

# GENERAL INFORMATION, INSTRUCTIONS, AND DEFINITIONS FOR COMMISSION PRODUCER, IMPORTER, AND PURCHASER QUESTIONNAIRES

Pure and Alloy Magnesium From Canada and Pure Magnesium From China Investigation Nos. 701-TA-309-A and B and 731-TA-696 (Second Review)

<u>Further information</u>.--If you have any questions concerning the enclosed questionnaire(s) or other matters related to these reviews, you may contact the following members of the Commission's staff (Fax 202-205-3205):

**Fred Fischer**, Investigator (202-205-3179; e-mail: fred.fischer@usitc.gov) regarding general questions and trade and related information;

**Charles Yost**, Auditor (202-205-3432; e-mail: charles.yost@usitc.gov) regarding financial information; and

**Robert Hughes**, Economist (202-205-3300; e-mail: robert.hughes@usitc.gov) regarding pricing, market, and related information.

#### **GENERAL INFORMATION**

#### Background:

**Pure and Alloy Magnesium from Canada**.–On August 31, 1992, the Department of Commerce (Commerce) issued countervailing duty orders on imports of pure and alloy magnesium from Canada (57 FR 39392). On July 1, 2005, the Commission instituted second five-year reviews pursuant to section 751(c) of the Tariff Act of 1930 (19 U.S.C. § 1675(c)) (the Act) to determine whether revocation of the orders would be likely to lead to continuation or recurrence of material injury to the domestic industry within a reasonably foreseeable time (70 FR 38199). If the Commission makes affirmative determinations, the orders will remain in place. If the Commission makes negative determinations, Commerce will revoke the orders.

**Pure Magnesium from China**.–On May 12, 1995, Commerce issued an antidumping duty order on imports of pure magnesium from China (60 FR 25691). On September 1, 2005, the Commission instituted a second five-year review pursuant to section 751(c) of the Tariff Act of 1930 (19 U.S.C. § 1675(c)) (the Act) to determine whether revocation of the order would be likely to lead to continuation or recurrence of material injury to the domestic industry within a reasonably foreseeable time (70 FR 52122). If the Commission makes an affirmative determination, the order will remain in place. If the Commission makes a negative determination, Commerce will revoke the order.

Additional questionnaires will be supplied promptly upon request, or photocopies of the enclosed questionnaire(s) may be used. Address all correspondence to the United States International Trade Commission, Washington, DC 20436. Hearing-impaired individuals can obtain information regarding this review via the Commission's TDD terminal (202-205-1810).

<u>Due date of questionnaire(s)</u>.--Return the completed questionnaire(s) to the United States International Trade Commission by no later than **March 1, 2006**. Although the enclosed postpaid envelope may be used to return the completed questionnaire, use of an overnight mail service may be necessary to ensure that your response actually reaches the Commission by **March 1, 2006**. If you do not use the enclosed envelope, please make sure the completed questionnaire is sent to the attention of **Fred Fischer**. **Return** <u>only one</u> copy of the completed questionnaire(s), but please keep a copy for your records so that you can refer to it if the Commission staff contacts you with any questions during the course of the review.

*Service of questionnaire response(s)*.-In the event that your firm is a party to these reviews, you are required to serve a copy of the questionnaire(s), once completed, on parties to the proceeding that are subject to administrative protective order (see 19 CFR § 207.7). A list of such parties is maintained by the Commission's Secretary and may be obtained by calling 202-205-1803. A certificate of service must accompany the copy of the completed questionnaire(s) you submit (see 19 CFR § 207.7).

#### **GENERAL INFORMATION**--Continued

<u>Confidentiality</u>.-The commercial and financial data furnished in response to the enclosed questionnaire(s) that reveal the individual operations of your firm will be treated as confidential by the Commission to the extent that such data are not otherwise available to the public and will not be disclosed except as may be required by law (see 19 U.S.C. § 1677f). Such confidential information will not be published in a manner that will reveal the individual operations of your firm; however, nonnumerical characterizations of numerical business proprietary information (such as discussion of trends) will be treated as confidential business information only at the request of the submitter for good cause shown.

# *Verification*.--The information submitted in the enclosed questionnaire(s) is subject to audit and verification by the Commission. To facilitate possible verification of data, please keep all your workpapers and supporting documents used in the preparation of the questionnaire response(s).

**<u>Release of information</u>**.-The information provided by your firm in response to the questionnaire(s), as well as any other business proprietary information submitted by your firm to the Commission in connection with the review, may become subject to, and released under, the administrative protective order provisions of the Tariff Act of 1930 (19 U.S.C. § 1677f) and section 207.7 of the Commission's Rules of Practice and Procedure (19 CFR § 207.7). This means that certain lawyers and other authorized individuals may temporarily be given access to the information for use in connection with these reviews or other import-injury investigations or reviews conducted by the Commission on the same or similar merchandise; those individuals would be subject to severe penalties if the information were divulged to unauthorized individuals.

