

DEPARTMENT OF COMMERCE

International Trade Administration

(A-570-922, A-583-842)

Notice of Initiation of Antidumping Duty Investigations: Raw Flexible Magnets from the People's Republic of China and Taiwan

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

EFFECTIVE DATE: (Insert date of publication in the Federal Register).

FOR FURTHER INFORMATION CONTACT: Kristin Case (Taiwan) or Melissa Blackledge (People's Republic of China), Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone (202) 482-3174 or (202) 482-3518, respectively.

INITIATION OF INVESTIGATION

The Petitions

On September 21, 2007, the Department of Commerce (Department) received petitions concerning imports of raw flexible magnets from the People's Republic of China (PRC) and Taiwan filed in proper form by Magnum Magnetics Corporation (the petitioner). See Petition for the Imposition of Antidumping Duties and Countervailing Duties on Raw Flexible Magnets from the People's Republic of China and Taiwan (September 21, 2007) (Petitions). The petitioner is a domestic producer of raw flexible magnets. On September 26, 2007, the Department issued a request for additional information and clarification of certain areas of the general issues and Taiwan-specific portions of the petitions. On September 27, 2007, the petitioner filed a supplement to the petitions. See Petition for the Imposition of Antidumping

and Countervailing Duties on Raw Flexible Magnets from the People’s Republic of China and for the Imposition of Antidumping Duties on Raw Flexible Magnets from Taiwan (September 27, 2007) (Supplement). On September 27, 2007, and October 4, 2007, the Department issued requests for additional information and clarification of certain areas of the PRC-specific portion of the petition. On October 2, 2007, the petitioner filed responses to the Department’s request for additional information and clarification of the general issues and Taiwan-specific portions of the petition. See Petition for the Imposition of Antidumping and Countervailing Duties on Raw Flexible Magnets from the People’s Republic of China and for the Imposition of Antidumping Duties on Raw Flexible Magnets from Taiwan (October 2, 2007) (General Issues Response 1), Petition for the Imposition of Antidumping Duties on Raw Flexible Magnets from Taiwan (October 2, 2007) (Taiwan Response). On October 4, 2007, October 9, 2007, and October 10, 2007, the petitioner filed responses to the Department’s requests for additional information and clarification of the PRC-specific portions of the petition. See Petition for the Imposition of Antidumping Duties and Countervailing Duties on Raw Flexible Magnets from the People’s Republic of China (October 4, 2007) (PRC Response 1), Petition for the Imposition of Antidumping Duties and Countervailing Duties on Raw Flexible Magnets from the People’s Republic of China (October 9, 2007) (PRC Response 2), and Petition for the Imposition of Antidumping Duties and Countervailing Duties on Raw Flexible Magnets from the People’s Republic of China (October 10, 2007) (PRC Response 3). On October 4, 2007, and October 10, 2007, the Department requested additional information and clarification of certain general issues. On October 10, 2007, and October 11, 2007, the petitioner filed responses to the Department’s request for additional information and clarification of the general issues. See Petition for the Imposition of Antidumping and Countervailing Duties on Raw Flexible Magnets from the

People's Republic of China and for the Imposition of Antidumping Duties on Raw Flexible Magnets from Taiwan (October 10, 2007) (General Issues Response 2); see also Petition for the Imposition of Antidumping and Countervailing Duties on Raw Flexible Magnets from the People's Republic of China and for the Imposition of Antidumping Duties on Raw Flexible Magnets from Taiwan (General Issues Response 3). On October 9, 2007, Magnet Technology, a U.S. producer of raw flexible magnets and an importer of raw flexible magnets from the PRC, submitted a letter challenging the assertion made by the petitioner that it represents more than 50 percent of the domestic production of raw flexible magnets. The petitioner submitted its rebuttal to this challenge to the industry-support calculation on October 9, 2007.

In accordance with section 732(b) of the Tariff Act of 1930, as amended (the Act), the petitioner alleges that imports of raw flexible magnets from the PRC and Taiwan are being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Act and that such imports are materially injuring, or threatening material injury to, an industry in the United States.

