

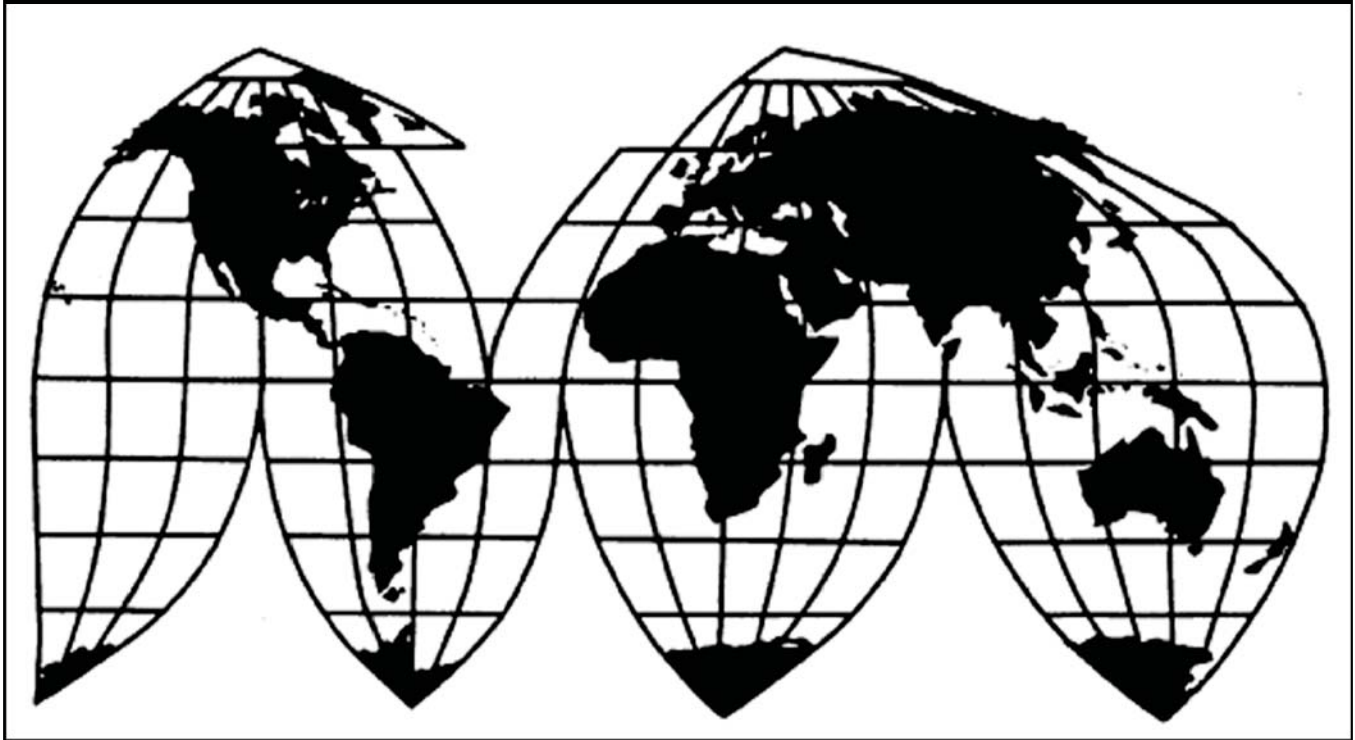
Crepe Paper Products from China

Investigation No. 731-TA-1070A (Review)

Publication 4148

April 2010

U.S. International Trade Commission



Washington, DC 20436

U.S. International Trade Commission

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Note.--Information that would reveal confidential operations of individual concerns may not be published and therefore has been identified by the use of *. Final identification of confidential information is in the public version of the staff report.**

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation No. 731-TA-1070A (Review)

CREPE PAPER PRODUCTS FROM CHINA

DETERMINATION

On the basis of the record¹ developed in the subject five-year review, the United States International Trade Commission (Commission) determines, pursuant to section 751(c) of the Tariff Act of 1930 (19 U.S.C. § 1675(c)), that revocation of the antidumping duty order on crepe paper from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

BACKGROUND

The Commission instituted this review on December 1, 2009 (74 F.R. 62815) and determined on March 8, 2010 that it would conduct an expedited review (75 F.R. 13779, March 23, 2010).

