

December 28, 2009

**MEMORANDUM TO:** Ronald K. Lorentzen  
Deputy Assistant Secretary  
for Import Administration

**FROM:** Susan H. Kuhbach  
Director, Office I  
Antidumping and Countervailing Duty Operations

**SUBJECT:** Tapered Roller Bearings from the People's Republic of China:  
Issues and Decision Memorandum for the Final Results of the  
2007-2008 Administrative Review of the Antidumping Duty Order

**SUMMARY:**

We have analyzed the case briefs and rebuttal briefs submitted by Petitioner and CPZ in the 2007-2008 administrative review of the antidumping duty order on TRBs from the PRC. As a result of our analysis, we have made changes to the *Preliminary Results*.

We recommend that you approve the positions described in the "Discussion of the Issues" section of this Issues and Decision Memorandum. Below is the complete list of the issues in this antidumping duty administrative review for which we received comments.

**Case Issues:**

- Comment 1: Country of Origin
- Comment 2: Surrogate Value for Steel Bar
- Comment 3: Surrogate Value for Wire Rod
- Comment 4: Surrogate Value for Tube Steel
- Comment 5: Calculation of Factors of Production for Tube Steel and Steel Bar
- Comment 6: Assessment Rate Calculation

**List Of Abbreviations And Acronyms Used In This Memorandum:**

<b>Acronym/Abbreviation</b>	<b>Full Name</b>
Act or Statute	Tariff Act of 1930, as amended
AD	Antidumping
AD/CVD	Antidumping and Countervailing Duty
AD Agreement	Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994

## List Of Abbreviations And Acronyms Used In This Memorandum:

Acronym/Abbreviation	Full Name
AFBs	Antifriction Bearings
AR	Administrative Review
AUV(s)	Average Unit Value(s)
CFR	Code of Federal Regulations
CIT or Court	U.S. Court of International Trade
COM	Cost of Manufacture
CPZ or respondent	Peer Bearing Company – Changshan
Customs or CBP	U.S. Customs and Border Protection
CVD	Countervailing Duty
Department	Department of Commerce
FOP(s)	Factor(s) of Production
HTS	Harmonized Tariff System
IDM	Issues and Decision Memorandum
ITC	U.S. International Trade Commission
ME	Market Economy
MEPs	Market Economy Purchases
MT	Metric Ton
Petitioner	The Timken Company
POR	Period of Review
Peer	Peer Bearing Company – Illinois
PRC	People’s Republic of China
PUDD	Potential Uncollected Dumping Duties
SG&A	Selling, General, and Administrative Expenses
SV	Surrogate Value
TRBs	Tapered Roller Bearings
WTA	World Trade Atlas® Online

### Background:

The merchandise covered by the order is tapered roller bearings, as described in the “Scope of the Order” section of the *Preliminary Results*. The POR is June 1, 2007, through May 31, 2008. In accordance with 19 CFR 351.309(c)(ii), we invited parties to comment on our *Preliminary Results*. On August 11, 2009, Petitioner and CPZ submitted their case briefs, and on August 19 and 20, 2009, CPZ and Petitioner, respectively, submitted their rebuttal briefs. On October 15, 2009, we extended the time limit for the completion of the final results of this review by thirty days until December 5, 2009. *See TRBs/PRC (October 15, 2009)*. On December 8, 2009, we extended the time limit for the completion of the final results of this review by an additional 21 days until December 26, 2009. *See TRBs/PRC (December 8, 2009)*. However, since December 26, 2009, falls on a Saturday, a non-business day, the deadline for the final results is December 28, 2009, the next business day.

## DISCUSSION OF THE ISSUES

### Comment 1: Country of Origin

CPZ argues that the Department should treat its TRBs which are finished in a third country as originating in that third country and not the PRC. The unfinished components consist of rings (cups and cones) that are produced (*i.e.*, forged, turned, and heat treated) in the PRC. CPZ argues that in addition to the three criteria the Department used in the *Preliminary Results*, (*i.e.*, (1) whether the processed downstream product falls into a different class or kind of product when compared to the upstream product; (2) whether the essential component of the merchandise is substantially transformed in the country of exportation; and (3) the extent of processing; the Department should also include the following additional criteria: (1) the nature/sophistication of the third-country processing, (2) the cost of producing TRBs in the third country, (3) the level of investment in the third country, (4) the potential for circumvention, and (5) the product's ultimate use.

Petitioner asserts that further manufacturing of TRBs in the third country does not confer country of origin. Petitioner contends that in the *Preliminary Results* the Department appropriately evaluated CPZ's substantial transformation claim within the context of its own substantial transformation test. Petitioner argues that for the final results the Department should continue to apply the analysis it used in the *Preliminary Results* and find that the TRBs which are further processed in the third country are Chinese in origin.

**A. Class or Kind:** CPZ asserts that whether the TRBs fall within the same class or kind of merchandise after third-country processing should not be critical in determining the country of origin of the TRBs. CPZ argues that the Department's reliance on *TTR/Korea (April 5, 2004)* in the *Preliminary Results* is misplaced, as that case did not base its substantial transformation solely on "class or kind," but rather on the lack of sophistication of the third-country processing and the little value added to the product in the third country. CPZ argues that the Department should find the class or kind element in its substantial transformation analysis is outweighed by other factors. CPZ contends that these other factors suggest that substantial transformation has occurred in its third-country processing. CPZ cites to *Magnesium Scope Inquiry (Memo November 9, 2006)*, *Diamond Sawblades/Korea (May 22, 2006)*, and *TTR/France (March 8, 2004)*.

Petitioner asserts that the process of grinding and finishing TRBs does not create products of different classes or kinds, but rather refines and shapes the TRBs. Petitioner supports its assertion by citing to *Koyo Seiko (CIT 1997)*, where the CIT upheld the Department's determination that TRB forgings, which had not yet been green machined (*e.g.*, to meet specification requirements) or finished, were within the scope of the order on TRBs from Japan.<sup>1</sup> Thus, Petitioner maintains that unfinished Chinese TRBs are subject to the order regardless of whether they are subsequently finished (ground and honed) and assembled in a third country.

**B. Nature/Sophistication of Processing in the Third Country:** CPZ argues that the Department should not compare the third-country processing to the processing in the PRC;

---

<sup>1</sup> *Id.* at 1547-48.

rather, the Department should focus on whether the third-country processing is complex and sophisticated in and of itself. CPZ argues that the third-country finishing process utilizes numerous high-precision machines and processing steps. CPZ also argues that the finishing operations (grinding and honing) are critical because they allow the bearing to reduce friction and carry loads. These factors strongly indicate that the processing in the third country is complex and sophisticated. CPZ cites to *Steel Plate in Coils/Belgium (December 14, 2004)*, *Diamond Sawblades/Korea (May 22, 2006)* and *Tin Mill Products/Japan (Memo August 20, 2004)*.

Petitioner asserts that the processing (*i.e.*, forging, turning, and heat treatment) performed in the PRC is more extensive than the finishing operations performed in the third country.

**C. Physical/Chemical Properties and Essential Component:** CPZ maintains that the rolling function is the essential characteristic of the bearing. CPZ argues that the country of origin should be the third country because the grinding and finishing operations determine the quality and functionality of a finished TRB. Further, the mechanical characteristics of the forged steel used in TRBs are not by themselves the key characteristic of the finished TRB. CPZ disagrees with the Department's preliminary finding that green machining (specification requirements) of cups and cones followed by heat treatment impart the essential characteristics of a TRB because two decades of Customs rulings indicate otherwise.<sup>2</sup> CPZ maintains that Customs has a well-established practice for determining the country of origin for bearings, which consistently found that grinding and finishing operations impart the essential character of a bearing.<sup>3</sup> Further, CPZ maintains that statements made by Petitioner in *AFB/various countries (December 23, 2003)* are consistent with Customs rulings on this issue and that Petitioner's statements should be considered in these final results.

CPZ argues that the Department incorrectly relied on *EPROMs/Japan (October 30, 1986)* because, in that case, the essential component of the subject merchandise was not produced in the third country and the processing in that country was minor. CPZ contends that *Diamond Sawblades/Korea (May 22, 2006)* is a more appropriate comparison for the facts in this case.

CPZ also argues that the *ITC Publication 3876/Bearings (August 2006)*, which the Department relied on in the *Preliminary Results*, made no distinction between the production process for ball bearings and that for tapered roller bearings. CPZ maintains that the *ITC Publication 3876/Bearings (August 2006)* explains that ball bearings and tapered roller bearings are part of a larger category of antifriction bearings, which have similar characteristics, production processes and uses. CPZ argues that for the final results, the Department should consider Petitioner's comments on the country of origin of a ball bearing where Petitioner states that grinding and finishing operations impart the essential characteristics of a finished TRB.

CPZ argues that the Department's focus on steel quality in the *Preliminary Results* is only one of the elements that contribute to the quality of the TRB. CPZ points to *ITC Publication*

---

<sup>2</sup> CPZ cites to CBP ruling numbers 731968 and 731969 (March 19, 1990).

<sup>3</sup> *See id.*

3876/Bearings (August 2006), which states that “TRB quality can be compared on the basis of raceway profile, roller crown, steel quality, and grinding finishes.”<sup>4</sup> Thus, on the basis of this statement, CPZ concludes that the operations that take place in the third-country have a direct and substantial effect on the quality of the finished TRB.

Petitioner asserts that Customs rulings are not binding on the Department. Petitioner argues that CPZ’s reliance on Customs rulings, in part, to support its claim that the process of grinding and finishing imparts origin is misplaced. Petitioner argues that in determining country of origin the Department is not bound by the same framework that applies in Customs cases and uses its own substantial transformation test which it has developed for antidumping and countervailing duty proceedings.<sup>5</sup> Petitioner argues that Customs decisions regarding substantial transformation are not binding on the Department because the Department makes country-of-origin determinations with different aims in mind, *e.g.*, anticircumvention.<sup>6</sup> Petitioner further argues that the Department’s independent authority to determine the scope of its investigations has been upheld by the Courts.<sup>7</sup> Petitioner argues that for the final results the Department should continue to apply the analysis it used in the *Preliminary Results* and not prior Customs rulings.

**D. Cost of Production /Value Added:** CPZ argues that the Department should use a cost of production analysis rather than looking at the value added by the third country processing, because the value of the unfinished rings purchased by the third-country processor from the PRC is based on a transaction between affiliated parties. CPZ asserts that the third-country processor’s cost of production is significant, whether viewed in conjunction with the totality of the evidence on the record or alone. CPZ asserts that while the issue of cost or value added is not dispositive of the substantial transformation analysis, in Magnesium Scope Inquiry (Memo November 9, 2006), the Department stated that it views the cost of production in the context of the totality of the evidence.

Petitioner asserts that CPZ’s third country processing costs are not a substantial portion of normal value.

**E. Level of Investment/Potential for Circumvention:** CPZ asserts that, while the Department does not have a threshold for considering a certain level of investment to be significant for determining country of origin, the record indicates that the third-country processor’s level of investment is a significant percentage of CPZ’s total investment. CPZ notes that its affiliated third-country processor’s capital investment in property, plant and equipment, as reflected in the processor’s 2008 unaudited financial statements, is substantial. CPZ also argues that there is no potential for circumvention because the operations in the third country are capital intensive, including numerous specialized machines, and cites *Diamond Sawblades/Korea* (May 22, 2006).

---

<sup>4</sup> See *ITC Publication 3876/Bearings (August 2006)* at TRB-II-11.

<sup>5</sup> See, *e.g.*, *TTR/Korea (April 5, 2004)* at 17648.

<sup>6</sup> See *Id.*

<sup>7</sup> See, *e.g.*, *Diversified Products Corp. v. United States*, 572 F. Supp. 883, 887 (CIT 1983)

Petitioner asserts that CPZ's capital investment argument is misleading because it does not include the investment of CPZ's twenty Chinese subcontractors that participate in the manufacturing of CPZ's TRBs, performing forging, turning, roller production, and cage production operations. Petitioner contends that if these twenty subcontractors were included in CPZ analysis the percentage of capital invested in the third country would be much less. Petitioner also asserts that should the Department change its country of origin analysis in the final results, Chinese TRB manufacturers may move grinding and assembly operations to the third country in an attempt to avoid U.S. antidumping liabilities.

**F. Ultimate Use:** CPZ argues that the ultimate use of the TRB before is different from the TRB after third-country processing. The forged, but unfinished, rings, which are the result of the processing in the PRC, do not have the characteristics that would allow the rolling elements to function properly as a TRB. CPZ argues that unlike finished TRBs, which are the result of third-country processing, that can be sold to end users and distributors in several industries, the forged unfinished rings can only be sold to bearings producers that have the capacity and knowledge to transform them into finished bearings. CPZ further argues that the upstream TRB and the downstream TRB are not interchangeable.

Petitioner did not comment on the "Ultimate Use" argument.