The Department finds that the petitioner filed these petitions on behalf of the domestic industry because it is an interested party as defined in section 771(9)(C) of the Act and has demonstrated sufficient industry support with respect to the initiation of the antidumping-duty investigations that the petitioner is requesting. See the "Determination of Industry Support for the Petition" section below.

Period of Investigation

Because the petitions were filed on September 21, 2007, the period of investigation (POI) for the Taiwan investigation is July 1, 2006, through June 30, 2007. The POI for the PRC investigation is January 1, 2007, through June 30, 2007. See 19 CFR 351.204(b).

Scope of the Investigations

The products covered by these investigations are certain flexible magnet sheeting, strips, and profile shapes. Subject flexible magnet sheeting, strips, and profile shapes are bonded magnets composed (not necessarily exclusively) of (i) any one or combination of various flexible binders (such as polymers or co-polymers, or rubber) and (ii) a magnetic element, which may consist of a ferrite permanent magnet material (commonly, strontium or barium ferrite, or a combination of the two), a metal alloy (such as NdFeB or Alnico), any combination of the foregoing with each other or any other material, or any other material capable of being permanently magnetized. Subject flexible magnet sheeting, strips, and profile shapes are capable of being permanently magnetized but may be imported in either magnetized or unmagnetized (including demagnetized) condition. Subject merchandise may be of any color and may or may not be laminated or bonded with paper, plastic, or other material, which paper, plastic, or other material may be of any composition and/or color. Subject merchandise may be uncoated or may be coated with an adhesive or any other coating or combination of coatings. Subject merchandise is within the scope of these investigations whether it is in rolls, coils, sheets, or pieces and regardless of physical dimensions or packaging, including specialty packaging such as digital printer cartridges.

Specifically excluded from the scope of these investigations is retail printed flexible magnet sheeting, defined as flexible magnet sheeting (including individual magnets) that is laminated with paper, plastic, or other material if such paper, plastic, or other material bears printed text and/or images, including but not limited to business cards, calendars, poetry, sports event schedules, business promotions, decorative motifs, and the like. This exclusion does not apply to such printed flexible magnet sheeting if the printing concerned consists of only the

following: a trade mark or trade name; country of origin; border, stripes, or lines; any printing that is removed in the course of cutting and/or printing magnets for retail sale or other disposition from the flexible magnet sheeting; manufacturing or use instructions (e.g., “print this side up,” “this side up,” “lamine here”); printing on adhesive backing (that is, material to be removed in order to expose adhesive for use, such as application of laminate) or on any other covering that is removed from the flexible magnet sheeting prior or subsequent to final printing and before use; non-permanent printing (that is, printing in a medium that facilitates easy removal, permitting the flexible magnet sheeting to be re-printed); printing on the back (magnetic) side; or any combination of the above.

All products meeting the physical description of the subject merchandise that are not specifically excluded are included in the scope of the investigations. The products subject to these investigations are currently classifiable principally under subheadings 8505.19.10 and 8505.19.20 of the Harmonized Tariff Schedule of the United States (HTSUS). The HTSUS subheadings are provided only for convenience and customs purposes, however, and the written description of the scope of these proceedings is dispositive.

Comments on Scope of Investigations

We are setting aside a period of time for interested parties to raise issues regarding product coverage. See, e.g., Antidumping Duties; Countervailing Duties; Final Rule, 62 FR 27296, 27323 (May 19, 1997). The Department encourages all interested parties to submit such comments within 20 calendar days of signature of this notice. Comments should be addressed to Import Administration’s Central Records Unit (CRU), Room 1870, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230. The period of

scope consultations is intended to provide the Department with ample opportunity to consider all comments and to consult with parties prior to the issuance of the preliminary determinations.

Determination of Industry Support for the Petitions

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers who support the petition account for (i) at least 25 percent of the total production of the domestic like product and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 732(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers accounting for more than 50 percent of the total production of the domestic like product, the Department shall (i) poll the industry or rely on other information in order to determine if there is support for the petition, as required by subparagraph (A) or (ii) determine industry support using a statistically valid sampling method if there is a large number of producers in the industry.