¹ The record is defined in sec. 207.2(f) of the Commission's Rules of Practice and Procedure (19 CFR § 207.2(f)).

VIEWS OF THE COMMISSION

Based on the record in this five-year review, we determine under section 751(c) of the Tariff Act of 1930, as amended (“the Act”), that revocation of the antidumping duty order on certain crepe paper products from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

I. BACKGROUND

On February 17, 2004, Seaman Paper Company of Massachusetts, Inc. (“Seaman”), joined by several other paper producers and a labor union,¹ filed an antidumping duty petition concerning imports of certain tissue paper products (“tissue paper”) and certain crepe paper products (“crepe paper”) from China. The case was subsequently divided into two separate investigations, crepe paper (731-TA-1070A) and tissue paper (731-TA-1070B).²

On January 18, 2005, the Commission completed its original investigation of crepe paper, determining that an industry in the United States was materially injured by reason of less-than-fair-value (“LTFV”) imports of crepe paper from China.³ The Department of Commerce (“Commerce”) issued an antidumping duty order with respect to imports of crepe paper from China on January 25, 2005.⁴

On December 1, 2009, the Commission instituted the present review.⁵ Seaman, a major domestic producer of crepe paper,⁶ filed the sole response to the notice of institution.⁷ On March 8, 2010, the Commission determined that the domestic interested party group response was adequate and the respondent interested party group response was inadequate. In the absence of an adequate respondent interested party group response or any other circumstances warranting a full review, the Commission determined to conduct an expedited review pursuant to section 751(c)(3) of the Act.⁸

On April 8, 2010, Seaman filed final comments pursuant to 19 C.F.R. § 207.62(d).⁹ No respondent interested party has provided any information or arguments to the Commission in this review. Accordingly, for our determination in this review, we rely as appropriate on facts available on the record, which consist of information collected in this five-year review, including information submitted by domestic producers, purchaser responses, publicly available information, and information from the original investigation.

¹ The other petitioners were American Crepe Paper Corporation (“American Crepe”); Eagle Tissue LLC; Flower City Tissue Mills Co.; Garlock Printing & Converting, Inc.; Paper Service Ltd.; Putney Paper Co., Ltd.; and the Paper, Allied-Industrial, Chemical and Energy Workers International Union AFL-CIO, CLC.

² Among the original petitioning firms, only Seaman and American Crepe produced crepe paper. Certain Crepe Paper Products From China, Inv. No. 731-TA-1070A (Final), USITC Pub. 3749 (Jan. 2005) (“USITC Pub. 3749”) at III-2.

³ Certain Crepe Paper Products From China, 70 Fed. Reg. 3385 (Jan. 24, 2005). The Commission also made a negative finding with respect to critical circumstances. Id.

⁴ Antidumping Duty Order: Certain Crepe Paper From the People’s Republic of China, 70 Fed. Reg. 3509 (Jan. 25, 2005).

⁵ Crepe Paper Products From China, 74 Fed. Reg. 62815 (Dec. 1, 2009).

⁶ Seaman accounted for *** percent of domestic production of crepe paper in the original investigation and reportedly at least *** percent of domestic production of crepe paper in 2008. Confidential Staff Report (“CR”), Public Report (“PR”) at Table I-3.

⁷ See Seaman Response to the Commission’s Notice of Institution (Dec. 31, 2009) (“Seaman Resp.”). Seaman also supplemented its response by letter dated January 25, 2010 (“Seaman Letter”).

⁸ Explanation of Commission Determination on Adequacy, reprinted at CR, PR App. B.