**Department's Position:** For the final results, we continue to find that the totality of the circumstances indicates that the TRB finishing process that took place in a third country during the POR does not constitute a substantial transformation so as to confer a new country of origin on the TRBs for antidumping purposes. Thus, the country of origin for these TRBs is the PRC. *See, e.g., TTR/Korea (April 5, 2004) at 17648.*

Because antidumping orders apply to merchandise from particular countries, not individual producers, determining the country where the merchandise is produced is fundamental to the proper administration and enforcement of the antidumping statute. *See sections 731 and 773(a)(3) of the Act; see also DuPont (CIT 1998) at 859.* The CIT has stated that "{t}he 'substantial transformation' rule provides a yardstick for determining whether the processes performed on merchandise in a country are of such significance as to require the resulting merchandise to be considered the product of the country in which the transformation occurred." *See DuPont (CIT 1998) at 858.*

In these final results, we based our analysis on criteria used by the Department in the *Preliminary Results*, and considered the additional criteria recommended by CPZ. The importance of any one of the factors considered by the Department in the below analysis can vary from case to case depending on the particular circumstances unique to the product at issue. In determining whether substantial transformation has occurred for the purposes of establishing the country of origin for TRBs exported to the United States, we conducted the following analysis:

**A. Class or Kind/Scope:** Antidumping orders are issued for "a class or kind of foreign merchandise." *See section 731(1) of the Act.* In the past, the Department has considered a product exported to the United States as originating in country A when an input from country

A is further processed in country B, without any change in the class or kind of merchandise taking place. *See, e.g., Cold-Rolled Carbon Steel/Argentina (July 9, 1993).*

In this case, the finishing process performed in the third country did not move the product out of the scope or create a product of a new class or kind because TRBs and parts thereof, finished and unfinished, are considered the same “class or kind” of merchandise in the antidumping order on TRBs. *See Preliminary Results.* Thus, for the final results, we find that the unfinished TRBs imported into a third country from the PRC and the finished TRBs exported to the United States during the POR are within the same class or kind of merchandise. *See, e.g., Koyo Seiko (CIT 1997).*<sup>8</sup> However, while we consider the class or kind of TRBs to be an important factor in determining substantial transformation, it is not the only factor we considered when we made our substantial transformation determination in the *Preliminary Results*, nor is it the only factor we examined in these final results.

As in *TTR/Korea (April 2, 2004)*, in the *Preliminary Results*, we based our preliminary findings on whether the processed downstream product falls into a different class or kind of product when compared to the upstream product; whether the essential component of the merchandise was substantially transformed in the country of exportation; and on the extent of processing performed in the third country. Contrary to CPZ’s contention, we did not base our determination only on whether the unfinished TRB component imported into a third country and the finished TRB exported to the United States are of the same “class or kind” of merchandise. *See TRBs Country of Origin Memo (June 30, 2009).*

We agree with CPZ that in Magnesium Scope Inquiry Memo (November 9, 2006), *Diamond Sawblades/Korea (May 22, 2006)*, and *TTR/France (March 8, 2004)* the Department articulated its practice of examining the totality of the circumstances on the record when making its substantial transformation determination, not just class or kind of merchandise. As there is no hierarchy in determining what factor alone determines substantial transformation, the Department must weigh available information with respect to each factor and make decisions based on the particular circumstances unique to each case. Therefore, while we find that unfinished and finished TRBs fall into the same class or kind, we do not find that this is dispositive in determining the TRBs’ country of origin.

Regarding CPZ’s argument that we should consider the Petitioner’s comments on the country of origin of ball bearings, as in the *Preliminary Results*, we continue to find CPZ’s reliance on Petitioner’s submissions in the ball bearing administrative review, in which it argued that grinding and superfinishing rings confers origin, to be inapposite in the instant review. The scope of the antidumping duty orders on ball bearings differs from the scope of the order on TRBs. Specifically, the current scope of the order on ball bearings covers the following: “. . . ball bearings (other than tapered roller bearings) and parts thereof. These products include all antifriction bearings that employ balls as the rolling element. Imports of these products

---

<sup>8</sup> In *Koyo Seiko (CIT 1997)* the court analyzed the physical characteristics of TRB forgings and determined that the process of green machining (*i.e.*, specification requirements) would not place the unfinished forgings in a different class or kind of merchandise than that which is covered by the scope of the order (*i.e.*, finished and unfinished TRBs). The CIT explained that the plaintiffs’ forgings have been “processed and refined to the point where they can no longer be considered scrap metal,” and emphasized that “{t}hey have undergone significant processing and are close to their ultimate size and shape.”

are classified under the following categories: antifriction balls, ball bearings with integral shafts, ball bearings (including radial ball bearings) and parts thereof, and housed or mounted ball bearing units and parts thereof.” The scope of the order on TRBs covers the following: “tapered roller bearings and parts thereof, finished and unfinished, from the PRC; flange, take up cartridge, and hanger units incorporating tapered roller bearings; and tapered roller housings (except pillow blocks) incorporating tapered rollers, with or without spindles, whether or not for automotive use.” Thus, we continue to find that because the scopes of the orders on ball bearings and TRBs are distinct, that Petitioner’s view on grinding and superfinishing conferring origin in the ball bearing segment is not relevant to the instant review.

**B. Nature/Sophistication of Processing:** We agree with CPZ that the Department should look at whether the third-country finishing process is complex and sophisticated. However, we do not exclude the upstream production processes performed in the PRC from our analysis. It is the Department’s practice to look at the totality of evidence on the record when making country of origin determinations on a case-by-case basis. *See, e.g., Diamond Sawblades/Korea (May 22, 2006)* at Comment 3. At issue here is whether the nature and sophistication of the third-country processing substantially transforms the subject merchandise, not whether the upstream processes are more or less sophisticated than the downstream finishing process. CPZ’s responses indicate that CPZ, its affiliates, and its subcontractors utilize numerous high-precision machines and processing steps that are critical to a TRB, whether finished or unfinished, in both the PRC and the third country. The nature and extent of the processing is significant in the PRC (*i.e.*, forging, turning, heat treatment of cups and cones, and roller and cage production) as compared to the third country processing (*i.e.*, finishing which consists of grinding and honing) of cups and cones. The finishing process, whether done in the PRC or a third country, is an important and necessary part to becoming a finished TRB. However, the finishing processing in and of itself is not significant enough to be considered a process that substantially transforms the subject merchandise for antidumping purposes, because there is no substantial change to the primary properties of the subject merchandise other than slight alterations to the shape of the TRB through the finish grinding processes and a smoothing of the TRB’s cup and cone raceways through the honing process. Thus, this element does not sustain a finding of substantial transformation.

CPZ’s assertion that the finishing operation allows the bearing to reduce friction and carry a load is misleading because it implies that all of the previous operations do not contribute to these crucial elements of a TRB. While we agree that the finishing operation is an important and necessary step to becoming a finished TRB because it reduces friction and enables the TRB to carry a load, we disagree that it is the only operation that imparts these essential characteristics. Rather, it is the culmination of all the TRB production processes that allows a TRB to reduce friction and carry load. In other words, the essential shape is formed in the forging and turning operations; the physical properties of the steel are attained in the annealing process; heat treatment finalizes the metallic characteristics without which the finishing operations could not be performed; and the finishing operation finalizes the grinding and smooths the surface metal. All of these processes enable a TRB to reduce friction and carry a load. *See* CPZ’s April 2, 2009 submission at Exhibit 7.

**C. Physical/Chemical Properties and Essential Component:** For this element, we looked at whether the third-country processor performed functions of such significance as to change the physical/chemical properties and the essential character of the merchandise. On the basis of record evidence, we find that the finishing process does not change the physical or chemical properties of the TRB, nor does it change the essential character of the TRB. Specifically, CPZ's description of its stages of production indicates that a TRB's strength and hardness are imparted during the forging, turning and heat treatment stages of production. *See* CPZ's April 2, 2009, submission at Exhibit 7. CPZ's description further indicates that the forging/annealing operation imparts the physical properties of the steel such as strength and hardness and the distinct physical shape of a TRB cup or cone, while the turning operation grinds and fine tunes every surface of the cup or cone, and that the heat treatment stage of production imparts the metallic characteristics of the cup and cone. *See Id.* Record evidence also indicates that the purpose of the finishing stage is to obtain a desired size and polishing of the TRB. *See Id.* Therefore, we continue to find that the physical/chemical properties and the essential character of a TRB are imparted in the forging, turning and heat treatment operations, as well as the roller and cage operations, all of which take place in the PRC. While there is some sizing and smoothing change in the finishing process, the physical/chemical property changes imparted by the forging, turning, and heat treatment processes, as well as the roller and cage production, are the most significant. Thus, this element does not sustain a finding of substantial transformation so as to confer country of origin on the third country.

Further, we do not agree with CPZ's argument that Customs has consistently found that grinding and finishing operations impart the essential character of a bearing. In May 1999, Customs ruled that TRB rings that had been forged, turned and heat-treated in the PRC and then imported into Canada from the PRC where they were finished (ground and polished) had a country of origin of the PRC. *See* Customs May 19, 1999 Ruling. Customs determined that evidence indicated that the forgings had the actual shape and outline of the inner and outer rings and that the grinding, honing and polishing were mere finishing operations designed to impart the requisite smoothness to maximize the friction-reducing capability of the bearing. *See Id.* Regardless of the outcome of the Customs rulings, as the Department has stated in prior cases, we are not bound by the country-of-origin determinations made by other agencies of the U.S. government because we make these decisions for different reasons, including anticircumvention and whether the merchandise is subject to the antidumping order. *See, e.g., Cold-Rolled Flat-Rolled Steel/Taiwan (May 31, 2000) at Comment 1; TTR from Korea at 17648.* Therefore, although the Department may consider the decisions of Customs, it is not obligated to follow, nor is it bound by, the determinations of Customs. *See Wirth (CIT 1998), 5 F. Supp. 2d at 968.* Thus our determinations are made on the basis of reviewing the totality of the circumstances presented to the Department that are relevant to an antidumping proceeding.

Regarding CPZ's contention that *Diamond Sawblades/Korea (August 2006)* is an appropriate comparison for the facts in this case, we agree, in part. In *Diamond Sawblades/Korea (August 2006)*, *EPROMs*, and *Microdisks*, as in the instant administrative review, the Department examined where the essential quality of the imported product was imparted, as

well as the extent of manufacturing and processing in both the original and the third country. Further, in *Diamond Sawblades/Korea (August 2006)* the Department determined that the attachment of cores to segments in the third country gave finished diamond sawblades their essential quality, not the manufacture of diamond segments. However, unlike in *Diamond Sawblades/Korea (August 2006)*, the essential character of the TRBs is not imparted in the third country, but in the PRC, where the forging, turning and heat treatment operations take place. Further, as described above, we find that the operations that are performed in the PRC impart the physical/chemical properties and the essential character of a TRB, not the finishing operation performed in the third country, which serves to maximize the friction reduction.

As part of our analysis regarding which processes impart the essential characteristics of a TRB, we reviewed *ITC Publication 3876/Bearings (August 2006) at Overview-10 and 11*, where the ITC gave a general overview of the production process of AFBs, one of which is a TRB. The ITC's report indicates that green machining, *i.e.*, specification requirements, involves a number of steps because of the "complexity of the design and function of the component." Further, according to the report, 1) turned AFBs, are "inspected and gauged to ensure adherence to the prescribed specifications;" 2) heat treatment/annealing ensures "durability, hardness, and shock resistance;" 3) heat treatment improves "toughness and durability;" and 4) the finishing stage (grinding and honing) ensures the AFBs are "sized" to tolerance and the rolling surface is smooth. The ITC's description of the process and the characteristics attained at each process supports our finding that the essential shape/characteristic and physical/chemical properties of a TRB are imparted in the forging, turning and heat treatment operations, which take place in the PRC.

We agree with CPZ's assertion that steel quality is only one of the elements that contribute to the quality of a TRB. As CPZ pointed out, *ITC Publication 3876/Bearings (August 2006)*, at TRB-II-1, states that the finishing operation is an important and necessary process in becoming a finished TRB. It is not just one operation that imparts the qualities of a bearing, but rather, it is the culmination of all the operations, *i.e.*, forging (steel quality), green machining (specification requirements), heat treatment (durability tests), and finishing that make a quality bearing. *See Id.*

- D. Cost of Production /Value Added:** The Department does not have an established threshold for determining whether a certain cost in a third country, by itself, represents a substantial transformation so as to confer country of origin.<sup>9</sup> In the instant case, we agree with CPZ that a value added analysis is not warranted because the values are between affiliated parties (*i.e.*, CPZ in the PRC, Peer in the U.S., and their affiliate the third country processor), which is not a price we can use in our analysis. Therefore, we looked at cost of production as CPZ has requested. We reviewed the third country processor's reported finishing costs as compared to the PRC surrogate costs. In our analysis, we found that the average unit cost of manufacturing in the PRC (based on respondent's FOPs and surrogate values) represents a significant percent of total COM and that the third-country processor's costs as compared to each product's COM are not significant. Thus, we find that this factor in conjunction with

---

<sup>9</sup> *See* Magnesium Scope Inquiry (Memo November 9, 2006) at page 17.

the other circumstances surrounding the further processing in the third country does not support a finding of substantial transformation in this case.

**E. Level of Investment/Potential for Circumvention:** The Department does not have an established threshold for determining whether a certain level of investment in the third country is significant in a substantial transformation analysis. *See* public version of Magnesium Scope Inquiry (Memo November 9, 2006). In the instant case, we find that the operations in the third country include specialized machines, which represent an investment in the third-country processing. However, CPZ's and Peer's investment in the third country is not as significant as their investment in CPZ in the PRC and Peer. In addition, we do not have sufficient information to determine whether CPZ's and Peer's level of investment in the third country, by itself, represents substantial transformation because, the information on the record is limited to CPZ and its affiliates, not its subcontractors that perform a significant portion of the processing in the PRC. Thus, we find that we have insufficient information to determine whether this factor would preclude or sustain a finding of substantial transformation in this case.

With respect to Petitioner's concerns of circumvention, the antidumping statute reflects Congress' recognition that country-of-origin determinations are vital to preserve the integrity of existing antidumping orders from potential circumvention through third country assembly, U.S. assembly, and transshipment of subject merchandise through intermediate countries. *See* sections 781 and 773(a)(3) of the Act; *see also DuPont (CIT 1998)* at 859. The Department is bound by the "general requirement of defining the scope of AD and CVD orders by the actual language of the orders." *See Duferco (CIT 2002)* at 1098. The only exception to this rule occurs in certain situations where orders might be circumvented. *See Wheatland Tube (CIT 1998)* at 1370 (discussing Section 781 of the Act). These situations are addressed by section 781 of the Act. A section 781 circumvention proceeding is a "clarification or interpretation" of an outstanding order to include products that may not fall within the order's literal scope. *See Id.* The Department never initiated an anticircumvention inquiry in this proceeding. Therefore, we are not examining the criteria related to anticircumvention proceedings, and do not reach a determination as to whether circumvention has occurred or may occur. Thus, this element does not preclude or sustain a finding of substantial transformation so as to confer country of origin on the third country.