Section 771(4)(A) of the Act defines the “industry” as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs the Department to look to producers who produce the domestic like product. The International Trade Commission (ITC), which is responsible for determining whether “the domestic industry” has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both the Department and the ITC must apply the same statutory definition regarding the domestic like product (section 771(10) of the Act), they do so for different purposes and pursuant to a separate and distinct authority. In addition, the Department’s determination is subject to limitations of time and information because the

Department determines industry support at the time of initiation. Although this may result in different definitions of the domestic like product, such differences do not render the decision of either agency contrary to law. See Algoma Steel Corp. Ltd. v. United States, 688 F. Supp. 639, 644 (CIT 1988), aff'd 865 F.2d 240 (CAFC 1989).

Section 771(10) of the Act defines the domestic like product as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title.” Thus, the reference point from which the analysis of the domestic like product begins is “the article subject to an investigation,” i.e., the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition.

With regard to the domestic like product, the petitioner does not offer a definition of domestic like product distinct from the scope of the investigations. Based on our analysis of the information submitted on the record, we have determined that raw flexible magnets constitute a single domestic like product, and we have analyzed industry support in terms of that domestic like product. For a discussion of the domestic like-product analysis in these cases, see the Antidumping Duty Investigation Initiation Checklist: Raw Flexible Magnets from the People’s Republic of China (PRC) (PRC Initiation Checklist) at Attachment II and the Antidumping Duty Investigation Initiation Checklist: Raw Flexible Magnets from Taiwan (Taiwan Initiation Checklist) at Attachment II, on file in the Central Records Unit, Room B-099 of the main Department of Commerce building.

Our review of the data provided in the petitions, supplemental responses, and other information readily available to the Department indicates that the petitioner has established industry support. With regard to both the PRC and Taiwan, based on information provided in the petitions, we determine that the domestic producers have met the statutory criteria for

industry support under section 732(c)(4)(A)(i) of the Act because the domestic producers who support the petitions account for at least 25 percent of the total production of the domestic like product. The petitions did not establish support from domestic producers accounting for more than 50 percent of the total production of the domestic like product, however, and the Department was required to take further action in order to evaluate industry support. See section 732(c)(4)(D) of the Act. In this case, the Department was able to rely on other information, in accordance with section 732(c)(4)(D)(i) of the Act, to determine industry support. See PRC Initiation Checklist at Attachment II and Taiwan Initiation Checklist at Attachment II. The Department received opposition to the petitions from a U.S. producer of the domestic like product which is also an importer of raw flexible magnets from the PRC. See October 9, 2007, submission by Magnet Technology; see also PRC Initiation Checklist at Attachment II and Taiwan Initiation Checklist at Attachment II. Based on information provided in these petitions and other submissions, the domestic producers have met the statutory criteria for industry support under section 732(c)(4)(A)(ii) of the Act because the domestic producers who support the petitions account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petitions. Accordingly, the Department determines that the petitions were filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act. See PRC Initiation Checklist at Attachment II and Taiwan Initiation Checklist at Attachment II.

The Department finds that the petitioner filed the petitions on behalf of the domestic industry in accordance with section 732(c)(4)(A) of the Act. The petitioner is an interested party as defined in section 771(9)(C) of the Act and it has demonstrated sufficient industry support in

favor of the initiation of the antidumping duty investigations. See PRC Initiation Checklist at Attachment II and Taiwan Initiation Checklist at Attachment II.

