

Pipe Fittings from the People's Republic of China, 68 FR 19779 (April 22, 2003)

On March 21, 2003, pursuant to section 733(c)(1)(B) of the Act, the Department postponed the preliminary determination of this investigation until May 28, 2003. *See Notice of Postponement of Preliminary Determination of Antidumping Duty Investigation: Certain Malleable Iron Pipe Fittings from the People's Republic of China*, 68 FR 13896 (March 21, 2003).

Postponement of the Final Determination

Section 735(a)(2) of the Act provides that a final determination may be postponed until not later than 135 days after the date of the publication of the preliminary determination if, in the event of an affirmative preliminary determination, a request for such postponement is made by exporters who account for a significant proportion of exports of the subject merchandise, or in the event of a negative preliminary determination, a request for such postponement is made by the petitioners. The Department's regulations, at 19 C.F.R. 351.210(e)(2), require that requests by respondents for postponement of a final determination be accompanied by a request for an extension of the provisional measures from a four-month period to not more than six months.

On May 2, 2003, JMC requested that, in the event of an affirmative preliminary determination in this investigation, the Department postpone its final determination until 135 days after the publication of the preliminary determination. Pannext and SLK submitted requests for a postponement of the Department's final determination until 135 days after the publication of the preliminary determination on May 7, 2003, and May 6, 2003, respectively. JMC also included a request to extend the provisional measures to not more than six months after the publication of the preliminary determination. *See* JMC's letter to the Department, dated May 2, 2003. Accordingly, because we have made an affirmative preliminary determination, the requesting parties account for a significant proportion of exports of the subject merchandise, and no compelling reasons exist to deny the request, we have postponed the final determination until not later than 135 days after the date of the publication of the preliminary determination, and are extending the provisional measures accordingly, in accordance with section 735(a)(2) of the Act and section 351.210(e) of the Department's Regulations.

Period of Investigation

The POI is April 1, 2002, through September 30, 2002. This period corresponds to the two most recent fiscal quarters prior to the month of the filing of the petition (*i.e.*, October 2003). *See* 19 C.F.R. 351.204(b)(1).

Scope of Investigation

For purposes of this investigation, the products covered are certain malleable iron pipe fittings, cast, other than grooved fittings, from the People's Republic of China. The merchandise is classified under item numbers 7307.19.90.30, 7307.19.90.60 and 7307.19.90.80 of the Harmonized Tariff Schedule (HTSUS).

Excluded from the scope of this investigation are metal compression couplings, which is imported under HTSUS number 7307.19.90.80. A metal compression coupling consists of a coupling body, two gaskets, and two compression nuts. These products range in diameter from ½ inch to 2 inches and are carried only in galvanized finish. HTSUS subheadings are provided for convenience and BCBP purposes. The written description of the scope of this proceeding is dispositive.

Selection of Respondents

Section 777A(c)(1) of the Act directs the Department to calculate individual dumping margins for each known exporter and producer of the subject merchandise. However, section 777A(c)(2) of the Act gives the Department discretion, when faced with a large number of exporters/producers, to limit its examination to a reasonable number of such companies if it is not practicable to examine all companies. Where it is not practicable to examine all known producers/exporters of subject merchandise, this provision permits the Department to investigate either: (1) a sample of exporters, producers, or types of products that is statistically valid based on the information available at the time of selection; or (2) exporters and producers accounting for the largest volume of the subject merchandise that can reasonably be examined. After consideration of the complexities expected to arise in this proceeding and the resources available to the Department, we determined that it was not practicable to examine the over 100 potential producers and/or exporters from the PRC. Instead, we found that, given our resources, we would be able to investigate three Chinese producers/exporters. The three selected mandatory respondents, JMC, SLK, and Pannext, were selected because they were the three largest

exporters and because they accounted for over 60 percent of exports of the subject merchandise from the PRC during the POI, as determined by BCBP data and provided by the producers/exporters at the time we made our respondent selection. *See* Memorandum from Richard Weible to Joseph A. Spetrini Re: Selection of Respondents, January 8, 2003.

Non-Market Economy Country Status

The Department has treated the PRC as an NME country in all past antidumping investigations. *See Notice of Final Determination of Sales at Less Than Fair Value: Certain Circular Welded Carbon-Quality Steel Pipe From the People's Republic of China*, 67 FR 36570, 36571 (May 24, 2002); and *Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Structural Steel Beams From the People's Republic of China*, 66 FR 67197, 67198–99 (December 28, 2001); and *Notice of Final Determination of Sales at Less Than Fair Value Certain: Folding Metal Tables and Chairs From the People's Republic of China*, 67 FR 20090, 20091 (April 24, 2002). A designation as an NME remains in effect until it is revoked by the Department (*see* Section 771(18)(C) of the Act). The respondents in this investigation have not requested a revocation of the PRC's NME status. We have, therefore, preliminarily determined to continue treating the PRC as an NME country.

When the Department is investigating imports from an NME, section 773(c)(1) of the Act directs us to base the normal value (NV) on the NME producer's factors of production (FOP). Section 773(c)(4) provides that when valuing FOP, the Department shall utilize FOP from a comparable market economy that is a significant producer of comparable merchandise. The sources of individual factor prices are discussed under the "Normal Value" section, below.

Furthermore, no interested party has requested that the MPF industry in the PRC be treated as a market-oriented industry and no information has been provided that would lead to such a determination. Therefore, we have not treated the MPF industry in the PRC as a market-oriented industry in this investigation.

Separate Rates

In proceedings involving NME countries, the Department begins with a rebuttable presumption that all companies within the country are subject to government control and thus should be assessed a single antidumping duty deposit rate. It is the Department's