**F. Ultimate Use:** In considering whether the unfinished and finished TRBs have the same ultimate use, we determine that, while the unfinished TRB is not suitable for use in a downstream product, we do find that both unfinished and finished bearings are both intended for the same ultimate end-use, that is as a TRB which can ultimately be used in a downstream product. Furthermore, contrary to CPZ's argument, the issue is not whether these products are interchangeable; it is whether the finishing process that took place in a third country during the POR constitutes a substantial transformation so as to confer a new country of origin on the TRBs imported into that third-country from the PRC.

In conclusion, based on the totality of the circumstances, we have determined that the finishing operations in the third country do not constitute substantial transformation and, hence, do not confer a new country of origin for antidumping purposes.

## **Comment 2: Surrogate Value for Steel Bar**

CPZ asserts that the WTA Indian import data for HTS sub-heading 7228.30.29 (Other bars and rods of other alloy steel; angles, shapes and sections, of other alloy steel; hollow drill bars and rods, of alloy or non-alloy steel; Other bars and rods, not further worked than hot-rolled, hot-drawn or extruded; Bright Bars; Other) used to value bearing-quality steel bar in the preliminary results is clearly unreliable, and argues that the Department should instead rely on the prices established by Peer's MEPs or, alternatively, WTA Thai import data under HTS sub-heading 7228.30.90 (Other bars and rods of other alloy steel; angles, shapes and sections, of other alloy steel; hollow drill bars and rods, of alloy or non-alloy steel; Other bars and rods, not further worked than hot-rolled, hot-drawn or extruded; Other).

CPZ submits that, in the prior 2006-2007 AR, the Department was incorrect in determining that Indian steel bar inputs were not aberrational and, in so doing, enunciated a test that placed an unreasonable burden on parties to demonstrate that SVs are not suitable.<sup>10</sup> CPZ argues that bearing-quality steel bar is found in basket-category data, and that, because basket categories contain various dissimilar products by definition, "the use of benchmark data should be the first step in determining whether a product is aberrational."<sup>11</sup> CPZ then suggests that the Department determine the Indian import data to be unreliable based on benchmark data from other bearing-producing potential surrogate countries, certain export data, and import statistics from countries with bearing-steel specific HTS subcategories.<sup>12</sup>

CPZ then provides an analysis of Indian Infodrive information previously submitted to the record,<sup>13</sup> and contends that these Infodrive data provide substantial evidence to demonstrate that the WTA Indian import data are not suitable to value bearing-quality steel bar due to a substantial amount of entries of non-bearing quality steel which inflate the value of the entire

---

<sup>10</sup> CPZ cites to *TRBs/PRC* (January 22, 2009) at Comments 6 and 7, in which they interpret the Department's decision to be in conflict with the established practice of using benchmark data to determine the reliability of a SV.

<sup>11</sup> See Letter from CPZ entitled, "Case Brief of Peer Bearing Company – Changshan; Tapered Roller Bearings from the People's Republic of China," dated August 12, 2009 ("CPZ's Case Brief") at 18.

<sup>12</sup> CPZ cites to numerous previous segments of the instant case where the Department has used price benchmarks to determine the viability of a certain SV, *see, e.g., TRBs/PRC* 11/17/98 at 63842; including instances where the Department has used U.S. import prices as a benchmark, *see, e.g., TRBs/PRC* 12/13/96 at 65527; as well as instances where the Department has used Japanese export data as a benchmark, *see, e.g., TRBs/PRC* (December 18, 2003) at Comment 3.

<sup>13</sup> See Letter from CPZ entitled, "Peer Bearing Company – Changshan Surrogate Value Submission; Tapered Roller Bearings from the People's Republic of China," dated July 28, 2009 ("CPZ's SV Submission"); and Letter from CPZ entitled, "Peer Bearing Company – Changshan Rebuttal Surrogate Value Submission; Tapered Roller Bearings from the People's Republic of China," dated July 29, 2009 ("CPZ's Rebuttal SV Submission").

basket category.<sup>14</sup> CPZ first analyzed the line-item description of each entry for select subcategories of Indian HTS category 7228, as reported in the Infodrive dataset, to determine whether or not the product entered could be steel bar used in the production of bearings. CPZ claims that, under this analysis, Indian Infodrive data show that bearing-quality steel was classified under five separate Indian HTS subheadings (7228.10.90, 7228.30.19, 7228.30.29, 7228.40.00, and 7228.80.90), which confirms that bearing-quality steel imports are misclassified in the WTA data. CPZ argues that this analysis shows that the HTS subheading 7228.30.29 that is supposed to represent bearing-quality steel bar includes only 12.37 percent of identifiable imports of bearing quality steel, with 73.42 percent of the bearing-quality entries accounted for in two of the other subcategories. Moreover, CPZ contends that Infodrive data demonstrate that imports other than bearing-quality steel are significantly inflating the AUV for the HTS subheading 7228.30.29 as well as the four other subheadings. Within the 7228.30.29 subheading, CPZ notes that 65 percent of imports were of bearing quality steel with an AUV of \$1,369.35/MT, whereas the AUV for the remaining 34.71 percent was 168 percent higher in average value. CPZ asserts that the five HTS subcategory-specific AUVs for the entries identified as bearing quality steel within those HTS subcategories ranged from \$1,109.84/MT to \$1369.35/MT, while the AUV of all these bearing-quality steel entries is \$1,209.50/MT. CPZ further asserts that these values are significantly lower than the total AUV for each respective HTS subcategory when entries of all products within the category are considered. CPZ notes that the Indian basket category used to value steel bar in the preliminary results is 56.18 percent greater than the average value for the entries of bearing quality steel. Finally, according to CPZ's analysis of the Infodrive data, 73.85 percent of the identified bearing-quality steel bar was imported into India from Japan with an AUV of \$1,168/MT.

CPZ argues that Infodrive India data on bearing-quality steel bar imports are corroborated by other price points on the record, including: Japanese export data under HTS category 7228.30.900, which they note the Department has used for SV purposes in prior segments of this proceeding; CPZ's MEPs of bearing-quality steel; Thai import data under HTS subheading 7228.30.90, which they argue to be more specific to bearing-quality steel than the similar Indian subheading in question; U.S. import data under a bearing-quality steel specific subheading, which they note that the Department has used for benchmarking purposes in prior segments of this proceeding; and the AUVs of similar steel bar basket categories in other potential surrogate countries. CPZ concludes by arguing that the Indian import data under HTS subheading 7228.30.29 is significantly higher than every other data point that they have placed onto the record of the proceeding, and that there is nothing to support its continued use for the valuation of bearing-quality steel bar. CPZ asks that the Department use the MEP prices of bearing-quality

---

<sup>14</sup> CPZ states that "Under the Department's standard practice, the Department considers Infodrive data as confirmation of alleged misclassifications when: (1) there is direct and complete evidence from Infodrive showing that imports from a particular country do not contain the product in question; (2) a significant portion of the overall imports under the relevant HTS category is represented by the Infodrive data; and (3) distortions of the AUV in question can be demonstrated." In support of this assertion, CPZ cites to, *e.g.*, *WBF/PRC* (August 20, 2008) at Comment 1. CPZ argues that, when compared with the WTA and Indian Government information also submitted to the record, the AUV variance between all three datasets is minimal and, although the AUV variance between just the WTA data and Infodrive data is slightly greater, the Infodrive data "still provides excellent coverage of the data taken from World Trade Atlas."

steel purchased by CPZ during the POR to value steel bar for the final results or, alternatively, to use Thai import data under HTS subheading 7228.30.900.

Petitioner argues that the Department was correct in using WTA Indian import data for HTS subheading 7228.30.29 to value CPZ's consumption of bearing-quality steel bar. Petitioner states that section 773(c)(1) of the Act requires the Department to use the "best information" from an appropriate surrogate ME country to value a respondent's FOPs, and that the Department's practice is to use data that are publicly available, broad market averages, contemporaneous with the POR, tax-exclusive, and specific to the input in question.<sup>15</sup> Petitioner notes that the Department's practice is to stay within the primary surrogate country to value all costs of production in order to ensure more accurate results,<sup>16</sup> and that, based on the aforementioned guidelines, WTA data have been found to provide the best available SV information in numerous prior decisions.<sup>17</sup> Petitioner points out that, though there have been instances where the Department has decided to value certain inputs from the primary surrogate country, this has been limited to instances where the WTA import data were unavailable, sparse, or demonstrably aberrational.<sup>18</sup> Petitioner argues that the WTA dataset in question is sufficient to value steel bar in the instant case, as it is obtained from the preferred WTA data source, representative of the primary surrogate country, of sufficient quantity, not demonstrably aberrational, and satisfies each of the Department's "best information" guidelines listed above.

Petitioner disagrees with CPZ's assertion that the Department's decision in *TRBs/PRC* (January 22, 2009) places an unfair burden on respondents to demonstrate that SVs are aberrational. Petitioner points to other proceedings wherein the Department has required parties contesting the use of a certain SVs to show that the data is aberrational through specific and objective evidence<sup>19</sup> and asks that the Department not change this standard in the instant case. As such, Petitioner asserts that the benchmark prices that CPZ placed onto the record merely demonstrate the existence of price differences, and that CPZ has failed to present sufficient objective evidence to demonstrate that the WTA Indian import data for HTS subheading 7228.30.29 is, in fact, aberrational.

Moreover, Petitioner contends, CPZ's own benchmark prices confirm the reasonableness of using Indian HTS 7228.30.29 to value steel bar. Timken points out that, when broken out to show the monthly AUV of products from individual importing countries, both the basket-category steel bar import prices from other potential surrogate countries and bearing-quality steel

---

<sup>15</sup> Petitioner cites to, e.g., *Silicon Metal/PRC* 10/16/07 at 58641.

<sup>16</sup> Petitioner cites to *Silicomanganese/PRC* 11/08/99 (preliminary results) at 60784; and *CTL Plate/Romania* (March 15, 2005) at Comment 3.

<sup>17</sup> Petitioner cites to, e.g., *Laminated Woven Sacks/PRC* (June 24, 2008) at Comment 2; *Silicon Metal/PRC* (October 16, 2007) at Comment 5; *Brake Rotors/PRC* (August 2, 2007) at Comment 1; and *Honey/PRC* (October 4, 2006) at Comment 2.

<sup>18</sup> Petitioner cites to *CTL Plate/Romania* (March 15, 2005) at Comment 3.

<sup>19</sup> Petitioner cites to *Laminated Woven Sacks/PRC* (June 24, 2008) at Comment 2; and *Carrier Bags/PRC* (March 17, 2008) at Comment 6.

bar specific import data from the U.S., as supplied by CPZ,<sup>20</sup> demonstrate a wide range of country-specific AUVs, some of which exceed the Indian price in question.

Petitioner argues that CPZ is incorrect to suggest that the Department's use of Indian import statistics used in the preliminary results was inconsistent with prior segments of this proceeding wherein Indian steel prices were found to be aberrational when compared to benchmark data from the U.S. and other countries. Petitioner notes that in 2004 the Indian government reclassified relevant HTS subheadings in Chapter 72, relating to iron and steel<sup>21</sup> and, thus, any of CPZ's arguments which rely on segments of this case prior to 2004 are inapposite, especially when considering that the Department determined that the revised Indian subheading was appropriate to value steel bar in the prior 2006-2007 AR of this proceeding.

Petitioner then asserts that Infodrive, which CPZ relies upon to demonstrate that the WTA Indian data are not specific to the input at issue, is not a suitable tool for benchmarking or corroborative purposes based on established Department precedent.<sup>22</sup> Petitioner suggests that the fact that CPZ found bearing-quality steel in multiple HTS subheadings does not prove the WTA data to be unreliable, but rather that the Infodrive entries either are misclassified or have incorrect line-item descriptions, especially when considering that, according to the official commodity HTS descriptions as published by the Indian Ministry of Commerce,<sup>23</sup> bearing-quality steel imports should not, by definition, be classified under any subheading other than 7228.30.29. Petitioner then points out that a comparison of the WTA and Infodrive data for Indian imports of HTS

---

<sup>20</sup> Petitioner cites to Letter from Petitioner entitled, "Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China (2007-2008): The Timken Company's Comments for the Preliminary Results of Administrative Review," dated June 9, 2009 ("Petitioner's Preliminary Results Comments"), referencing Letter from CPZ entitled, "Peer Bearing Company – Changshan Comments on Upcoming Preliminary Results; Tapered Roller Bearings from the People's Republic of China," dated May 21, 2009 ("CPZ's Preliminary Results Comments") at Exhibit 1.

<sup>21</sup> Petitioner cites to the website of the Indian Ministry of Commerce and Industry, Directorate General of Foreign Trade at <http://dgft.delhi.nic.in>; and TRBs 16<sup>th</sup> AR Surrogate Country and Steel SV Memo (March 1, 2004) at 3 and 7.

