the ISIC-Revision 3 by countries determined to be both economically-comparable and significant producers to the PRC. The Department finds the two-digit

<sup>56</sup> See Analysis Memo: Market Economy Purchases section.

<sup>57</sup> See *Antidumping Methodologies: Market Economy Inputs*, 71 FR at 61718, and Exhibit D.18 of the Guang Ya Groups September 29, 2010 supplemental questionnaire response.

<sup>58</sup> The ILO industry-specific data is reported according to the International Standard Industrial Classification of all Economic Activities ("ISIC") code, which is maintained by the United Nations Statistical Division and is periodically updated. These updates are referred to as "Revisions." The ILO, an organization under the auspices of the United Nations, utilizes this classification for reporting purposes. Currently, wage and earnings data are available from the ILO under the following revisions: ISIC-Rev.2, ISIC-Rev.3, and most recently, ISIC-Rev.4. The ISIC code establishes a two-digit breakout for each manufacturing category, and also often provides a three- or four-digit sub-category for each two-digit category. Depending on the country, data may be reported at either the two-, three- or four-digit subcategory.

<sup>52</sup> See, also e.g., *Carbazole Violet Pigment 23 from India: Final Results of the Expedited Five-year (Sunset) Review of the Countervailing Duty Order*, 75 FR 13257 (March 19, 2010), and accompanying Issues and Decision Memorandum at pages 4-5; *Certain Cut-to-Length Carbon Quality Steel Plate from Indonesia: Final Results of Expedited Sunset Review*, 70 FR 45692 (August 8, 2005), and accompanying Issues and Decision Memorandum at page 4; *Corrosion-Resistant Carbon Steel Flat Products from the Republic of Korea: Final Results of Countervailing Duty Administrative Review*, 74 FR 2512 (January 15, 2009), and accompanying Issues and Decision Memorandum at pages 17, 19-20; *Final Affirmative Countervailing Duty Determination: Certain Hot-Rolled Carbon Steel Flat Products from Thailand*, 66 FR 50410 (October 3, 2001), and accompanying Issues and Decision Memorandum at page 23.

<sup>53</sup> See *Antidumping Duties; Countervailing Duties; Final Rule*, 62 FR 27296, 27366 (May 19, 1997).

<sup>54</sup> See *Antidumping Methodologies: Market Economy Inputs, Expected Non-Market Economy Wages, Duty Drawback; and Request for Comments*, 71 FR 61716, 61717 (October 19, 2006) ("*Antidumping Methodologies: Market Economy Inputs*").

<sup>55</sup> See *Antidumping Methodologies: Market Economy Inputs*, 71 FR at 61718.

description under Sub-Classification 28 is the best available wage rate surrogate value on the record because it is specific and derived from industries that produce merchandise comparable to the subject merchandise. For further information on the calculation of the wage rate, see the Surrogate Value Memorandum.

We valued truck freight expenses using a per-unit average rate calculated from data on the Infobanc Web site: <http://www.infobanc.com/logistics/logtruck.htm>. The logistics section of this Web site contains inland freight truck rates between many large Indian cities.

We valued electricity using price data for small, medium, and large industries, as published by the Central Electricity Authority of the Government of India in its publication titled *Electricity Tariff & Duty and Average Rates of Electricity Supply in India*, dated March 2008. These electricity rates represent actual country-wide, publicly available information on tax-exclusive electricity rates charged to industries in India. To value water, we used the revised Maharashtra Industrial Development Corporation water rates available at <http://www.midcindia.com/water->

*supply*. We valued natural gas using April through June 2002 data from the Gas Authority of India Ltd. Consistent with the Department's recent determination in Polyvinyl Alcohol, we averaged the base and ceiling gas prices of 2,850 rupees per 1000 cubic meters ("m<sup>3</sup>") and 2,150 rupees per 1000 m<sup>3</sup>, and added a transmission charge of 1,150 rupees per 1000 m<sup>3</sup> to calculate a value of Rs 3.650/cubic meter. We used the Indian Bureau of Mines' publication: 2007 Edition of the Indian Minerals Yearbook ("IBM Yearbook") to value coal. For this preliminary determination, we find that the IBM Yearbook's reported Grade C coal most closely matches the coal consumed by respondents during the POI. We valued diesel using the June 2007 diesel prices across four Indian cities from the Indian Oil Corporation. Since the rates are not contemporaneous with the POI, we inflated the values using the WPI.

To value factory overhead, selling, general, and administrative expenses, and profit, we used audited financial statements of Indian aluminum extrusions producers Bhoruka Aluminum, Ltd., and Sudal Industries Ltd., each covering the fiscal period April 1, 2009, through March 31,

2010.<sup>59</sup> The Department may consider other publicly available financial statements for the final determination, as appropriate.