Allegations and Evidence of Material Injury and Causation

With regard to the PRC, the petitioner alleges that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the imports of the subject merchandise sold at less than normal value. While the imports from Taiwan do not meet the statutory requirement for cumulation on a volume basis, in its analysis for threat, the petitioner alleges that imports from Taiwan will imminently account for more than three percent of all imports of the subject merchandise by volume and, therefore, they are not negligible. See section 771(24)(A)(iv) of the Act; see also PRC Initiation Checklist at Attachment III and Taiwan Initiation Checklist at Attachment III. The petitioner contends that the industry's injured condition is illustrated by reduced market share, lost sales, reduced production, reduced capacity, a lower capacity-utilization rate, fewer shipments, underselling, price depression or suppression, lost revenue, decline in financial performance, reduced employment, and an increase in import penetration. We have assessed the allegations and supporting evidence regarding material injury and causation, and we have determined that these allegations are properly supported by adequate evidence and meet the statutory requirements for initiation. See PRC Initiation Checklist at Attachment III and Taiwan Initiation Checklist at Attachment III.

Allegations of Sales at Less Than Fair Value

The following is a description of the allegations of sales at less than fair value upon which the Department based its decision to initiate investigations of imports of raw flexible magnets from Taiwan and the PRC. The sources of data for the deductions and adjustments

relating to U.S. price and normal value are discussed in greater detail in the Taiwan Initiation Checklist and PRC Initiation Checklist. Should the need arise to use any of this information as facts available under section 776 of the Act, we will re-examine this information and may revise the margin calculations if appropriate.

Alleged U.S. Price and Normal Value: Taiwan

The petitioner calculated normal value using six price quotes, obtained from a market researcher in Taiwan, from Jasdi Magnet Co., Ltd., the Taiwanese producer of the subject merchandise. See Memorandum entitled “Raw Flexible Magnets: Telephone Call to Market Research Firm,” dated October 11, 2007. Because of the sale and payment terms described in the price quote, the petitioner made no adjustments for freight or imputed credit expense. See Taiwan Initiation Checklist.

The petitioner calculated constructed export price (CEP) using two price offers from the U.S. affiliated reseller of Jasdi Magnet Co., Ltd., a Taiwanese producer of raw flexible magnets. The petitioner deducted amounts for foreign inland-freight costs, international freight costs, U.S. inland freight costs, U.S. operating expenses (as indirect selling expenses), inventory carrying costs, and CEP profit. See Petition, Volume I at Exhibit 30, and Taiwan Response at Attachment D. Because of the payment terms described in the price quote, the petitioner made no adjustments for imputed credit expense. See Petition, Volume I at 47 and Exhibit 32C.

Alleged U.S. Price and Normal Value: The People’s Republic of China

Export Price

The petitioner relied on three sets of price quotes, jointly accounting for over 40 individual quotes, for raw flexible magnets manufactured in the PRC and offered for sale in the United States. The prices quoted were for a wide range of different types and sizes of raw

flexible magnets falling within the scope of this petition. The terms of delivery for each set of price quotes was different, including delivered duty paid, cost and freight at a U.S. port, and free on board (FOB) at a PRC port. To calculate EP, the petitioner, where appropriate, deducted from the starting price international movement expenses and U.S. duties. For prices quoted as FOB, the petitioner made no deductions. To be conservative, the petitioner did not deduct foreign inland freight charges from any of its U.S. price quotes. See PRC Initiation Checklist.

Normal Value

Because the Department considers the PRC to be a non-market-economy country (NME), the petitioner constructed normal value based on the factors-of-production methodology pursuant to section 773(c) of the Act. Recently, the Department examined the PRC's market status and determined that NME status should continue for the PRC. See Memorandum from the Office of Policy to David M. Spooner, Assistant Secretary for Import Administration, Regarding the People's Republic of China Status as a Non-Market Economy, dated August 30, 2006. (This document is available online at <http://ia.ita.doc.gov/download/prc-nme-status/prc-lined-papermemo-08302006.pdf>.) In addition, in two recent investigations, the Department also determined that the PRC is an NME country. See Final Determination of Sales at Less Than Fair Value: Certain Activated Carbon from the People's Republic of China, 72 FR 9508 (March 2, 2007), and 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). In accordance with section 771(18)(C)(i) of the Act, the NME status remains in effect until revoked by the Department. The presumption of the NME status of the PRC has not been revoked by the Department and, therefore, remains in effect for purposes of the initiation of this investigation. Accordingly, the normal value of the

product is based appropriately on factors of production valued in a surrogate market-economy country in accordance with section 773(c) of the Act. During the course of this investigation, all parties will have the opportunity to provide relevant information related to the issues of the PRC's NME status and the granting of separate rates to individual exporters.