## **INSTRUCTIONS**

<u>Answer all questions</u>.--Do not leave any question or section blank unless a questionnaire expressly directs you to skip over certain questions or sections. If the answer to any question is "none," write "none." If information is not readily available from your records in exactly the form requested, furnish carefully prepared estimates--designated as such by the letter "E"--and explain the basis of your estimates. Answers to questions and any necessary comments or explanations should be supplied in the space provided or on separate sheets attached to the appropriate page of the questionnaire(s). If your firm is completing more than one questionnaire in connection with these reviews (i.e., a producer, importer, purchaser, and/or foreign producer questionnaire), you need not respond to duplicated questions in the questionnaires.

<u>Consolidate all U.S. establishments</u>.--Report the requested data for your establishment(s) located in the United States. Firms operating more than one establishment should combine the data for all establishments into a single report.

#### **DEFINITIONS**

*Pure magnesium*.—Pure magnesium contains at least 99.8 percent magnesium by weight and is sold in various slab and ingot forms and sizes. The merchandise is currently classifiable under subheading 8104.11.00 of the Harmonized Tariff Schedule of the United States ("HTSUS").

**<u>Pure magnesium from Canada</u>**.—Pure magnesium from Canada contains at least 99.8 percent magnesium by weight and is sold in various slab and ingot forms and sizes. The merchandise is currently classifiable under subheading 8104.11.00 of the Harmonized Tariff Schedule of the United States ("HTSUS"). Secondary and granular magnesium are not included in the scope of the orders on pure magnesium from Canada.

*Pure magnesium from China*.—Pure magnesium from China is pure magnesium regardless of chemistry, form, or size, unless expressly excluded. It includes, but is not limited to, butt ends, stubs, crown, and crystals. It also includes product generally referred to as "off-specification pure" magnesium, as defined below. Not included in the definition of pure magnesium from China is alloy primary magnesium (that meets specifications for alloy magnesium), primary magnesium anodes, granular primary magnesium (including turnings, chips and powder), having a maximum physical dimension (i.e., length or diameter) of one inch or less, secondary magnesium (which has pure primary magnesium content of less than 50 percent by weight), and remelted magnesium whose pure primary magnesium content is less than 50 percent by weight. Magnesium products covered by the antidumping duty order on pure magnesium from China are currently classifiable under HTSUS subheadings 8104.11.00, 8104.19.00, 8104.20.00, 8104.90.00, 3824.90.11, 3824.90.19, and 9817.00.90.

**Off-specification pure magnesium**.–Product that contains 50 percent or greater, but less than 99.8 percent, primary magnesium by weight, and does not conform to ASTM specifications for alloy magnesium. Off-specification pure magnesium is pure primary magnesium containing magnesium scrap, secondary magnesium, oxidized magnesium, or impurities (whether or not intentionally added) that cause the primary magnesium content to fall below 99.8 percent by weight. Off-specification pure magnesium generally does not contain, individually or in combination, 1.5 percent or more, by weight, of the following alloying elements: aluminum, manganese, zinc, silicon, thorium, zirconium, and rare earths.

<u>Alloy magnesium</u>.—Unwrought magnesium containing less than 99.8 percent magnesium by weight but more than 50 percent magnesium by weight, other than off-specification pure magnesium. Alloy magnesium is currently classifiable under HTSUS subheading 8104.19.00.

<u>**Primary magnesium.</u></u>--Pure and alloy magnesium produced by decomposing raw materials into magnesium metal, and containing less than 50 percent of recycled magnesium-based scrap by weight.</u>** 

<u>Secondary magnesium</u>.-Alloy magnesium produced by recycling magnesium-based scrap, and containing less than 50 percent of primary magnesium by weight.

*Granules.*--All physical forms of magnesium other than ingots, such as raspings, turnings, and powders.

# **<u>DEFINITIONS</u>**–Continued

*Firm*.--An individual proprietorship, partnership, joint venture, association, corporation (including any subsidiary corporation), business trust, cooperative, trustee in bankruptcy, or receiver under decree of any court.

<u>**Related firm.</u></u>.--A firm that your firm solely or jointly owned, managed, or otherwise controlled; a firm that solely or jointly owned, managed, or otherwise controlled your firm; and/or a firm that was solely or jointly owned, managed, or otherwise controlled by a firm that also solely or jointly owned, managed, or otherwise controlled by a firm that also solely or jointly owned, managed, or otherwise controlled by a firm that also solely or jointly owned, managed, or otherwise controlled by a firm that also solely or jointly owned, managed, or otherwise controlled by a firm that also solely or jointly owned, managed, or otherwise controlled by a firm that also solely or jointly owned, managed, or otherwise controlled by a firm that also solely or jointly owned, managed, or otherwise controlled by a firm that also solely or jointly owned, managed, or otherwise controlled by a firm that also solely or jointly owned, managed, or otherwise controlled by a firm that also solely or jointly owned, managed, or otherwise controlled by a firm that also solely or jointly owned, managed, or otherwise controlled by a firm that also solely or jointly owned, managed, or otherwise controlled by a firm that also solely or jointly owned, managed, or otherwise controlled your firm.</u>** 

*Establishment*.--Each facility of a firm in the United States involved in the production, importation, and/or purchase of pure or alloy magnesium (as defined above), including auxiliary facilities operated in conjunction with (whether or not physically separate from) such facilities.