<sup>22</sup> Petitioner cites to *Silicon Metal/PRC* (October 16, 2007) at Comment 5; *Tires/PRC* (July 15, 2008) at Comment 10, stating, "Although the Department has used Infodrive India in limited instances in the past, it is the Department's normal practice not to use Infodrive India data unless the record demonstrates that the Infodrive India data are more inclusive and more reliable than WTA data... the Department has determined in numerous cases that Infodrive India data are incomplete and unreliable and, therefore, has rejected their use;" *Laminated Woven Sacks/PRC* (June 24, 2008) at Comment 2, stating, "the Department prefers not to use Infodrive data to derive surrogate values or to use as a benchmark to evaluate other potential surrogate values;" and *Honey/PRC* (June 16, 2006) at Comment 1, stating, "{the Department} has also indicated in prior cases that it prefers not to use Infodrive data to derive surrogate values or to use as a benchmark to evaluate other potential surrogate values because it does not account for all of the imports which fall under a particular HTS subheading." Petitioner also notes that Infodrive data is generated by a private entity which would not be held to the accuracy requirements of official government customs reporting, as is the WTA data, citing to *Chlorinated Isos/PRC* (May 10, 2005) at Comment 10.

<sup>23</sup> Petitioner notes that these descriptions may be accessed at the website of the Indian Ministry of Commerce and Industry, Directorate General of Foreign Trade at <http://dgft.delhi.nic.in>, submitted in Petitioner's Preliminary Results Comments at Attachment 1.

subcategory 7228.30.29 shows significant deviation between the two datasets.<sup>24</sup> Petitioner asserts that this analysis shows that imports from certain countries are present in one source but not in the other. Moreover, the difference in value of total imports from certain countries ranges over 50 percent and the difference in AUVs for imports from certain countries ranges up to 406 percent. Petitioner argues that CPZ's assertion that the majority of bearing-quality steel was imported into India from Japan is not corroborated by the WTA data. Petitioner argues that, due to the aforementioned discrepancies, the Infodrive data cannot be considered a more reliable source than the WTA data and must be rejected as a corroborative tool based on Department precedent. As such, Petitioner concludes, CPZ has not met its burden of establishing that WTA Indian import data for HTS subcategory 7228.30.29 represents the best available information for valuing steel bar in the final results.

Furthermore, Petitioner asserts that, based on the Department's current practice as established in prior decisions, several price points are altogether inappropriate for the benchmarking and valuation purposes as suggested by CPZ. Petitioner argues that, based on precedent, the Department should reject as viable benchmarks: the Japanese export AUV,<sup>25</sup> the AUV for Indian imports to Japan,<sup>26</sup> the AUV price for a bearing-quality steel bar specific U.S. HTS subcategory,<sup>27</sup> and AUV prices for similar basket categories of other potential surrogate countries;<sup>28</sup> all of which were submitted on the record by CPZ as benchmark price points. Finally, Petitioner concludes that precedent requires that the Department to reject CPZ's MEPs for use as both a benchmark price point and as a SV.<sup>29</sup>

**Department's Position:** When selecting surrogate values with which to value the factors of production used to produce subject merchandise, the Department is directed to use the "best available information" on the record. Section 773(c)(1) of the Act. As noted by Petitioner, when selecting SVs for use in an NME proceeding, the Department's preference is to use, where

---

<sup>24</sup> See Letter from Petitioner entitled, "Tapered Roller Bearings from the People's Republic of China: The Timken Company's Rebuttal Brief," dated August 20, 2009 ("Petitioner's Rebuttal Brief") at pages 18-20 for Petitioner's comparative analysis of WTA and Infodrive data.

<sup>25</sup> Petitioner cites to the prior review, *TRBs/PRC* (January 22, 2009) at Comment 7, wherein the Department determined that CPZ did not demonstrate why Japanese export data was more appropriate than import values and that relying on export data would be in direct contrast to the well established practice of using the full WTA dataset.

<sup>26</sup> Petitioner notes that the Department has determined that import values from countries at different levels of economic development do not constitute reasonable benchmarks for each other. Petitioner cites to *LWTP/PRC* 06/24/08 (preliminary determination) at 27504; and *Carrier Bags/PRC* (March 17, 2008) at Comment 6.

<sup>27</sup> Petitioner cites to *Id.*

<sup>28</sup> Petitioner notes that the Department determined Indonesia, Colombia, and the Philippines are not substantial producers of comparable merchandise in the *Preliminary Results*.

<sup>29</sup> Petitioner notes that the Department's current policy is to use market prices paid for inputs to value the input when the purchases account for over 33 percent of the total quantity purchased from all sources. However, when this information is not usable, and when faced with similar competing SV sources, the Department has found that WTA import data, when taken as a whole, are preferential because they represent an average of multiple price points and are tax-exclusive. Petitioner cites to *Antidumping Methodologies* 10/19/06 at 61716; *Laminated Woven Sacks/PRC* (June 24, 2008) at Comment 2; and *LWTP/PRC* (October 2, 2008) at Comment 10.

possible, a range of publicly available, non-export, tax-exclusive, and product-specific prices for the POR, with each of these factors applied non-hierarchically to the particular case-specific facts and with preference to data from a single surrogate country.<sup>30</sup> As established in the *Preliminary Results*, we continue to find that the WTA Indian import data under HTS subheading 7228.30.29 are publicly available, broad market averages, contemporaneous with the POR, tax-exclusive, and representative of significant quantities of imports; thus satisfying critical elements of the Department's SV test. Moreover, because these data are from the primary surrogate country and representative of an 8-digit basket category, the most specific on record to the input in question, we find that they represent the best available information for purposes of valuing the steel bar input. As established by recent decisions and stated in the 06-07 AR, when a party claims that a particular surrogate is not appropriate to value the FOP in question, the Department has determined that the burden is on that party to prove the inadequacy of said SV or, alternatively, to show that another value is preferable.<sup>31</sup> As explained below, we find that CPZ has failed to prove the inadequacy of the WTA Indian import data under HTS category 7228.30.29 or to demonstrate that the Department's selection of this surrogate value is unreasonable and has not presented sufficient evidence to show that either of its suggested alternative surrogate values is preferable.

CPZ submitted numerous steel bar price examples on the record and argued that the SV used in the preliminary results is high when compared to these price examples. We agree with Petitioner in that several of these examples are inappropriate for benchmarking purposes. Specifically, Department precedent holds that the country-specific export data,<sup>32</sup> and import values from countries at different levels of economic development from the PRC<sup>33</sup> are not suitable comparative price benchmarks to test the validity of selected SVs. Moreover, as stated in the *Preliminary Results* at 32544, where the quantity of an input purchased from ME suppliers does not meet certain standards, the Department cannot not rely on the price paid by an NME producer to a ME supplier, either for benchmarking or factors valuation purposes, because it cannot have confidence that a company could fulfill all its needs at that price.<sup>34</sup> As such, the Department has not considered the aforementioned benchmark prices and will not use the MEPs as the sole basis on which to value this input for the final results. We do not agree that, as Petitioner argues, the WTA AUV prices from Colombia, the Philippines, and Indonesia submitted by CPZ do not constitute a reliable benchmarks simply because the Department determined that these countries were not substantial producers of comparable merchandise in the *Preliminary Results*. Based on the Department's benchmarking practices as laid out in, *e.g.*, *LWTP/PRC* (October 2, 2008) at Comment 10, AUV prices for similar basket categories from other potential surrogate countries may be viable benchmarks without reference to the surrogate

---

<sup>30</sup> See *CTL Plate/Romania* (March 15, 2005) at Comment 3.

<sup>31</sup> See *TRBs/PRC* (January 22, 2009) at Comment 6; *Laminated Woven Sacks/PRC* (June 24, 2008) at Comment 2; *Carrier Bags/PRC* (March 17, 2008) at Comment 6; *Hangers/PRC* (August 14, 2008) at Comment 4; and *Tires/PRC* (July 15, 2008) at Comment 10.

<sup>32</sup> See *TRBs/PRC* (January 22, 2009) at Comment 7, citing to, *e.g.*, *Tires/PRC* (July 15, 2008) at Comment 9.

<sup>33</sup> See *Carrier Bags/PRC* (March 17, 2008) at Comment 6.

<sup>34</sup> See *Antidumping Methodologies* 10/19/06 at 61716-61719 (October 19, 2006).

country determination. Nevertheless, we agree with Petitioner in that the existence of lower AUV prices in comparatively less-specific 6-digit basket categories from countries found to be less than substantial producers of comparable merchandise does not constitute sufficient evidence to compel the Department to question the validity of the more-specific 8-digit WTA data from the primary surrogate country to value steel bar in the final results.<sup>35</sup>

CPZ did submit the AUV for Thai import statistics under HTS subheading 7228.30.90 onto the record, which would be an appropriate comparative price for the Indian SV data based on the Department's benchmarking practices, had CPZ presented a "colorable claim" that the Indian data are aberrational.<sup>36</sup> And we recognize this Thai value is relatively low when compared with the Indian value in question. Nevertheless, as correctly argued by Petitioner and stated above, Department practice has found that the existence of higher prices alone does not necessarily indicate that price data is distorted or misrepresented, and thus, is not sufficient to exclude a particular SV, absent specific evidence the value is otherwise aberrational. We do not find that, as CPZ argues, this practice puts an undue burden on parties to prove a particular value is aberrational or that this requirement is in conflict with the Department's current guidelines toward the use of price benchmarks. This precedent simply requires that parties provide sufficient factual support when arguing that a particular value is inappropriate. When sufficient evidence is presented to show that a particular SV is not viable, the Department will assess all relevant price information on the record, including any appropriate benchmark data, in order to accurately value the input in question. Because, as explained below, we determine that CPZ has failed to demonstrate the Indian data to be unreliable, we do not find it necessary compare the Indian SV data to any potentially appropriate benchmarks submitted to the record.

In the instant case, CPZ has submitted Infodrive data both as a price benchmark and, consistent with the aforementioned requirement for determining whether a given SV is aberrational, a corroborative tool to show that the WTA SV data are distorted. Due to the Department's well-established reservations regarding the use of Infodrive data, either as a corroborative tool or price benchmark, the viability of this particular Infodrive dataset (and, thus, CPZ's claims that the WTA data are distorted) must be analyzed in accordance with Department practice and policy regarding the use of Infodrive data.<sup>37</sup> The Department has stated that it will consider Infodrive data to further evaluate import data, provided: 1) there is direct and substantial evidence from Infodrive reflecting the imports from a particular country; 2) a significant portion of the overall imports under the relevant HTS category is represented by the Infodrive India data; and 3) distortions of the AUV in question can be demonstrated by the Infodrive data;<sup>38</sup> but that the

---

<sup>35</sup> See *LWTP/PRC* (October 2, 2008) at Comment 10. See also *TRBs/PRC* (January 22, 2009) at Comment 6, citing *Hangers/PRC* (August 14, 2008) at Comment 4, where the Department states that, "The 8-digit Indian HTS category more closely reflects the factor input used by the respondent in the production of TRBs than the 6-digit categories from the other countries. As stated in *Hangers*, the Department finds that 'specificity is a compelling reason that supports using... data to value the steel wire rod input.'"

<sup>36</sup> See, e.g., *Mittal Steel Galati S.A. v. United States*, 502 F. Supp. 2d 1295, 1308 (CIT 2007)

<sup>37</sup> See *Silicon Metal/PRC* (October 16, 2007) at Comment 5; *Tires/PRC* (July 15, 2008) at Comment 10; *Laminated Woven Sacks/PRC* (June 24, 2008) at Comment 2; *Honey/PRC* (June 16, 2006) at Comment 1; and *Chlorinated Isos/PRC* (May 10, 2005) at Comment 10.

<sup>38</sup> See *LWTP/PRC* (October 2, 2008) at Comment 9.

Department will not use Infodrive data when it does not account for a significant portion of the imports which fall under a particular HTS subheading.<sup>39</sup> As cited by Petitioner, in numerous cases the Department has rejected Infodrive data because it did not account for a significant portion of the overall WTA import data.<sup>40</sup> In the instant case, the Department has considered comparative analysis of WTA and Infodrive data provided by both Petitioner<sup>41</sup> and CPZ,<sup>42</sup> as well as conducted its own comparative analysis of the two datasets.<sup>43</sup> Though the Infodrive data does not exhibit the same degree of quantitative variance from the WTA data that precluded its use in some of the cases cited by Petitioner, significant discrepancies exist between the datasets.

A comparative analysis of the Infodrive and WTA data for Indian imports under HTS subcategory 7228.30.29 shows that only 79.81 percent of the total WTA quantity from all countries that the Department includes in its surrogate value calculations is accounted for in the total quantifiable weight figures from the corresponding Infodrive data. When broken out into country-specific data, certain corresponding quantity, value, and AUV figures exhibit significant variance between each dataset. Specifically, of the major exporters to India by quantity, only the WTA data for imports from the United States and Germany could be considered to be adequately represented by the Infodrive data, whereas the Infodrive quantity represents a significantly smaller coverage of the corresponding WTA quantity for other significant exporters such as Japan (Infodrive quantity covers 73.52 percent of the total WTA quantity), Sweden (63.87 percent), France (53.22 percent), the United Kingdom (25.39 percent), and Austria (53.52 percent).<sup>44</sup> By value, many of the major exporters to India demonstrate significant differences in the corresponding data, as the Japanese WTA import value is 29.51 percent greater than its Infodrive counterpart, the Swedish value is 63.87 percent greater, the French value is 37.15 percent less, the German value is 37.30 percent less, and the U.K. value is 33.60 percent less. A comparison of corresponding AUVs shows fewer instances of pronounced variations between datasets, but a much larger magnitude of variation where discrepancies are found. Specifically, the Infodrive AUV for imports from the U.K. is 406.45 percent greater than the corresponding WTA AUV, the AUV from Germany is 65.28 percent greater, the AUV from Austria is 85.90 percent greater, and the AUV from France is 174.53 percent greater. Furthermore, Infodrive reports the quantity of imports for certain countries in units of measure that cannot be converted to a quantifiable weight. Thus, the Department could not conduct a comparable analysis of import quantity or AUV between the two datasets for several countries, including Nigeria, which is shown to be a relatively significant exporter of products under HTS subcategory 7228.30.29

---

<sup>39</sup> *Id.* at Comment 10.