The petitioner asserts that India is the most appropriate surrogate country for the PRC because India is a significant producer of comparable merchandise and at a level of economic development comparable to the PRC. See Petition at 39. Based on the information provided by the petitioner, we believe that the petitioner's use of India as a surrogate country is appropriate for purposes of initiating this investigation. After the initiation of the investigation, we will solicit comments regarding surrogate country selection. Also, pursuant to 19 CFR 351.301(c)(3)(i), interested parties will be provided an opportunity to submit publicly available information to value the factors of production within 40 calendar days after the date of publication of the preliminary determination.

The petitioner provided dumping margin calculations using the Department's NME methodology as required by 19 CFR 351.202(b)(7)(i)(C) and 19 CFR 351.408. The petitioner calculated normal value based on its own consumption rates for producing raw flexible magnets. See Petition at 41 and Exhibit 19. See also PRC Response 2 at Attachments 3 and 4. The petitioner argues that it is not aware of publicly available information regarding factor inputs and factor consumption rates of PRC producers of raw flexible magnets. The petitioner provided affidavits to support its normal value calculation. See September 26, 2007 supplemental at Attachment A and PRC Response 1 at 8.

For the normal value calculations, pursuant to section 773(c)(4) of the Act, the petitioner used its own factor consumption rates and surrogate values from a variety of sources, including

Indian import statistics obtained from the World Trade Atlas, the International Energy Agency, the Department's NME Wage Rate for the PRC, and publicly available financial statements of two Indian raw flexible magnet producers to value the factors of production (FOP). See Petition at 41-43, and PRC Response 2 at Attachments 2, 3, and 4.

For inputs valued in Indian rupees and not contemporaneous with the POI, the petitioner used information from the wholesale price indices (WPI) for India as published in the International Financial Statistics of the International Monetary Fund (IMF) for input prices during the period preceding the POI. See Petition at Exhibit 25. The petitioner converted the inputs valued in Indian rupees to U.S. dollars based on the average rupee/U.S. dollar exchange rate for the POI, as reported on the Department's website at <http://ia.ita.doc.gov/exchange/index.html>. See Petition Exhibit 23 and Exhibit 20. For strontium ferrite, a raw material used in the production of raw flexible magnets, the petitioner provided a per-unit surrogate value calculated using the actual consumed quantity and value used by Magnaplast Technologies India Pvt. Ltd. (Magnaplast) (an Indian producer of subject merchandise) in its production of raw flexible magnets, because no separate Indian tariff classification exists for strontium ferrite. See Petition at 42 and Exhibit 21. For other inputs, e.g., vistenex mw140, chlorinated polyethylene, ethylene vinyl acetate, and also packing materials, the petitioner provided surrogate values based on Indian import statistics from the World Trade Atlas. See Petition at 42 and Exhibit 20, PRC Response 2 at Attachment 2. With regard to energy (electricity), the petitioner valued electricity with an Indian electricity rate reported by the International Energy Agency. See Petition Exhibit 25. Labor was valued using the expected wage rate for the PRC as provided by the Department on its website. See Petition at 42 and Exhibit 24.

For the normal value calculations, the petitioner derived the figures for overhead (FOH), selling, general and administrative (SG&A) expenses, and profit from the financial ratios of Magnaplast and Ajay Poly Pvt. Ltd. (Ajay Poly), two Indian producers of merchandise that is comparable to the domestic like product. The financial statements that the petitioner provided covered the period of January 1, 2005 through December 31, 2006. Additionally, the petitioner calculated a simple average of the two companies' financial ratios for purposes of the Petition, and used these average ratios in its calculation of normal value. See Petition Exhibit 26, and PRC Response 2 at Attachment 7. We did not make any adjustments to normal value as calculated by the petitioner.