⁹ See Seaman Final Comments (April 8, 2010) (“Seaman Comments”).

II. DOMESTIC LIKE PRODUCT

In making its determination under section 751(c) of the Act, the Commission defines “the domestic like product” and the “industry.”¹⁰ The Act defines “domestic like product” as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this subtitle.”¹¹ The Commission’s practice in five-year reviews is to look to the like product definition from the original determination and any completed reviews and consider whether the record indicates any reason to revisit the prior findings.¹²

In its expedited review determination, Commerce defined the scope of the imported merchandise subject to the antidumping duty order as follows:

. . . crepe paper products that have a basis weight not exceeding 29 grams per square meter prior to being creped and, if appropriate, flame-proofed. Crepe paper has a finely wrinkled surface texture and typically but not exclusively is treated to be flame-retardant. Crepe paper is typically but not exclusively produced as streamers in roll form and packaged in plastic bags. Crepe paper may or may not be bleached, dye-colored, surface-colored, surface decorated or printed, glazed, sequined, embossed, die-cut, and/or flame-retardant. Subject crepe paper may be rolled, flat or folded, and may be packaged by banding or wrapping with paper, by placing in plastic bags, and/or by placing in boxes for distribution and use by the ultimate consumer. Packages of crepe paper subject to this investigation may consist solely of crepe paper of one color and/or style, or may contain multiple colors and/or styles.¹³

The scope definition used by Commerce in its expedited review determination is unchanged from the original order.¹⁴

Crepe paper products are manufactured from lightweight, flat tissue paper using a wet creping process that imparts a regularly wrinkled surface to the paper. Crepe paper may be colored, decorated, or customized in a variety of ways; it is usually cut into streamers that are used for decorative purposes.¹⁵

¹⁰ 19 U.S.C. § 1677(4)(A).

¹¹ 19 U.S.C. § 1677(10); *see, e.g., Cleo Inc. v. United States*, 501 F.3d 1291, 1299 (Fed. Cir. 2007); *NEC Corp. v. Department of Commerce*, 36 F. Supp. 2d 380, 383 (Ct. Int’l Trade 1998); *Nippon Steel Corp. v. United States*, 19 CIT 450, 455 (1995); *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int’l Trade 1996); *Torrington Co. v. United States*, 747 F. Supp. 744, 748-49 (Ct. Int’l Trade 1990), *aff’d*, 938 F.2d 1278 (Fed. Cir. 1991); *see also* S. Rep. No. 249, 96th Cong., 1st Sess. 90-91 (1979).

¹² *See, e.g., Internal Combustion Industrial Forklift Trucks From Japan*, Inv. No. 731-TA-377 (Second Review), USITC Pub. 3831 at 8-9 (Dec. 2005); *Crawfish Tail Meat From China*, Inv. No. 731-TA-752 (Review), USITC Pub. 3614 at 4 (July 2003); *Steel Concrete Reinforcing Bar From Turkey*, Inv. No. 731-TA-745 (Review), USITC Pub. 3577 at 4 (Feb. 2003).

¹³ Certain Crepe Paper Products From the People’s Republic of China: Final Results of Expedited Sunset Review of Antidumping Duty Order, 75 Fed. Reg. 15415 (March 29, 2010). Subject imports from China do not have distinct classification numbers assigned under the Harmonized Tariff Schedule of the United States (“HTS”) and may fall under one or more of several different broad subheadings that cover a range of paper goods. *Id.* As such, they enter the United States free of duty at normal trade relations rates. CR at I-8-I-9, PR at I-7.

¹⁴ 70 Fed. Reg. 3509 (Jan. 25, 2005).

¹⁵ USITC Pub. 3749 at 3, 5; CR at I-11-I-12, PR at I-8. Small amounts are also sold in sheets to school supply companies, craft stores, and individuals for use in craft projects. CR at I-11, PR at I-9.