<sup>40</sup> *See, e.g., Id.* at Comment 10; *Silicon Metal/PRC* (October 16, 2007) at Comment 5; *Tires/PRC* (July 15, 2008) at Comment 10; *Laminated Woven Sacks/PRC* (June 24, 2008) at Comment 2; *Honey/PRC* (June 16, 2006) at Comment 1.

<sup>41</sup> *See* Petitioner's Preliminary Results Comments at Exhibit 1.

<sup>42</sup> *See* CPZ's Case Brief at Exhibits 4 through 10.

<sup>43</sup> *See* the Department's Memorandum regarding: "Factors Valuations for the Final Results of the 2007-2008 Administrative Review of the Antidumping Duty Order on Tapered Roller Bearings and Parts Thereof, Finished or Unfinished, from the People's Republic of China," dated concurrently with these final results ("FOP Memo") at Attachment 3.

<sup>44</sup> *See* FOP Memo at Attachment 3.

based on the WTA quantity, and total value from both datasets. Moreover, import data from Slovenia, Italy, Hong Kong, and Turkey is present in the Infodrive dataset but not in the WTA dataset. *See* FOP Memo at Attachment 3 for the full comparative analysis of WTA and Infodrive data for Indian imports under HTS subcategory 7228.30.29.

We have performed similar comparative analyses of the four other HTS subcategories that CPZ claims to include imports of bearing-quality steel bar during the POR. This analysis shows that the total reported Infodrive quantity exceeds the corresponding total quantity of WTA data for HTS subcategories 7228.10.90, 7228.40.00, and 7228.80.90.<sup>45</sup> Though the Infodrive quantity for HTS 7228.30.19, the remaining subcategory, is less than the corresponding WTA quantity, the 36.11 percent difference in quantity represents a greater variance between corresponding total quantity figures than is seen in the other four subheadings.<sup>46</sup> When broken down for country-specific imports, these four subcategories show similar discrepancies to those described for subcategory 7228.30.29 above, as quantity, value, and AUV figures vary widely between significant exporters. Data from entire countries is present in one dataset but absent from the other. For example, a comparative analysis of import data under HTS subheading 7229.10.90 shows the quantity of entries from the largest exporter in the Infodrive data, Japan, to be 129.40 percent greater than the corresponding entries in the WTA data and 75.96 percent greater by value. The analysis of import data under HTS subheading 7229.40.00 shows significant variations in quantity and value from the three largest exporters (imports from Japan are 27.49 percent higher for quantity in the Infodrive data, whereas import values from Germany and the U.S. vary in excess of 21.06 and 26.26 percent, respectively). For HTS subheading 7229.80.90, the analysis shows Infodrive quantity exceeding WTA quantity by over 50 percent for significant exporters such as the U.S., Italy, and France, with similar discrepancies in the corresponding value figures. Finally, a comparison of WTA and Infodrive data for HTS subheading 7228.30.19 show even less consistency between datasets, as the percentage difference in the statistics for nearly every major exporter varies greatly by quantity and value (*e.g.*, Infodrive Japanese imports represent 222.27 percent of the corresponding WTA quantity and are 45.03% higher in value, U.S. imports represent only 24.13 percent of the WTA quantity and are 87.57 percent lower in value). *See* FOP Memo at Attachment 3 for the further discussion and complete comparative analysis of WTA and Infodrive data for Indian imports under HTS subcategories 7228.10.90, 7228.30.19, 7228.40.00, and 7228.80.90.

We find that, due to the above listed discrepancies found in both total and country-specific quantity, value, and AUV for corresponding statistics, along with the existence of country-specific data that is either reported in incomparable units of measure or absent entirely from the other dataset, when taken together, demonstrates that the Infodrive data for all five HTS

---

<sup>45</sup> We note that, because WTA data is comprised of official government imports statistics and Infodrive information is typically less comprehensive (as it is privately compiled and does not collect information from all ports of entry covered by WTA data), the fact that the Infodrive statistics represent a greater amount of total imports than official government data causes some concern as to the reliability of Infodrive's reporting for these subcategories.

<sup>46</sup> This is likely due to the fact that Infodrive reported the quantity of imports from Italy, the largest exporter by quantity in WTA and by value in both datasets, in non-comparable units of measure. The inability to compare corresponding quantity statistics from significant importers, in this and other HTS subcategories, further highlights the questionable nature of Infodrive reporting and the difficulties encountered in attempting to assess whether or not a significant portion of the WTA data are represented in the Infodrive.

subcategories, as submitted by CPZ, does not provide an adequate representation of the WTA data and, thus, cannot be used as a corroborative tool to question the reliability of the WTA SV data as used in the preliminary results. CPZ has presented information showing that Thai import statistics under HTS subheading 7228.30.90 represent a lower price than the Indian data in question. CPZ has failed to present sufficient evidence, however, to demonstrate that the Thai data is preferable to the Indian data used in the preliminary results. Furthermore, we continue to find that CPZ's ME purchases are not appropriate prices for surrogate valuation purposes based on established Department precedent. As such, consistent with the Department's preference to use SVs from the primary surrogate country, we will continue to value steel bar inputs using Indian import statistics under HTS subheading 7228.30.29 for the final results.

### **Comment 3: Surrogate Value for Wire Rod**

Petitioner disagrees with the Department's use of Thai HTS category 7228.50.90 (Other bars and rods of other alloy steel; angles, shapes and sections, of other alloy steel; hollow drill bars and rods, of alloy or non-alloy steel; Other bars and rods, not further worked than cold-formed or cold-finished: Other) to value wire rod for the preliminary results. Petitioner points out that, out of the six countries determined to be economically comparable to the PRC, the Department determined that only Thailand and India were significant producers of comparable merchandise. However, because the Department determined that the Indian data submitted on the record represented the most complete set of SV information, India was selected as the primary surrogate country for the instant review.<sup>47</sup> Petitioner notes that, in the *Preliminary Results*, the Department used surrogate prices from India to value all FOPs aside from the wire rod in question. Petitioner adds that precedent directs the Department to use SVs that are publicly available, broad market averages, contemporaneous with the POR, specific to the input in question, and exclusive of taxes.<sup>48</sup>

Petitioner cites to information previously submitted on the record<sup>49</sup> where it presented analysis for the purpose of demonstrating that Thai import data under HTS category 7228.50.90 is unreliable. Specifically, Petitioner argues that the data shows that the vast majority of Thai imports (94 percent of the quantity and 90 percent of the value) come from a single country, Japan. As such, Petitioner argues, the Thai data are not representative of broad market averages and claims there is no assurance that the Thai data are insulated from regional market disruptions.<sup>50</sup> Petitioner then argues that a comparison of WTA data for Japanese exports to Thailand under all subcategories of HTS 7228.50 with WTA data for Thai imports from Japan under the same HTS categories shows the reported Thai import quantity to be 86.56 percent

---

<sup>47</sup> Petitioner cites to the Department's Memorandum regarding, "Preliminary Results of the 2007-2008 Administrative Review of the Antidumping Duty Order on Tapered Roller Bearings and Parts Thereof, Finished or Unfinished, from the People's Republic of China: Surrogate Value Memorandum," dated June 30, 2009 ("Preliminary SV Memo").

<sup>48</sup> Petitioner cites to *TRBs/PRC* (January 22, 2009) at Comment 7.

<sup>49</sup> See Letter from Petitioner entitled, "Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China (2007-2008): The Timken Company's Additional Surrogate Value Information," dated July 28, 2009 ("Petitioner's Additional SV Submission").

<sup>50</sup> Petitioner cites to *Allied Pacific Food* (CIT 2006) to demonstrate that the Department has consistently held that broad market averages ensure that SVs are not skewed by regional market disruptions.

greater than the export quantity in the Japanese export statistics. Petitioner suggests that this is too large of a difference to be explained by any time lag in shipments, and argues that, due to this significant discrepancy between Japanese exports and Thai imports, the Department should determine that the Thai import data under HTS category 7228.50.90 do not provide a reliable SV.

Petitioner argues that, for the final results, the Department should value wire rod inputs using the WTA Indian import values under HTS 7228.50.90 (Other bars and rods of other alloy steel; angles, shapes and sections, of other alloy steel; hollow drill bars and rods, of alloy or non-alloy steel; Other bars and rods, not further worked than cold-formed or cold-finished: Other), as it has in the prior AR.<sup>51</sup> Petitioner notes that the Indian data are more representative of broad market averages, as they include values from a wider array of countries and are not weighted predominantly by imports from a single country. Petitioner argues that the existence of price fluctuations in the country-specific AUVs for Indian HTS 7228.50.90 is not *prima facie* evidence of distortions but, more likely, the result of natural price differences that suggest the Indian data are more reflective of broad market averages, and suggests that the Department should not reject Indian import data absent actual evidence of distortions. Petitioner maintains that the Department should value wire rod inputs using Indian import data in order to achieve greater consistency in the NV calculations. To this end, Petitioner reasserts that Department precedent shows that the Department prefers to stay within the primary surrogate country to value all costs of production because it leads to more accurate results<sup>52</sup>, and that the Department should follow this precedent, especially when considering that Indian data has been used to value all other raw material FOPs as well as overhead, SG&A, and profit in the instant case.

Petitioner concludes that, should the Department continue to determine that WTA Indian imports under HTS subheading 7228.50.90 are inappropriate for SV purposes, the Department should instead use Thai import data for HTS 7228.50.10 (Other bars and rods of other alloy steel; angles, shapes and sections, of other alloy steel; hollow drill bars and rods, of alloy or non-alloy steel; Other bars and rods, not further worked than cold-formed or cold-finished: Of circular cross-section) to value wire rod used to make rollers in the instant case. Petitioner cites to an affidavit previously submitted to the record, in which The Timken Company's Chief Materials Engineer, attests that the "tapered rollers for bearings are produced using steel inputs of circular cross sections" therefore {for either the machined or formed method of production} "the input steel must have circular cross section."<sup>53</sup> Petitioner asserts that, because rollers for tapered bearings must be produced using bars/rods of only circular cross section, should the Department

---

<sup>51</sup> Petitioner cites to *TRBs/PRC* (January 22, 2009) and accompanying IDM at Comment 7.

<sup>52</sup> Petitioner cites to *Silicomanganese/PRC* 11/08/99 (preliminary results) at 60784, in support of its assertion that the Department prefers to stay within one country for factor valuation because it leads to more accurate results than using factors from multiple countries; and *CTL Plate/Romania* (March 15, 2005) at Comment 3, where the Department states its preference "is to value all factors of production in a single surrogate country, when possible, consistent with section 351.408(c)(2) of the Department's regulations, which states, 'the Secretary normally will value all factors in a single surrogate country.'"

<sup>53</sup> See Letter from Petitioner entitled, "Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from The People's Republic of China (2007-2008): Surrogate Value Rebuttal Comments," dated August 7, 2009 ("Petitioner's SV Rebuttal Comments") at Exhibit 2.

use Thai import data to value wire rod in the instant case, HTS 7228.50.10 provides a more appropriate subheading than the data under 7228.50.90 subheading used for the preliminary results.

CPZ argues that Petitioner's claim that Thai import data under HTS subheading 7228.50.90 is not a broad market average rests on unsupported assumptions about the data. CPZ states Petitioner is misinterpreting the concept of "broad market averages" to imply that the import data in question must be comprised of equivalent volumes of imports from multiple countries, and that Petitioner's argument that the data in question is more reflective of "Japan's import prices than any broad market average,"<sup>54</sup> is incorrectly predicated on the assumption that the Department treats each country as a monolithic entity. CPZ notes that Petitioner provides no supporting citation indicating that the Department has disregarded import data because the majority of imports came from a single ME country. CPZ asserts that the Department does not treat imports from ME countries as if they had come from a single, state-entity, and that the large quantity of steel bar imported into Thailand from Japan is unsurprising when considering that Japan is home to many independent, market-oriented, profit-seeking, steel producers who supply steel products to global consumers, but particularly to customers in the Asia/Pacific region. CPZ argues that, rather than suggesting that Japanese steel imports do not represent broad market averages, the record evidence shows that Japanese steel producers hold a comparative advantage in the production of certain steel products and that the Japanese price in question informs the broad market average. CPZ asserts that Petitioner offers no evidence to show that the Thai data may be unreliable due to a "regional market disruption," but merely supposes that this might have taken place. CPZ adds that Petitioner's reliance on the *Allied Pacific Food* (CIT 2008) remand is inappropriate, since the Thai import data in question in this case contains over twice the total volume of product the Department determined would effectively dilute any market fluctuations in the remand discussed above, and that the Thai data are further insulated from any concerns of market disruption relevant to that decision because they span an entire year.<sup>55</sup> CPZ argues that Petitioner's assertion that the Thai import data for HTS subheading 7228.50.90 should be deemed unreliable when compared with Japanese export data under HTS subheadings for 7228.50 is flawed. CPZ notes that, though the Department has used Japanese export data in prior segments of this proceeding, the Department has never relied solely on Japanese export data to invalidate import data from a surrogate or potential surrogate country and, furthermore, has never found that import data must be reconciled with export data in any NME proceeding. Moreover, CPZ adds, Petitioner has failed to offer an explanation as to why the Japanese data should be accepted over the Thai data, and asserts that Petitioner's argument that Japanese export data must indicate the Thai data is flawed is based on supposition. CPZ concludes that, because Petitioner has merely presented a contrary dataset with no substantial analysis, it has not met its burden of proving the Thai import data to be insufficient for valuing wire rod in the instant case.

CPZ asserts that the Department's rejection of WTA import data for Indian HTS subheading 7228.50.90 to value bearing-quality steel wire rod in the *Preliminary Results* was appropriate

---

<sup>54</sup> CPZ cites to Letter from Petitioner titled, "Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China (2007-2008): The Timken Company's Case Brief," dated August 11, 2009 ("Petitioner's Case Brief") at 7.

