
DEPARTMENT OF COMMERCE**International Trade Administration****A-552-803****Uncovered Innerspring Units from the Socialist Republic of Vietnam: Notice of Final Determination of Sales at Less Than Fair Value****AGENCY:** Import Administration, International Trade Administration, Department of Commerce.**EFFECTIVE DATE:** October 21, 2008.**SUMMARY:** The Department of Commerce (“the Department”) determines that imports of uncovered innerspring units from the Socialist Republic of Vietnam (“Vietnam”) are being, or are likely to be, sold in the United States at less than fair value, as provided in section 735 of the Tariff Act of 1930, as amended (“the Act”). The final weighted-average dumping margins are listed below in the section entitled “Final Determination of Investigation.”**FOR FURTHER INFORMATION CONTACT:** Eugene Degnan or Robert Bolling, AD/CVD Operations, Office 8, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0414 or (202) 482-3434, respectively.**SUPPLEMENTARY INFORMATION:****Background**

On August 6, 2008, the Department published the preliminary determination of sales at less than fair value (“LTFV”) in the antidumping investigation of uncovered innerspring units from Vietnam. *See Uncovered Innerspring Units from the Socialist Republic of Vietnam: Notice of Preliminary Determination of Sales at Less Than Fair Value*, 73 FR 45738 (August 6, 2008) (“*Preliminary Determination*”). We invited parties to comment on the *Preliminary Determination*. We did not receive any case or rebuttal briefs from any interested parties.

Period of Investigation

The POI is April 1, 2007, through September 30, 2007. This period corresponds to the two most recent fiscal quarters prior to the month of the filing of the petition, which was

December 2007. *See* 19 CFR 351.204(b)(1).

Scope of Investigation

The merchandise covered by this investigation is uncovered innerspring units composed of a series of individual metal springs joined together in sizes corresponding to the sizes of adult mattresses (e.g., twin, twin long, full, full long, queen, California king, and king) and units used in smaller constructions, such as crib and youth mattresses. All uncovered innerspring units are included in this scope regardless of width and length. Included within this definition are innersprings typically ranging from 30.5 inches to 76 inches in width and 68 inches to 84 inches in length. Innersprings for crib mattresses typically range from 25 inches to 27 inches in width and 50 inches to 52 inches in length.

Uncovered innerspring units are suitable for use as the innerspring component in the manufacture of innerspring mattresses, including mattresses that incorporate a foam encasement around the innerspring.

Pocketed and non-pocketed innerspring units are included in this definition. Non-pocketed innersprings are typically joined together with helical wire and border rods. Non-pocketed innersprings are included in this definition regardless of whether they have border rods attached to the perimeter of the innerspring. Pocketed innersprings are individual coils covered by a “pocket” or “sock” of a nonwoven synthetic material or woven material and then glued together in a linear fashion.

Uncovered innersprings are classified under subheading 9404.29.9010 and have also been classified under subheadings 9404.10.0000, 7326.20.00.70, 7320.20.5010, or 7320.90.5010 of the Harmonized Tariff Schedule of the United States (HTSUS). The HTSUS subheadings are provided for convenience and customs purposes only; the written description of the scope of this proceeding is dispositive.

Scope-Clarification Request

Caye Home Furnishings LLC (Caye Furnishings), a U.S. manufacturer of living room furniture, requested that we clarify the scope language of the antidumping duty investigations on uncovered innerspring units from the People’s Republic of China, South Africa, and the Socialist Republic of Vietnam. *See* August 25, 2008, letter from Caye Furnishings. Specifically, Caye Furnishings requested that we modify the scope of the investigations to exclude springs and individually

wrapped pocket coils for upholstery seating that are not suitable for mattresses or mattress supports.

Caye Furnishings asserted that the reference to mattresses in the scope language makes clear that the petitioner intended to cover innersprings that are used in the manufacture of innerspring mattresses and did not intend to cover innersprings that are not suitable for use in mattresses or mattress supports. Caye Furnishings asserted that innersprings and individually wrapped pocket coils that it imports for use in upholstery seating in the manufacture of living room furniture are not suitable for mattresses or mattress supports. Caye Furnishings also explained that, although the products it imports are normally classified under subheading 7320.20.5020 of the HTSUS, which is not one of the HTSUS subheadings covered by the scope of the investigations, the scope description as written could result in the treatment of its imports as subject merchandise.

In its September 11, 2008, comments on the issue, the petitioner stated that it believes the scope language is clear and that the merchandise described by Caye Furnishings is outside the scope of the investigations. The petitioner stated, however, that it does not object to the clarification of the scope for the reasons Caye Furnishings cited. In its September 17, 2008, comments, in response to the alternative versions of the scope—clarification language that we proposed, *See Memorandum to the File*, dated September 16, 2008, the petitioner stated that it does not object to amending the scope description of the investigations by excluding individual springs and individually wrapped pocket coils for upholstery seating (the petitioner stated that it objects to the proposed language which excludes any mention of end-use of the merchandise).