<u>United States</u>.--For purposes of these reviews, the 50 States, Puerto Rico, the U.S. Virgin Islands, and the District of Columbia.

*Importer*.--Any person or firm engaged, either directly or through a parent company or subsidiary, in importing pure or alloy magnesium (as defined above) into the United States from a foreign manufacturer or through its selling agent.

*Imports*.--Those products identified for Customs purposes as <u>imports for consumption</u> for which your firm was the importer of record (i.e., was responsible for paying any import duty) or consignee (i.e., to which the merchandise was first delivered).

Import quantities.--Quantities reported should be net of returns.

<u>Import values</u>.--Values reported should be landed, duty-paid but not including antidumping and/or countervailing duties, at the U.S. port of entry, including ocean freight and insurance costs, brokerage charges, and normal import duties (i.e., including all charges except inland freight in the United States and antidumping and/or countervailing duties).

**Purchaser**.--Any person or firm engaged, either directly or through a parent company or subsidiary, in purchasing pure or alloy magnesium (as defined above) from another firm that produces, imports, or otherwise distributes pure or alloy magnesium. A retail firm that is the importer of record may be considered a purchaser.

<u>*Purchases*</u>.--Purchases from all sources, NOT including direct imports from foreign producers (which should be reported in an importer questionnaire).

*Purchase quantities*.--Quantities reported should be net of returns.

<u>Purchase values</u>.--Values reported should be net values (i.e., gross purchase values less all discounts, allowances, rebates, and the value of returned goods), delivered to your U.S. receiving point.

# **<u>DEFINITIONS</u>**–Continued

*Shipments*.–Shipments of products produced in or imported by your U.S. establishment(s). Include shipments to the contracting firm of product produced by your firm under a toll agreement.

Shipment quantities.--Quantities reported should be net of returns.

<u>Shipment values</u>.--Values reported should be net values (i.e., gross sales values less all discounts, allowances, rebates, prepaid freight, and the value of returned goods), f.o.b. your U.S. point of shipment. The value of domestic shipments to the contracting firm under a toll agreement is the conversion fee (including profit).

#### Types of shipments:

<u>U.S. shipments</u>.--Commercial shipments, internal consumption, and transfers to related firms within the United States.

<u>Commercial shipments</u>.–Shipments, other than internal consumption and transfers to related firms, within the United States.

Internal consumption.--Product consumed internally by your firm.

Transfers to related firms.--Shipments made to related domestic firms.

*Export shipments*.--Shipments to destinations outside the United States, including shipments to related firms.

Inventories.--Finished goods inventory, not raw materials or work-in-progress.

## The following definitions apply only to the PRODUCER QUESTIONNAIRE.

<u>Average production capacity</u>.--The level of production that your establishment(s) could reasonably have expected to attain during the specified periods. Assume normal operating conditions (i.e., using equipment and machinery in place and ready to operate; normal operating levels (hours per week/weeks per year) and time for downtime, maintenance, repair, and cleanup; and a typical or representative product mix).

<u>**Toll agreement</u></u>.--Agreement between two firms whereby the first firm (the tollee) furnishes the raw materials and the second firm (the toller) uses the raw materials to produce a product that it then returns to the first firm with a charge for processing costs, overhead, etc.</u></u>** 

<u>**Production**</u>.--All production in your U.S. establishment(s), including production consumed internally within your firm and production for another firm under a toll agreement.

<u>**PRWs</u></u>.--Production and related workers, including working supervisors and all nonsupervisory workers (including group leaders and trainees) engaged in fabricating, processing, assembling, inspecting, receiving, storage, handling, packing, warehousing, shipping, trucking, hauling, maintenance, repair,</u>** 

# **<u>DEFINITIONS</u>**–Continued

janitorial and guard services, product development, auxiliary production for plant's own use (e.g., power plant), recordkeeping, and other services closely associated with the above production operations.

<u>Average number employed</u>.--Add the number of employees, both full-time and part-time, for the 12 pay periods ending closest to the 15th of the month and divide that total by 12.

*Hours worked*.--Include time paid for sick leave, holidays, and vacation time. Include overtime hours actually worked; do not convert overtime pay to its equivalent in straight-time hours.

<u>*Wages paid.*</u>--Total wages paid before deductions of any kind (e.g., withholding taxes, old-age and unemployment insurance, group insurance, union dues, bonds, etc.). Include wages paid directly by your firm for overtime, holidays, vacations, and sick leave.

*Fiscal year*.--The 12-month period between settlement of your firm's financial accounts.

<u>Continued Dumping and Subsidy Offset Act (Byrd Amendment) funds received</u>.–Funds disbursed by the Bureau of Customs and Border Protection under the Continued Dumping and Subsidy Offset Act of 2000 (the "Byrd Amendment"). The Byrd Amendment provides for the annual distribution of the duties collected pursuant to antidumping and countervailing duty orders. The distribution is available to "affected domestic producers for qualifying expenditures."

*Purchases other than direct imports*.–Purchases from U.S. producers, U.S. importers, and other U.S. sources.