<sup>55</sup> CPZ cites to *Allied Pacific Food* (CIT 2006) at 15.

and fully supported by the record evidence. CPZ notes that the Department correctly recognized that the Indian data was inherently unreliable due to the wide variance in country-specific AUVs<sup>56</sup> and that this is supported by prior decisions.<sup>57</sup>

CPZ notes that it is the Department's practice to use price benchmarks from other countries contained list of potential surrogate countries to determine whether a particular SV in the selected surrogate country is aberrational or unreliable,<sup>58</sup> and cites to previously submitted import quantities and values from HTS subheadings for bearing-quality steel wire rod from other potential bearing-producing surrogates, *i.e.*, Thailand and Indonesia. According to CPZ, these data show that the AUV for the corresponding HTS subheading from the primary surrogate country, India, was 48 and 74 percent higher, than that of Thailand and Indonesia, respectively.<sup>59</sup> CPZ argues that these benchmarks support the continued rejection of an Indian SV for steel wire rod based on import data from Indian HTS subheading 7228.50.90. CPZ further notes that the Department has previously compared data from the HTS subheading in question to past historical data from the same subheading to determine whether import values are aberrational.<sup>60</sup> CPZ points out that the historical Indian import data from HTS subheading 7228.50.90 previously submitted on the record of the instant review<sup>61</sup> show that the AUV for this same HTS category was 87.48 percent greater in the prior segment of the proceeding. CPZ asserts that such a variance in the AUV demonstrates that the mix of products contained in the basket category can shift from year-to-year and that these shifts in the AUV, by themselves, call into question the reliability of the import data for use as a SV. CPZ then summarizes its arguments against the reliability of Indian HTS 7228.50.90, stating that it fails all three tests used by the Department, in that: (1) there are large variances in country-specific AUVs; (2) there is a large discrepancy between the Indian AUV and the AUVs of other potential surrogates; and (3) the Indian AUV for the same HTS subcategory varies widely from year-to-year.

CPZ argues that a single affidavit provided by an employee of Petitioner does not provide substantial record evidence to for the Department to determine that Thai import data from HTS subheading 7228.50.10 is more appropriate to value steel wire rod than Thai import data from

---

<sup>56</sup> CPZ cites to Preliminary SV Memo at 5.

<sup>57</sup> CPZ cites to *LWTP/PRC* (October 2, 2008) at Comment 10, which states, "the Department has disregarded import data where record evidence demonstrates that per-unit values are aberrational with respect to the product at issue or the time period in question. The Department determines whether data are aberrational on a case-by-case basis after considering the totality of the circumstances."

<sup>58</sup> CPZ cites to *Id.* at Comment 10.

<sup>59</sup> CPZ cites to CPZ's Preliminary Results Comments at 11. CPZ notes that they have placed an additional wire rod benchmark on the record, for U.S. imports of bearing-quality steel wire rod (*see Id.*), which is 45 percent lower than the corresponding Indian value. CPZ argues that this too is an appropriate benchmark, citing to, *e.g.*, *TRBs/PRC* 12/18/03 at 70488, where the Department reviewed Indian prices and compared them to U.S. prices to determine their reasonability, and subsequently looked for an appropriate SV in the data for Indonesian imports and Japanese exports to India.

<sup>60</sup> CPZ cites to *LWTP/PRC* (October 2, 2008) and accompanying IDM at Comment 10.

<sup>61</sup> CPZ cites to CPZ's Preliminary Results Comments at 10.

HTS subheading 7228.50.90. CPZ states that Petitioner's employees can only speak to the production processes of Petitioner, and that the affidavit offers no direct knowledge of CPZ's production operations. CPZ states that, because section 773(c)(1) of the Act requires the Department to value the respondent's production inputs, and the affidavit does not speak to respondent's production process, it must be discounted. Based on the aforementioned arguments, CPZ concludes that the Department should continue to use Thai import data from HTS subheading 7228.50.90 to value its wire rod inputs for the final results.

**Department' Position:** We agree with CPZ. Although Petitioner is correct that it is the Department's practice to stay within the primary surrogate country to value all costs of production where the surrogate value data warrants, the Department carefully considers the evidence in light of the particular facts of each industry and evaluates surrogate value data on a case-by-case basis.<sup>62</sup> In the *Preliminary Results*, the Department determined that Indian import data under HTS subcategory 7228.50.90 demonstrated wide variations in the AUVs between the individual countries listed as exporters in the data, and therefore we determined not to rely on Indian import data to value steel wire rod. Under similar analysis, and pursuant to Section 773(c)(1), WTA Thai import information (the only other potential surrogate country with significant production of comparable merchandise) previously submitted to the record under HTS subcategory 7228.50.900, did not exhibit the wide level of AUV variance between individual countries and represented the best available information for purposes of valuing the wire rod input. Furthermore, as established in the *Preliminary Results*, the WTA Thai import data under HTS subheading 7228.50.900 are publicly available, broad market averages, contemporaneous with the POR, tax-exclusive, representative of significant quantities of imports, and of a 9-digit basket category most specific to the input in question of the information submitted to the record; thus satisfying all elements of the Department's SV test. For these reasons, we find that the Thai WTA import data for HTS subheading 7228.50.900 represent the best available information for purposes of valuing the wire rod input for the final results.

We do not agree with Petitioner's argument that the fact that the vast majority of Thai imports under the HTS subheading in question come from one country (Japan) necessarily calls into question the reliability of the Thai dataset. As noted in the Department's Position to Comment 3 above, when a party claims that a particular surrogate is not appropriate to value the FOP in question, the Department has determined that the burden is on that party to prove the inadequacy of said SV or, alternatively, to show that another value is preferable based on substantial record evidence. In this case, we agree with CPZ's rebuttal assessment as summarized above, and find Petitioner's arguments that 1) the Japanese imports to Thailand do not reflect broad market averages, 2) the Indian import value fluctuations are reflective of broad market averages, 3) the heavy concentration of Japanese imports caused the Thai statistics to be distorted by a regional market disruption, to be based on supposition without any supporting evidence. In addition, though Petitioner demonstrates that there are differences between the Thai import data and Japanese export data, we agree with CPZ that the Department does not consider the existence of these differences alone to be evidence that the Thai import data are flawed. Specifically, we do not agree that, simply because a majority of the entries are from Japan, the data is not representative of broad-market averages. In addition, Petitioner has not presented any evidence

---

<sup>62</sup> See *Mushrooms/PRC* (July 17, 2006) at Comment 1.

that a “market disruption” occurred which rendered Japanese entry values distortive. As discussed above, we rejected Indian import data because of the wide fluctuations in AUVs. Therefore the Indian import data do not constitute the best available information on the record.

With regard to the benchmarking issues raised by CPZ, we agree that both Thai import data under HTS subheading 7228.50.900 used to value wire rod in the *Preliminary Results* and historical data from the same subheading (*i.e.* Indian imports under 7228.50.90) would be appropriate benchmark prices from which to assess the suitability of the Indian WTA data based on the Department’s current practices. However, as in the prior segment of this review and referenced in Comment 2, above, we do not agree with CPZ’s assertion that less-specific 6-digit Indonesian data provides an appropriate benchmark price.<sup>63</sup> Regardless, we do not find benchmarking to be appropriate here. In the *Preliminary Results*, the Department determined that the SV data from the primary surrogate country was inappropriate to value wire rod based on an analysis of import country-specific AUVs. Petitioner has not put forth a colorable claim, based on record evidence, that the Thai import data are inappropriate. Because the Department finds that Petitioner has failed to meet this burden, we do not believe that a comparative analysis of benchmark prices is necessary to support the continued rejection of the Indian SV.

Furthermore, we agree with CPZ that a single affidavit provided by an employee of Petitioner with no direct knowledge of CPZ’s production inputs does not provide a sufficient basis to call into question whether the respondent has appropriately reported its inputs to production, thus causing the Department to question the viability of a surrogate value otherwise supported by available record evidence.

Based on the above analysis, we determine that the Petitioner has not presented compelling record evidence to call into question the Department’s use of the Thai WTA data used to value wire rod for the preliminary results and continue to find the Indian import data for HTS subcategory 7228.50.90 to be unreliable. Furthermore, we determine that there is no record evidence to support Petitioner’s claim that Thai import data from HTS subheading 7228.50.10 are more appropriate to value wire rod than Thai import data from HTS subheading 7228.50.90. Accordingly, we continue to find the Thai WTA data under HTS subcategory 7228.50.90 to be the most appropriate surrogate value for CPZ’s wire rod input and have continued to value it using these data for the final results.

#### **Comment 4: Surrogate Value for Tube Steel**

In the *Preliminary Results* the Department valued tube steel inputs based on WTA data from the Indian HTS 7228.30.29. This is the same value we used for steel bar.

For the final results, CPZ requests that the Department value steel tube inputs using Indian HTS 7304.59.10 (Tubes, pipes and hollow profiles, seamless, of iron (other than cast iron) or steel; Other; Up to 114.3 mm in diameter) at Rs 83.17/kg for the eight models that were produced out

---

<sup>63</sup> See *LWTP/PRC* (October 2, 2008) and accompanying IDM at Comment 10, where the Department affirms: a) a preference for using price benchmarks from other potential surrogate countries, where available; b) the appropriateness of using data from the same HTS category for the same country over multiple years to determine if the current data appear aberrational with respect to historical values; and c) that less-specific HTS categories from other potential surrogates countries do not constitute appropriate benchmarks.

of steel tube during the POR.<sup>64</sup> CPZ argues that this HTS category provides a more appropriate surrogate value since the record shows that the diameters of all bearings produced from steel tube do not exceed 114.3 mm.<sup>65</sup>

Petitioner did not comment on this issue.

**Department's Position:** Pursuant to Section 773(c)(1), we determine that WTA Indian import data for HTS subheading 7304.59.10 constitutes the best available information on the record with which to value tube steel. Consistent with our practice and as discussed above, we find that the WTA Indian import data are publicly available, broad-market averages, contemporaneous with the POR, tax-exclusive, representative of significant quantities of imports, and from the primary surrogate country. We also find that the data under this category is specific to the input because are more specific to the tube steel used by CPZ than the surrogate value used in the *Preliminary Results*. As such, we agree with CPZ that these data represent the best available information on the record of this AR from which to value steel tube for the reasons discussed by CPZ, and have valued steel tube inputs using WTA data for Indian imports under HTS subheading 7304.59.10 for the final results.

**Comment 5: Calculation of Tube and Bar Steel FOPs for Certain Models**

CPZ argues that the Department inadvertently double-counted the reported steel tube and bar FOPs for several models. CPZ shows that, for the models of subject merchandise that used tube steel in addition to bar steel, the weighted-average usage for each input was provided.<sup>66</sup> However, CPZ notes, the Department added the factors for bar and tube instead of applying the consumption percentages to the reported FOP for the purposes of the *Preliminary Results*.

Petitioner did not comment on this issue.

**Department's Position:** We agree with CPZ. For the final results, we have corrected the direct material calculation for bar and tube steel in our margin calculation. Specifically, in our SAS margin program normal value section, we applied the weighted-average percent usage for these FOPs to the reported consumption of these FOPs, where applicable. See CPZ's Final Analysis Memo.

**Comment 6: Assessment Rate Calculation**

CPZ argues that the Department should change its assessment rate calculation for the final results because the assessment rate calculated in the *Preliminary Results* will result in an over-collection of antidumping duties for its affiliated U.S. importer, Peer. CPZ argues that the Department should change the assessment rate calculation by distributing the calculated amount of PUDD<sup>67</sup>

---

<sup>64</sup> CPZ cites to CPZ's SV Submission at Exhibit 8, where SV information for steel tube was submitted onto the record.

<sup>65</sup> CPZ cites to the June 15, 2009 CQR database entitled "PEERUS04," to show both the inner and outer diameters of all steel tube models to range between 19.05 mm and 59.94 mm.

<sup>66</sup> CPZ cites to Letter from CPZ entitled, "Supplemental Section D Questionnaire Response of Peer Bearing Company – Changshan; Tapered Roller Bearings from the People's Republic of China," dated April 02, 2009 ("CPZ's Supplemental Section D Questionnaire Response") at Exhibit SD-2.

<sup>67</sup> PUDD is the dollar amount of antidumping duties determined by the dumping margin calculation program for all sales included within that calculation.

over the actual entered value of the entries made in this POR, rather than distributing the PUDD over the entered value of the sales, in accordance with the Department's normal practice. CPZ argues that the Department should use Peer's entered values for merchandise entered during the POR as the denominator in Peer's assessment calculation and not the examined sales' entered values. CPZ argues that the following circumstances in this specific case differ from situations where the Department has determined not to adopt an alternative assessment rate calculation, because in this case:

- a. all of CPZ's sales in this POR correspond to entries in this POR;
- b. CPZ's entered values for the POR are on the record;
- c. during the 2008-2009 POR CPZ was acquired by the SKF Group and CPZ stopped making any entries or sales of subject merchandise as of the acquisition date; and
- d. there are both sales and entries in the 2008-2009 POR and an administrative review for this POR was already requested for CPZ.

CPZ asserts that the statute does not impose any particular method for the calculation of the assessment rate, as long as the numerator is based on the dumping margin of the sales reviewed or PUDD. While CPZ notes that the CIT and the Court of Appeals for the Federal Circuit have affirmed the Department's calculation of assessment rate based on its normal methodology, as set forth in 19 CFR 351.212(b)(1), CPZ points out that the Courts have recognized that this methodology is only an approximation. *See Koyo Seiko (CIT 2001)* at 1343. CPZ also contends that in certain instances the Department has made an exception to its normal assessment rate calculation methodology (*e.g.* per-unit assessment rates, weighted-average assessment rates for non-reviewed companies, *etc.*) CPZ cites to the following determinations in support of its argument: *SSSS in Coils/Mexico* (February 12, 2002) at Comment 15, *AFBs/Various Countries* (December 17, 1996) at Comment 2.