Fair-Value Comparisons

Based on the data provided by the petitioner, there is reason to believe that imports of raw flexible magnets from Taiwan and the PRC are being, or are likely to be, sold in the United States at less than fair value. Based on comparisons of constructed export price to normal value as discussed above and calculated in accordance with section 773(a)(4) of the Act, the estimated dumping margin for raw flexible magnets from Taiwan range from 25.04 percent to 38.03 percent. Based upon comparisons of EP to the NV, calculated in accordance with section 773(c) of the Act, the estimated calculated dumping margins for raw flexible magnets from the PRC range from 26.46 percent to 185.28 percent.

Initiation of Antidumping Investigations

Based upon the examination of the Petition on raw flexible magnets from Taiwan and the PRC, we find that the Petitions meet the requirements of section 732 of the Act. Therefore, we are initiating antidumping duty investigations to determine whether imports of raw flexible magnets from Taiwan and the PRC are being, or are likely to be, sold in the United States at less

than fair value. In accordance with section 733(b)(1)(A) of the Act and 19 CFR 351.205((b)(1), unless postponed, we will make our preliminary determinations no later than 140 days after the date of this initiation.

Separate Rates

The Department modified the process by which exporters and producers may obtain separate-rate status in NME investigations. See Policy Bulletin 05.1: Separate-Rates Practice and Application of Combination Rates in Antidumping Investigations involving Non-Market Economy Countries (April 5, 2005) (Separate Rates and Combination Rates Bulletin), available on the Department's website at <http://ia.ita.doc.gov/policy/bull05-1.pdf>. The process requires the submission of a separate-rate status application. Based on our experience in processing the separate-rate applications in the following antidumping duty investigations, we have modified the application for this investigation to make it more administrable and easier for applicants to complete. See, e.g., Initiation of Antidumping Duty Investigation: Certain New Pneumatic Off-the-Road Tires from the People's Republic of China, 72 FR 43591, 43594-95 (August 6, 2007) (Tires from the PRC). The specific requirements for submitting the separate-rate application in this investigation are outlined in detail in the application itself, which will be available on the Department's website at <http://ia.ita.doc.gov/ia-highlights-and-news.html> on the date of publication of this initiation notice in the Federal Register. The separate-rate application is due no later than December 14, 2007.

Respondent Selection

In prior investigations, it has generally been the Department's practice to request quantity and value information from all known exporters identified in the Petition. See, e.g., Tires from the PRC, 72 FR at 43595. For these investigations, because the HTSUS numbers 8505.19.10 and 8505.19.20, as discussed above in the "Scope of the Investigation" section, provide comprehensive coverage of imports of the subject merchandise, the Department expects to determine respondents in these investigations based on U.S. Customs and Border Protection (CBP) data of U.S. imports under HTSUS numbers 8505.19.10 and 8505.19.20 during the POIs.

Use of Combination Rates in an NME Investigation

The Department will calculate combination rates for certain respondents that are eligible for a separate rate in this investigation. The Separate Rates and Combination Rates Bulletin, at 6 explains that, 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 POI. Note, however, that one rate is calculated for the exporter and all of the producers which supplied subject merchandise to it during the POI. This practice applies 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 POI.

Distribution of Copies of the Petitions

In accordance with section 732(b)(3)(A) of the Act, a copy of the public version of the Petitions has been provided to representatives of the governments of Taiwan and the PRC. We will attempt to provide a copy of the public version of the Petition to all exporters named in the Petition, as provided for in 19 CFR 351.203(c)(2).

ITC Notification

We have notified the ITC of our initiation, as required by section 732(d) of the Act. Preliminary Determinations by the ITC.

The ITC will preliminarily determine no later than November 5, 2007, whether there is a reasonable indication that imports of raw flexible magnets from Taiwan and the PRC are materially injuring or threatening material injury to a U.S. industry. A negative ITC determination for any country will result in the investigation being terminated with respect to that country; otherwise, these investigations will proceed according to statutory and regulatory time limits.

This notice is issued and published pursuant to section 777(i) of the Act.

David M. Spooner
Assistant Secretary for
Import Administration

Date