#### Currency Conversion

Where necessary, we made currency conversions into U.S. dollars, in accordance with section 773A(a) of the Act, based on the exchange rates in effect on the dates of the U.S. sales as certified by the Federal Reserve Bank.

#### Verification

As provided in section 782(i)(1) of the Act, we intend to verify the information from Guang Ya Group/New Zhongya/Xinya upon which we will rely in making our final determination.

#### Combination Rates

In the *Initiation Notice*, the Department stated that it would calculate combination rates for respondents that are eligible for a separate rate in this investigation.<sup>60</sup> This practice is described in Policy Bulletin 05.1.

#### Preliminary Determination

The weighted-average dumping margins are as follows:

Exporter	Producer	Weighted-average margin
Guang Ya Aluminium Industries Co., Ltd.; Foshan Guangcheng Aluminium Co., Ltd.; Kong Ah International Company Limited; Guang Ya Aluminium Industries (Hong Kong) Limited; Zhaoqing New Zhongya Aluminum Co., Ltd.; Zhongya Shaped Aluminium (HK) Holding Limited; Karlton Aluminium Company Ltd.; Xinya Aluminum & Stainless Steel Product Co., Ltd.	Guang Ya Aluminium Industries Co., Ltd.; Foshan Guangcheng Aluminium Co., Ltd.; Kong Ah International Company Limited; Guang Ya Aluminium Industries (Hong Kong) Limited; Zhaoqing New Zhongya Aluminum Co., Ltd.; Zhongya Shaped Aluminium (HK) Holding Limited; Karlton Aluminium Company Ltd.; Xinya Aluminum & Stainless Steel Product Co., Ltd.	59.31
Alnan Aluminium Co., Ltd	Alnan Aluminium Co., Ltd	59.31
Changshu Changsheng Aluminium Products Co., Ltd	Changshu Changsheng Aluminium Products Co., Ltd	59.31
China Square Industrial Limited	Zhaoqing China Square Industry Limited	59.31
Cosco (J.M) Aluminium Co., Ltd	Cosco (J.M) Aluminium Co., Ltd.; Jiangmen Qunxing Hardware Diecasting Co., Ltd.	59.31
First Union Property Limited	Top-Wok Metal Co., Ltd	59.31
Foshan Jinlan Non-ferrous Metal Product Co., Ltd	Foshan Jinlan Aluminium Co. Ltd	59.31
Foshan Sanshui Fenglu Aluminium Co., Ltd	Foshan Sanshui Fenglu Aluminium Co., Ltd	59.31
Guangdong Hao Mei Aluminium Co., Ltd	Guangdong Hao Mei Aluminium Co., Ltd	59.31
Guangdong Weiye Aluminium Factory Co., Ltd	Guangdong Weiye Aluminium Factory Co., Ltd	59.31
Guangdong Xingfa Aluminium Co., Ltd	Guangdong Xingfa Aluminium Co., Ltd	59.31
Hanwood Enterprises Limited	Pingguo Aluminium Company Limited	59.31
Honsense Development Company	Kanal Precision Aluminium Product Co., Ltd	59.31
Innovative Aluminium (Hong Kong) Limited	Taishan Golden Gain Aluminium Products Limited	59.31
Jiangyin Trust International Inc	Jiangyin Xinhong Doors and Windows Co., Ltd	59.31
JMA (HK) Company Limited	Guangdong Jianmei Aluminium Profile Company Limited; Foshan JMA Aluminium Company Limited.	59.31
Kam Kiu Aluminium Products Sdn Bhd	Tai Shan City Kam Kiu Aluminium Extrusion Co., Ltd	59.31
Longkou Donghai Trade Co., Ltd	Shandong Nanshan Aluminium Co., Ltd	59.31
Ningbo Yili Import and Export Co., Ltd	Zhejiang Anji Xinxiang Aluminium Co., Ltd	59.31
North China Aluminum Co., Ltd	North China Aluminum Co., Ltd	59.31
PanAsia Aluminium (China) Limited	PanAsia Aluminium (China) Limited	59.31
Pingguo Asia Aluminium Co., Ltd	Pingguo Asia Aluminium Co., Ltd	59.31
Popular Plastics Co., Ltd	Hoi Tat Plastic Mould & Metal Factory	59.31
Press Metal International Ltd	Press Metal International Ltd	59.31

<sup>59</sup> See Analysis Memo: Surrogate Financial Statements, for a discussion of the selection of these financial statements.

<sup>60</sup> See *Initiation Notice*, 75 FR at 22113-14.