CPZ also argues that in *Softwood Lumber/Canada* (December 12, 2005), the Department amended its assessment rate calculation for certain companies in order to avoid over-collection of duties. In its rebuttal, Petitioner asserts that the Department correctly calculated CPZ's assessment rates in the *Preliminary Results*.

Petitioner asserts that the Department's current methodology would not result in the over-collection of duties. See Petitioner's Rebuttal Brief at 5-6. The calculation is based on the measured selling practices of actual sales made in the same period of review, which is consistent with the Department's regulation and practice, citing 19 CFR 351.212(b)(1) and *Shrimp/Thailand* (September 12, 2007) at Comment 18. Petitioner notes that the Department's practice has been affirmed by the CIT and the Court of Appeals for the Federal Circuit. *FAG (CIT 1995)* at 1178, 1179, and 1181, *Shrimp (CIT 2009)* at 1375. Petitioner argues that for the final results, the Department should continue to use the entered value for CPZ sales that were reviewed in this POR as the denominator in its assessment rate calculation. Petitioner also cites to the preamble to the Department's regulations in support. *AD/CVD (Final Rule May 19, 1997)* at 62 FR 27314, *AD/CVD (Rulemaking February 22, 1996)* at 7317.

**Department's Position:** We agree with Petitioner. For the final results, the Department will continue to follow its established policy of basing the respondent's assessment rate on the ratio of total PUDD calculated for the reviewed sales to the entered value of those same transactions.

While the Act does not specify how the Department must calculate assessment rates, section 351.212(b)(1) of our regulations establishes that the Department “normally will calculate the assessment rate {for each importer} by dividing the dumping margin found on subject merchandise examined by the entered value of such merchandise for normal customs duty purposes.” The Department explains this practice in the preamble to the Department’s regulations, by stating that the fact that the amount of duties assessed may differ depending on the method used is not necessarily grounds to conclude that the assessment rate method is distortive, because neither the Act nor the AD Agreement specifies whether sales or entries are to be reviewed.<sup>68</sup> Moreover, as the CIT has recognized in upholding the Department’s assessment rate method, a review of sales, rather than entries, is more accurate than the method of using entered values of entries.<sup>69</sup>

CPZ’s method assumes that the rate of dumping found in the entered value of sales examined during the POR is not representative of the amount of dumping of POR-entered value of entries. While the Department is aware that the entered value of sales examined during the POR is not necessarily equal to the entered value of entries during the POR, use of the entered value of sales examined during the POR as the basis of the assessment rate calculation permits the Department to collect a reasonable approximation of the antidumping duties which would have been determined if the Department had reviewed those sales of merchandise actually entered during the POR. The methodology Peer proposes could also complicate assessment in the subsequent review of this case. While Peer contends that the POR-entered values are already on the record, the Department has not examined all of the sales for those entries as some of these sales occur in the next POR. Moreover, there is no conclusive evidence on the record of this review to show that all of Peer’s sales that occurred during the POR were entered during the POR. In *FAG (CIT 1995)* the Court’s upheld the Department’s assessment methodology as reasonable “in spite of the fact that Commerce was aware of FAG’s data on the record pertaining to total sales and actual entered values.” *See FAG (CIT 1995)* at 1181. Additionally, there is no information on the record to indicate that all of Peer’s POR entries will be sold by Peer in the subsequent review. Thus, calculating assessment rates by dividing total dumping duties by the total value of POR entries would complicate continuity from one review period to another. Therefore, because the current methodology is a reasonable approximation, we see no reason to deviate from the Department’s established policy of basing assessment on the ratio of total antidumping duties due (PUDD) to the entered value of the entries examined.

Regarding SKF Group’s acquisition of CPZ and Peer in a subsequent segment of this proceeding (*i.e.*, 2008-2009 POR), SKF’s successor in interest status will be determined in that segment of the proceeding, not this segment. Further, because this event has no bearing on the circumstances in this segment of the proceeding, it is not an issue for this administrative review.

Regarding *Softwood Lumber from Canada*, we disagree with CPZ’s assertion that the rationale used by the Department in *Softwood Lumber from Canada* for correcting a certain company’s assessment rate, is applicable in this case. In that case, the issue was the proper application of the weighted-average assessment rate not whether entered values for entries during the POR significantly differed from the entered values on which the PUDD was calculated. Specifically,

---

<sup>68</sup> *See AD/CVD (Final Rule May 19, 1997)*, citing *Torrington (CIT 1995)*.

<sup>69</sup> *See FAG (CIT 1995)*.

in *Softwood Lumber from Canada*, we determined that there would be a significant over-collection of dumping duties for a certain company that had not been individually examined, if the weighted-average assessment rate, which was net of export CVD rates, was applied to its entered values, because, that company was excluded from *Softwood Lumber from Canada's* companion CVD order. Those circumstances are not present here. Therefore, we have determined to calculate assessment rates by dividing the PUDD by the entered value of sales during the POR.

**RECOMMENDATION:**

Based on our analysis of the comments received, we recommend adopting all of the above positions. If accepted, we will publish the final results of this review and the final weighted-average dumping margins in the *Federal Register*.

AGREE\_\_\_\_\_

DISAGREE\_\_\_\_\_

\_\_\_\_\_  
Ronald K. Lorentzen  
Deputy Assistant Secretary  
for Import Administration

\_\_\_\_\_  
Date

## Attachment I

<b><i>Antidumping/Countervailing Duty Proceeding Federal Register Cite Table</i></b> <i>All cites in this table are listed alphabetically by short cite</i>	
<b>Case Short Cite:</b>	<b>Case Full Cite:</b>
<ul style="list-style-type: none"> <li>• <i>AD/CVD (Final Rule May 19, 1997)</i></li> </ul>	<p><i>19 CFR Parts 351, 353, and 355 [Docket No. 950306068-6361-04] RIN 0625-AA45</i> <i>Antidumping Duties; Countervailing Duties, 62 FR 27296 (May 19, 1997)</i></p>
<ul style="list-style-type: none"> <li>• <i>AD/CVD (Rulemaking February 22, 1996)</i></li> </ul>	<p><i>19 CFR Parts 351, 353, and 355 [Docket No. 951122274-5274-01] RIN 0625-AA45</i> <i>Antidumping Duties; Countervailing Duties, 61 FR 7308 (February 22, 1996)</i></p>
<ul style="list-style-type: none"> <li>• <i>AFBs/Various Countries (December 17, 1996)</i></li> </ul>	<p><i>Antifriction Bearings (Other Than Tapered Roller Bearings) and Parts Thereof From France, Germany, Italy, Japan, Singapore, Sweden, and the United Kingdom; Final Results of Antidumping Duty Administrative Reviews and Partial Termination of Administrative Reviews, 61 FR 66472 (December 17, 1996)</i></p>
<ul style="list-style-type: none"> <li>• <i>Antidumping Methodologies 10/19/06</i></li> </ul>	<p><i>Antidumping Methodologies: Market Economy Inputs, Expected Non-Market Economy Wages, Duty Drawback; and Request for Comments, 71 FR 61716 (October 19, 2006)</i></p>
<ul style="list-style-type: none"> <li>• <i>Brake Rotors/PRC (August 2, 2007)</i></li> </ul>	<p><i>Brake Rotors from the People's Republic of China: Final Results of Antidumping Duty Administrative and New Shipper Reviews and Partial Rescission of the 2005-2006 Administrative Review, 72 FR 42386 (August 2, 2007)</i></p>
<ul style="list-style-type: none"> <li>• <i>Carrier Bags/PRC (March 17, 2008)</i></li> </ul>	<p><i>Polyethylene Retail Carrier Bags from the People's Republic of China: Final Results of Antidumping Duty Administrative Review and Partial Rescission of Review, 73 FR 14216 (March 17, 2008)</i></p>

<b><i>Antidumping/Countervailing Duty Proceeding Federal Register Cite Table</i></b> <b><i>All cites in this table are listed alphabetically by short cite</i></b>	
<b>Case Short Cite:</b>	<b>Case Full Cite:</b>
<ul style="list-style-type: none"> <li>• <i>Chlorinated Isos/PRC (May 10, 2005)</i></li> </ul>	<i>Notice of Final Determination of Sales at Less Than Fair Value: Chlorinated Isocyanurates From the People's Republic of China, 70 FR 24502 (May 10, 2005)</i>
<ul style="list-style-type: none"> <li>• <i>Cold-Rolled Flat-Rolled Steel/Taiwan (May 31, 2000)</i></li> </ul>	<i>Notice of Final Determination of Sales at Less Than Fair Value: Certain Cold-Rolled Flat-Rolled Carbon-Quality Steel Products From Taiwan, 65 FR 34658 (May 31, 2000)</i>
<ul style="list-style-type: none"> <li>• <i>Cold-Rolled Carbon Steel/Argentina (July 9, 1993)</i></li> </ul>	<i>Certain Cold-Rolled Carbon Steel Flat Products from Argentina, 58 FR 37062, 37065 (July 9, 1993)</i>
<ul style="list-style-type: none"> <li>• <i>CTL Plate/Romania (March 15, 2005)</i></li> </ul>	<i>Certain Cut-To-Length Carbon Steel Plate from Romania: Notice of Final Results and Final Partial Rescission of Antidumping Duty Administrative Review, 70 FR 12651 (March 15, 2005)</i>
<ul style="list-style-type: none"> <li>• <i>Diamond Sawblades/Korea (May 22, 2006)</i></li> </ul>	<i>Notice of Final Determination of Sales at Less Than Fair Value and Final Determination of Critical Circumstances: Diamond Sawblades and Parts Thereof from the Republic of Korea, 71 FR 29310 (May 22, 2006),</i>
<ul style="list-style-type: none"> <li>• <i>EPROMs/Japan (October 30, 1986)</i></li> </ul>	<i>Erasable Programmable Read Only Memories (EPROMs) From Japan; Final Determination of Sales at Less Than Fair Value, 51 FR 39680 (October 30, 1986)</i>
<ul style="list-style-type: none"> <li>• <i>Hangers/PRC (August 14, 2008)</i></li> </ul>	<i>Steel Wire Garment Hangers from the People's Republic of China: Final Determination of Sales at Less Than Fair Value, 73 FR 47587 (August 14, 2008)</i>
<ul style="list-style-type: none"> <li>• <i>Honey/PRC (July 6, 2005)</i></li> </ul>	<i>Honey from the People's Republic of China: Final Results and Final Rescission, In Part, of Antidumping Duty Administrative Review, 70 FR 38873 (July 6, 2005)</i>

<b><i>Antidumping/Countervailing Duty Proceeding Federal Register Cite Table</i></b> <b><i>All cites in this table are listed alphabetically by short cite</i></b>	
<b>Case Short Cite:</b>	<b>Case Full Cite:</b>
<ul style="list-style-type: none"> <li>• <i>Honey/PRC (June 16, 2006)</i></li> </ul>	<i>Honey from the People’s Republic of China: Final Results and Final Rescission, In Part, of Antidumping Duty Administrative Review, 71 FR 34893 (June 16, 2006)</i>
<ul style="list-style-type: none"> <li>• <i>Honey/PRC (October 4, 2006)</i></li> </ul>	<i>Honey from the People’s Republic of China: Rescission and Final Results of Antidumping Duty New Shipper Reviews, 71 FR 58579 (October 4, 2006)</i>
<ul style="list-style-type: none"> <li>• <i>Laminated Woven Sacks/PRC (June 24, 2008)</i></li> </ul>	<i>Laminated Woven Sacks from the People’s Republic of China: Final Determination of Sales at Less Than Fair Value and Partial Affirmative Determination of Critical Circumstances, 73 FR 35646 (June 24, 2008)</i>
<ul style="list-style-type: none"> <li>• <i>LWTP/PRC (October 2, 2008)</i></li> </ul>	<i>Lightweight Thermal Paper From the People’s Republic of China: Final Determination of Sales at Less Than Fair Value, 73 FR 57329 (October 2, 2008) (“LWTP/PRC”)</i>
<ul style="list-style-type: none"> <li>• <i>LWTP/PRC 06/24/08 (preliminary determination)</i></li> </ul>	<i>Lightweight Thermal Paper From the People’s Republic of China: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination, 73 FR 27504 (June 24, 2008)</i>
<ul style="list-style-type: none"> <li>• <i>Mushrooms/PRC (July 17, 2006)</i></li> </ul>	<i>Certain Preserved Mushrooms from the People’s Republic of China: Final Results and Final Rescission of the Sixth Administrative Review, 71 FR 40477 (July 17, 2006)</i>
<ul style="list-style-type: none"> <li>• <i>Preliminary Results</i></li> </ul>	<i>Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People’s Republic of China: Preliminary Results of the 2007-2008 Administrative Review of the Antidumping Duty Order, 74 FR 32539 (July 8, 2009)</i>
<ul style="list-style-type: none"> <li>• <i>Shrimp/Thailand (September 12, 2007)</i></li> </ul>	<i>Certain Frozen Warmwater Shrimp from Thailand: Final Results and Final Partial Rescission of Antidumping Duty Administrative Review, 72 FR 52065 (September 12, 2007)</i>