In the original investigation, the Commission found a single domestic like product – crepe paper – that was coextensive with Commerce’s scope definition.¹⁶ In its response to the notice of institution, Seaman stated that it agrees with the domestic like product definition that the Commission adopted in the original investigation.¹⁷ There is no new information obtained during this review that would suggest any reason to revisit the Commission’s domestic like product definition in the original investigation.

Accordingly, we continue to find one domestic like product – crepe paper – that is coextensive with the scope of review.

III. DOMESTIC INDUSTRY

Section 771(4)(A) of the Act defines the relevant industry as the domestic “producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product.”¹⁸ In defining the domestic industry, the Commission’s general practice has been to include in the industry producers of all domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market.

At the time of the Commission’s original investigation, there were four known, fully operational domestic producers of crepe paper: Seaman, American Crepe, Cindus Corporation (“Cindus”), and The Beistle Company (“Beistle”).¹⁹ The Commission defined the domestic industry in the original investigation as all domestic producers of crepe paper, whether integrated or converters.²⁰ The Commission did not exclude any party under section 771(4)(B), the related parties provision of the Act.²¹

In its response to the Commission’s notice of institution of this review, Seaman reported that currently there are three domestic producers of crepe paper products: Seaman, Unique Industries (“Unique”), and Cindus.²² Seaman stated that it agrees with the definition of the domestic industry applied by the Commission in the original investigation.²³ Seaman also stated that, to the best of its knowledge, no U.S. producer of subject crepe paper is a related party under section 771(4)(B).²⁴

There is no new information obtained during this review that would suggest any reason to revisit the Commission’s domestic industry definition in the original investigation.²⁵ Accordingly, and

¹⁶ USITC Pub. 3749 at 6.

¹⁷ Seaman Resp. at 23.

¹⁸ 19 U.S.C. § 1677(4)(A). The definitions in 19 U.S.C. § 1677 are applicable to the entire subtitle containing the antidumping and countervailing duty laws, including 19 U.S.C. §§ 1675 and 1675a. See 19 U.S.C. § 1677.

¹⁹ CR at I-9, PR at I-7-I-8. Of the petitioning firms, Seaman accounted for *** percent of total reported U.S. production of crepe paper, and American Crepe comprised *** percent. Cindus, a non-petitioning company, accounted for *** percent of domestic production. CR, PR at Table I-3. ***. Confidential Views of the Commission (“Confidential Views”) at 10.

²⁰ USITC Pub. 3749 at 6-7.

²¹ USITC Pub. 3749 at 7; Confidential Views at 9-10. Section 771(4)(B) allows the Commission, if appropriate circumstances exist, to exclude from the domestic industry producers that are related to an exporter or importer of subject merchandise, or which are themselves importers. 19 U.S.C. § 1677(4)(B); see, e.g., Torrington Co. v. United States, 790 F. Supp. 1161 (Ct. Int’l Trade 1992), aff’d without opinion, 991 F.2d 809 (Fed. Cir. 1993). Exclusion of such a producer is within the Commission’s discretion based on the facts presented in each case. See, e.g., Sandvik AB v. United States, 721 F.Supp. 1322, 1331-32 (Ct. Int’l Trade 1989), aff’d mem., 904 F.2d 46 (Fed. Cir. 1990); Empire Plow Co. v. United States, 675 F.Supp 1348, 1352 (Ct. Int’l Trade 1987).

²² Seaman Resp. at 21.

²³ Id. at 23.

²⁴ Seaman Letter at 2.

²⁵ We note that the record in this review indicates that Beistle ceased production of the domestic like product and currently is an importer of the subject merchandise from China, although it is unclear when Beistle ceased production. CR at I-10, PR at I-8; Seaman Resp. at 22 n.72. Seaman has asserted that Beistle’s transition resulted in

(continued...)

consistent with our domestic like product definition in this review, we continue to define the domestic industry as all domestic producers of crepe paper, whether integrated or converters.