Exporter	Producer	Weighted-average margin
Shenyang Yuanda Aluminium Industry Engineering Co. Ltd .....	Zhaoqing Asia Aluminum Factory Company Limited; Guang Ya Aluminum Industries Co., Ltd.	59.31
Tai-Ao Aluminium (Taishan) Co., Ltd .....	Tai-Ao Aluminium (Taishan) Co., Ltd .....	59.31
Tianjin Ruixin Electric Heat Transmission Technology Co., Ltd	Tianjin Ruixin Electric Heat Transmission Technology Co., Ltd	59.31
USA Worldwide Door Components (Pinghu) Co., Ltd.; World-wide Door Components (Pinghu) Co.	USA Worldwide Door Components (Pinghu) Co., Ltd .....	59.31
Zhejiang Yongkang Listar Aluminium Industry Co., Ltd .....	Zhejiang Yongkang Listar Aluminium Industry Co., Ltd .....	59.31
Zhongshan Gold Mountain Aluminium Factory Ltd .....	Zhongshan Gold Mountain Aluminium Factory Ltd .....	59.31
PRC-wide Entity* .....	.....	59.31

### Disclosure

We will disclose the calculations performed to parties in this proceeding within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b).

### Suspension of Liquidation

In accordance with section 733(d) of the Act, we will instruct U.S. Customs and Border protection ("CBP") to suspend liquidation of all entries of aluminum extrusions from the PRC as described in the "Scope of Investigation" section, entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the **Federal Register**. We will instruct CBP to require a cash deposit or the posting of a bond equal to the weighted-average amount by which the normal value exceeds U.S. price, as follows: (1) The rate for the exporter/producer combinations listed in the chart above will be the rate we have determined in this preliminary determination; (2) for all PRC exporters of subject merchandise which have not received their own rate, the cash-deposit rate will be the PRC-wide rate; and (3) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash-deposit rate will be the rate applicable to the PRC exporter/producer combination that supplied that non-PRC exporter. These suspension-of-liquidation instructions will remain in effect until further notice.

Additionally, as the Department has determined in its *Aluminum Extrusions From the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination*, 75 FR 54302 (September 7, 2010) ("CVD Prelim") that the merchandise under investigation exported by Guang Ya Group, and that exported by New Zhongya, benefitted from export subsidies, we will instruct CBP to require an antidumping cash deposit or posting of a bond equal to the amount by which the NV exceeds the U.S. price for Guang Ya Group/New Zhongya/Xinya, as indicated above, minus the amount determined to

constitute an export subsidy. *See, e.g., Notice of Final Determination of Sales at Less Than Fair Value: Carbazole Violet Pigment 23 From India*, 69 FR 67306, 67307 (November 17, 2007).

### International Trade Commission Notification

In accordance with section 733(f) of the Act, we have notified the ITC of our preliminary affirmative determination of sales at LTFV. Section 735(b)(2) of the Act requires the ITC to 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 aluminum extrusions, or sales (or the likelihood of sales) for importation, of the merchandise under consideration within 45 days of our final determination.

### Public Comment

Case briefs or other written comments may be submitted to the Assistant Secretary for Import Administration no later than seven days after the date on which the final verification report is issued in this proceeding, and rebuttal briefs, limited to issues raised in case briefs, may be submitted no later than five days after the deadline date for case briefs. *See* 19 CFR 351.309. A table of contents, list of authorities used and an executive summary of issues should accompany any briefs submitted to the Department. This summary should be limited to five pages total, including footnotes. The Department also requests that parties provide an electronic copy of its case and rebuttal brief submissions in either a "Microsoft Word" or a "pdf" format.

In accordance with section 774 of the Act, we will hold a public hearing, if requested, to afford interested parties an opportunity to comment on arguments raised in case or rebuttal briefs. Interested parties, who wish to request a hearing, or to participate if one is requested, must submit a written request to the Assistant Secretary for Import Administration, U.S. Department of Commerce, Room 1870, within 30

days after the date of publication of this notice. *See* 19 CFR 351.310(c). Requests should contain the party's name, address, and telephone number, the number of participants, and a list of the issues to be discussed. If a request for a hearing is made, we intend to hold the hearing at the U.S. Department of Commerce, 14th Street and Constitution Ave., NW, Washington, DC 20230, at a time and location to be determined. *See* 19 CFR 351.310. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

We will make our final determination no later than 135 days after the date of publication of this preliminary determination, pursuant to section 735(a)(2) of the Act.

This determination is issued and published in accordance with sections 733(f) and 777(i)(1) of the Act.

Dated: October 27, 2010.

**Ronald K. Lorentzen,**  
Deputy Assistant Secretary for Import Administration.

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