<b><i>Antidumping/Countervailing Duty Proceeding Federal Register Cite Table</i></b> <b><i>All cites in this table are listed alphabetically by short cite</i></b>	
<b>Case Short Cite:</b>	<b>Case Full Cite:</b>
<ul style="list-style-type: none"> <li>• <i>Silicomanganese/PRC (11/08/99) (preliminary results)</i></li> </ul>	<p><i>Silicomanganese from the People’s Republic of China: Preliminary Results of Antidumping Duty Administrative Review, 64 FR 60784 (November 08, 1999)</i></p>
<ul style="list-style-type: none"> <li>• <i>Silicon Metal/PRC 10/16/07 at 58641</i></li> <li style="padding-left: 20px;"><i>Or</i></li> <li>• <i>Silicon Metal/PRC (October 16, 2007)</i></li> </ul>	<p><i>Silicon Metal from the People’s Republic of China: Notice of Final Results of 2005/2006 New Shipper Reviews, 72 FR 58641 (October 16, 2007)</i></p>
<ul style="list-style-type: none"> <li>• <i>Softwood Lumber/Canada (December 12, 2005)</i></li> </ul>	<p><i>Notice of Final Results of Antidumping Duty Administrative Review: Certain Softwood Lumber Products From Canada, 70 FR 73437 (December 12, 2005)</i></p>
<ul style="list-style-type: none"> <li>• <i>SSSS in Coils/Mexico (February 12, 2002)</i></li> </ul>	<p><i>Stainless Steel Sheet and Strip in Coils from Mexico; Final Results of Antidumping Duty Administrative Review, 67 FR 6490 (February 12, 2002)</i></p>
<ul style="list-style-type: none"> <li>• <i>Steel Plate in Coils/Belgium (December 14, 2004)</i></li> </ul>	<p><i>Stainless Steel Plate in Coils from Belgium: Final Results of Antidumping Duty Administrative Review, 69 FR 74495 (December 14, 2004)</i></p>
<ul style="list-style-type: none"> <li>• <i>Tires/PRC (July 15, 2008)</i></li> </ul>	<p><i>Certain New Pneumatic Off-The-Road Tires from the People’s Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value and Partial Affirmative Determination of Critical Circumstances, 73 FR 40485 (July 15, 2008)</i></p>
<ul style="list-style-type: none"> <li>• <i>TRBs/PRC (December 13, 1996)</i></li> </ul>	<p><i>Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People’s Republic of China; Final Results of Antidumping Duty Administrative Reviews, 61 FR 65527 (December 13, 1996)</i></p>

<i>Antidumping/Countervailing Duty Proceeding Federal Register Cite Table</i> <i>All cites in this table are listed alphabetically by short cite</i>	
<b>Case Short Cite:</b>	<b>Case Full Cite:</b>
<ul style="list-style-type: none"> <li>• <i>TRBs/PRC (November 17, 1998)</i></li> </ul>	<p><i>Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From the People's Republic of China: Final Results of 1996-1997 Administrative Review and New Shipper Review and Determination Not To Revoke Order in Part, 63 FR 63842 (November 17, 1998)</i></p>
<ul style="list-style-type: none"> <li>• <i>TRBs/PRC (December 18, 2003)</i></li> </ul>	<p><i>Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China: Final Results of 2001-2002 Administrative Review and Partial Rescission of Review, 68 FR 70488</i></p>
<ul style="list-style-type: none"> <li>• <i>TRBs/PRC (January 22, 2009)</i></li> </ul>	<p><i>Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From the People's Republic of China: Final Results of Antidumping Duty Administrative Review, 74 FR 3987 (January 22, 2009)</i></p>
<ul style="list-style-type: none"> <li>• <i>TRBs/PRC (October 15, 2009)</i></li> </ul>	<p><i>Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China; Extension of Time Limit for the Final Results of the 2007–2008 Administrative Review of the Antidumping Duty Order, 74 FR 52948 (October 15, 2009).</i></p>
<ul style="list-style-type: none"> <li>• <i>TRBs/PRC (December 8, 2009)</i></li> </ul>	<p><i>Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China; Extension of Time Limit for the Final Results of the 2007–2008 Administrative Review of the Antidumping Duty Order, 74 FR 64663 (December 8, 2009)</i></p>
<ul style="list-style-type: none"> <li>• <i>TTR/France (March 8, 2004)</i></li> </ul>	<p><i>Notice of Final Determination of Sales at Less Than Fair Value: Wax and Wax/Resin Thermal Transfer Ribbons from France, 69 FR 10674 (March 8, 2004)</i></p>
<ul style="list-style-type: none"> <li>• <i>TTR/Korea (April 5, 2004)</i></li> </ul>	<p><i>Notice of Final Determination of Sales at Not Less Than Fair Value: Wax and Wax/Resin Thermal Transfer Ribbon from the Republic of Korea, 69 FR 17645 (April 5, 2004)</i></p>

*Antidumping/Countervailing Duty Proceeding Federal Register Cite Table*  
*All cites in this table are listed alphabetically by short cite*

<b>Case Short Cite:</b>	<b>Case Full Cite:</b>
<ul style="list-style-type: none"><li data-bbox="191 344 610 380">• <i>WBF/PRC (August 20, 2008)</i></li></ul>	<i>Wooden Bedroom Furniture from the People's Republic of China: Final Results of Antidumping Duty Administrative Review and New Shipper Review, 73 FR 49162 (August 20, 2008)</i>

## Attachment II

<i>Short Cite Table For Litigation</i> <i>All cites in this table are listed alphabetically by short cite</i>	
<b>Litigation: Short Cite</b>	<b>Litigation: Full Cite</b>
• <i>Allied Pacific Food (CIT 2006)</i>	<i>Allied Pacific Food, et al v. United States, 587 F. Supp. 2d 1330 (CIT 2008)</i>
• <i>Duferco (CIT 2002)</i>	<i>Duferco Steel, Inc., v. United States, 296 F.3d 1087(CIT 2002)</i>
• <i>Dupont (CIT 1998)</i>	<i>E.I. DuPont De Nemours &amp; Company. v. United States, 8 F. Supp. 2d 854 (CIT 1998).</i>
• <i>FAG (CIT 1995)</i>	<i>FAG Kugelfischer Georg Schafer KgaA v. United States, 19 C.I.T 1177 (CIT 1995), affirmed 86 F. Supp. 3d 1179 (CIT 1996)</i>
• <i>Koyo Seiko (CIT 1997)</i>	<i>Koyo Seiko Co., Ltd. v. United States, 955 F.Supp. 1532 (CIT 1997)</i>
• <i>Koyo Seiko (CIT 2001)</i>	<i>Koyo Seiko v. United States, 258 F. 3d 1340, 1343 (CIT 2001)</i>
• <i>Shrimp (CIT 2009)</i>	<i>Ad Hoc Shrimp Trade Action Committee v. United States, 637 F. Supp.2d 1166 (CIT 2009)</i>
• <i>Smith Corona (CIT 1993)</i>	<i>Smith Corona Corp. v. United States, 811 F. Supp. 692, 695 (CIT 1993)</i>
• <i>Torrington (CIT 1995)</i>	<i>Torrington Co. v. United States, 44 F.3d 1572, 1578 (CIT 1995)</i>
• <i>Wheatland Tube (CIT 1998)</i>	<i>Wheatland Tube Co., v. United States, 161 F.3d 1365, 1370 (CIT 1998)</i>
• <i>Wirth (CIT 1998)</i>	<i>Wirth Ltd. v. United States, 5 F.Supp.2d 968 (CIT 1998)</i>

**Attachment III**

<i>Short Cite Table For Memorandum/Reports</i> <i>All cites in this table are listed alphabetically by short cite</i>	
<b>Memorandum: Short Cite</b>	<b>Memorandum: Full Cite</b>
<ul style="list-style-type: none"> <li>• Magnesium Scope Inquiry (Memo November 9, 2006)</li> </ul>	<p>To Stephen J. Claeys, Deputy Assistant Secretary for Import Administration, from Barbara Tillman and Wendy Frankel, Directors Office 6 and Office 8, respectively, for AD/CVD Operations, regarding, Pure Magnesium from the People’s Republic of China (A-570-832), Magnesium Metal from the People’s Republic of China (A-570-896), and Magnesium Metal from Russia (A-821-819): Final Ruling in the Scope Inquiry on Russian and Chinese Magnesium Processed in Canada, dated (November 9, 2006)</p>
<ul style="list-style-type: none"> <li>• Tin Mill Products/Japan (Memo August 20, 2004)</li> </ul>	<p>Memorandum to Jeffrey May, Deputy Assistant Secretary for Import Administration, from Richard Weible, Director AD/CVD Office 7, regarding Final Ruling in the Antidumping Duty Order on Tin Mill Products from Japan (A-588-854); Request of Metal One America Inc. (August 20, 2004)</p>
<ul style="list-style-type: none"> <li>• ITC Publication 3876/Bearings (August 2006)</li> </ul>	<p><i>Certain Bearings from China, France, Germany, Italy, Japan, Singapore and the United Kingdom, Inv. Nos. 731-TA-344, 391-A and C, 393-A, 394-A, 396, and 399-A (Second Review) Publication 3876 (August 2006)</i></p>
<ul style="list-style-type: none"> <li>• TRBs Country of Origin Memo (June 30, 2009)</li> </ul>	<p>Tapered Roller Bearings from the People’s Republic of China, Preliminary Country of Origin Decision for Tapered Roller Bearings Finished in a Third Country</p>
<ul style="list-style-type: none"> <li>• CPZ’s Case Brief</li> </ul>	<p>Letter from CPZ entitled, Case Brief of Peer Bearing Company – Changshan; Tapered Roller Bearings from the People’s Republic of China, dated August 12, 2009</p>

***Short Cite Table For Memorandum/Reports***  
***All cites in this table are listed alphabetically by short cite***

<b>Memorandum: Short Cite</b>	<b>Memorandum: Full Cite</b>
<ul style="list-style-type: none"> <li>• CPZ’s Final Analysis Memo</li> </ul>	<p>Department’s Memorandum regarding, 2007-2008 Administrative Review of the Antidumping Duty Order on Tapered Roller Bearings and Parts Thereof, Finished or Unfinished, from the People’s Republic of China: Analysis of the Final Results Margin Calculation for Peer Bearing Company – Changshan, dated concurrent with this memorandum</p>
<ul style="list-style-type: none"> <li>• CPZ’s SV Submission</li> </ul>	<p>Letter from CPZ entitled, Peer Bearing Company – Changshan Surrogate Value Submission; Tapered Roller Bearings from the People’s Republic of China, dated July 28, 2009</p>
<ul style="list-style-type: none"> <li>• CPZ’s Rebuttal SV Submission</li> </ul>	<p>Letter from CPZ entitled, Peer Bearing Company – Changshan Rebuttal Surrogate Value Submission; Tapered Roller Bearings from the People’s Republic of China, dated July 29, 2009</p>
<ul style="list-style-type: none"> <li>• Petitioner’s Preliminary Results Comments</li> </ul>	<p>Letter from Petitioner entitled, Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People’s Republic of China (2007-2008): The Timken Company’s Comments for the Preliminary Results of Administrative Review, dated June 9, 2009</p>
<ul style="list-style-type: none"> <li>• CPZ’s Preliminary Results Comments at Exhibit 1</li> </ul>	<p>Letter from CPZ entitled, Peer Bearing Company – Changshan Comments on Upcoming Preliminary Results; Tapered Roller Bearings from the People’s Republic of China, dated May 21, 2009.</p>
<ul style="list-style-type: none"> <li>• Petitioner’s Rebuttal Brief</li> </ul>	<p>Letter from Petitioner entitled, Tapered Roller Bearings from the People’s Republic of China: The Timken Company’s Rebuttal Brief, dated August 20, 2009</p>

***Short Cite Table For Memorandum/Reports***  
***All cites in this table are listed alphabetically by short cite***

<b>Memorandum: Short Cite</b>	<b>Memorandum: Full Cite</b>
<ul style="list-style-type: none"> <li>• FOP Memo</li> </ul>	<p>Department’s Memorandum regarding: Factors Valuations for the Final Results of the 2007-2008 Administrative Review of the Antidumping Duty Order on Tapered Roller Bearings and Parts Thereof, Finished or Unfinished, from the People’s Republic of China, dated concurrently with these final results</p>
<ul style="list-style-type: none"> <li>• Preliminary SV Memo</li> </ul>	<p>Department’s Memorandum regarding, Preliminary Results of the 2007-2008 Administrative Review of the Antidumping Duty Order on Tapered Roller Bearings and Parts Thereof, Finished or Unfinished, from the People’s Republic of China: Surrogate Value Memorandum, dated June 30, 2009.</p>
<ul style="list-style-type: none"> <li>• Petitioner’s Additional SV Submission</li> </ul>	<p>Letter from Petitioner entitled, Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People’s Republic of China (2007-2008): The Timken Company’s Additional Surrogate Value Information, dated July 28, 2009.</p>
<ul style="list-style-type: none"> <li>• Petitioner’s SV Rebuttal Comments</li> </ul>	<p>Letter from Petitioner entitled, Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from The People’s Republic of China (2007-2008): Surrogate Value Rebuttal Comments, dated August 7, 2009</p>
<ul style="list-style-type: none"> <li>• Petitioner’s Case Brief at 7.</li> </ul>	<p>Letter from Petitioner entitled, Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People’s Republic of China (2007-2008): The Timken Company’s Case Brief, dated August 11, 2009</p>
<ul style="list-style-type: none"> <li>• CPZ’s Supplemental Section D Questionnaire Response at Exhibit SD-2.</li> </ul>	<p>Letter from CPZ entitled, Supplemental Section D Questionnaire Response of Peer Bearing Company – Changshan; Tapered Roller Bearings from the People’s Republic of China, dated April 02, 2009</p>

**Attachment IV**

<i>Short Cite Table For U.S. Customs Rulings</i> <i>All cites in this table are listed alphabetically by short cite</i>	
<b>Short Cite</b>	<b>Full Cite</b>
<ul style="list-style-type: none"><li>• Customs May 19,1999 Ruling</li></ul>	U.S. Customs ruling number NY D82151 entitled, Tapered Roller Bearings Produced in Canada from Non-Originating Components (May 19, 1999)