We have considered the various alternatives on the record for modifications of the scope language. In addition to the difficulties associated with administering antidumping duty orders with end-use as a basis for whether certain products may be considered subject merchandise, we agree with the petitioner that the merchandise Caye Furnishings described in its request is not within the scope of the investigations. Therefore, we have not modified the scope language as suggested by any of the parties.

Adverse Facts Available

As we explained in the *Preliminary Determination*, the Department issued a quantity and value (“Q&V”)

questionnaire (via DHL) to all exporters identified in the petition. Out of the eleven exporters to whom the Department issued its Q&V questionnaire, only three responded (*i.e.*, Yang Ching Enterprise Co., Ltd. (“Yang Ching”), Uu Viet Co., Ltd. (“Uu Viet”), and Dong Bang Stainless Steel Co. Ltd (“Dong Bang”). Each of the responding exporters stated that they did not export innersprings to the United States during the POI. Also, according to DHL’s tracking system the remaining eight exporters received the Department’s Q&V questionnaire. Record evidence indicates there were imports into the United States of innersprings from Vietnam. Based on the above facts, we have determined that there were exports of the subject merchandise under investigation from Vietnamese producers/exporters that did not respond to the Department’s questionnaire, and we are treating these Vietnamese producers/exporters as part of the countrywide entity. Additionally, because we have determined that the non-responding companies are part of the Vietnam-wide entity, the Vietnam-wide entity is under investigation. Further, pursuant to section 776(a)(2) of the Act, we find that because the Vietnam-wide entity (including the eight companies discussed above) failed to respond to the Department’s Q&V questionnaire, withheld or failed to provide information in a timely manner or in the form or manner requested by the Department, and otherwise impeded the proceeding, it is, therefore, appropriate to apply a dumping margin to the Vietnam-wide entity using the facts otherwise available on the record pursuant to section 776(a)(2) of the Act. *See Preliminary Determination*, 73 FR at 45740. Additionally, because these parties failed to respond to our requests for information and did not act to the best of their ability, we find an adverse inference is appropriate, pursuant to section 776(b) of the Act.

As we explained in the *Preliminary Determination*, the rate of 116.31 percent that we selected as the adverse facts—available rate for the Vietnam-wide entity is the margin alleged in the petition. *See Petitions on Uncovered Innerspring Units from China, South Africa, and Vietnam*, dated (December 31, 2007) (“*Petition*”); Supplement to the *Petition* (January 11, 2008); and *Antidumping Investigation Initiation Checklist: Uncovered Innerspring Units from South Africa*, (January 22, 2008), which is on file in Import Administration’s Central Records Unit, Room 1117, of the main Department of Commerce building. *See also Uncovered*

Innerspring Units From the People’s Republic of China, South Africa, and the Socialist Republic of Vietnam: Initiation of Antidumping Duty Investigations, 73 FR 4817 (January 28, 2008). Further, as discussed in the *Preliminary Determination*, we corroborated the adverse facts—available rate pursuant to section 776(c) of the Act. *See Preliminary Determination*, 73 FR at 45741.

Final Determination

The weighted-average dumping margin is as follows:

Manufacturer/exporter	Margin (percent)
Vietnam-Wide Rate	116.31

Continuation of Suspension of Liquidation

Pursuant to section 735(c)(1)(B) of the Act and 19 CFR 351.211(b), we will instruct U.S. Customs and Border Protection (“CBP”) to continue to suspend liquidation of all entries of subject merchandise from Vietnam entered, or withdrawn from warehouse, for consumption on or after August 6, 2008, the date of publication of the *Preliminary Determination*. We will instruct CBP to require a cash deposit or the posting of a bond equal to the weighted-average margin, as follows: the rate for all producers or exporters will be 116.31 percent. These suspension-of-liquidation instructions will remain in effect until further notice.

International Trade Commission Notification

In accordance with section 735(d) of the Act, we have notified the International Trade Commission (ITC) of our final determination. As our final determination is affirmative and in accordance with section 735(b)(2)(B) of the Act, the ITC will determine, within 45 days, whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports or sales (or the likelihood of sales) for importation of the subject merchandise. If the ITC determines that material injury or threat of material injury does not exist, the proceeding will be terminated and all securities posted will be refunded or canceled. If the ITC determines that such injury does exist, the Department will issue an antidumping duty order directing CBP to assess antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation.

Notification Regarding APO

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

This determination is issued and published pursuant to sections 735(d) and 777(i)(1) of the Act.

Dated: October 14, 2008.

David M. Spooner,

Assistant Secretary for Import Administration.

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