IV. LIKELIHOOD OF CONTINUATION OR RECURRENCE OF MATERIAL INJURY IF THE ANTIDUMPING DUTY ORDER IS REVOKED

A. Legal Standards

In a five-year review conducted under section 751(c) of the Act, Commerce will revoke an antidumping duty order unless (1) it makes a determination that dumping or subsidization is likely to continue or recur and (2) the Commission makes a determination that revocation of the antidumping duty order “would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.”²⁶ The Uruguay Round Agreements Act (“URAA”), Statement of Administrative Action (“SAA”), states that “under the likelihood standard, the Commission will engage in a counterfactual analysis; it must decide the likely impact in the reasonably foreseeable future of an important change in the status quo – the revocation or termination of a proceeding and the elimination of its restraining effects on volumes and prices of imports.”²⁷ Thus, the likelihood standard is prospective in nature.²⁸ The U.S. Court of International Trade has found that “likely,” as used in the five-year review provisions of the Act, means “probable,” and the Commission applies that standard in five-year reviews.^{29 30 31}

²⁵ (...continued)

very small changes in domestic production capacity. CR at I-10 n.30, PR at I-8 n.30; Seaman Letter at 2. Beistle has not provided any additional financial or production data on the record of this review. Therefore, even if the firm did produce crepe paper in the United States during part of the period of review, the Commission does not have the production-related data to exclude Beistle’s production even if the Commission found it appropriate to do so.

The instant record further indicates that Unique, a former importer, CR at I-18, PR at I-13-I-14, acquired American Crepe and became a domestic producer in July 2007. CR at I-10 n.30, PR at I-8 n.30; Seaman Letter at 2. Seaman has reported, however, that Unique likely no longer imports subject merchandise from China. *Id.* Given the absence of any financial or production data from Unique, the issue whether appropriate circumstances exist to exclude it from the domestic industry is similarly moot.

²⁶ 19 U.S.C. § 1675a(a).

²⁷ The SAA, H.R. Rep. No. 103-316, vol. I, at 883-84 (1994). The SAA states that “[t]he likelihood of injury standard applies regardless of the nature of the Commission’s original determination (material injury, threat of material injury, or material retardation of an industry). Likewise, the standard applies to suspended investigations that were never completed.” SAA at 883.

²⁸ Although the SAA states that “a separate determination regarding current material injury is not necessary,” it indicates that “the Commission may consider relevant factors such as current and likely continued depressed shipment levels and current and likely continued [sic] prices for the domestic like product in the U.S. market in making its determination of the likelihood of continuation or recurrence of material injury if the order is revoked.” SAA at 884.

²⁹ See NMB Singapore Ltd. v. United States, 288 F. Supp. 2d 1306, 1352 (Ct. Int’l Trade 2003) (“‘likely’ means probable within the context of 19 U.S.C. § 1675(c) and 19 U.S.C. § 1675a(a)”), aff’d mem., 140 Fed. Appx. 268 (Fed. Cir. 2005); Nippon Steel Corp. v. United States, 26 CIT 1416, 1419 (2002) (same); Usinor Industeel, S.A. v. United States, 26 CIT 1402, 1404 nn. 3, 6 (2002) (“more likely than not” standard is “consistent with the court’s opinion”; “the court has not interpreted ‘likely’ to imply any particular degree of ‘certainty’”); Indorama Chemicals (Thailand) Ltd. v. United States, Slip Op. 02-105 at 20 (Ct. Int’l Trade Sept. 4, 2002) (“standard is based on a likelihood of continuation or recurrence of injury, not a certainty”); Usinor v. United States, 26 CIT 767, 794 (2002) (“‘likely’ is tantamount to ‘probable,’ not merely ‘possible’”).

³⁰ For a complete statement of Commissioner Okun’s interpretation of the likely standard, see Additional Views of Vice Chairman Deanna Tanner Okun Concerning the “Likely” Standard in Certain Seamless Carbon and Alloy (continued...)

The Act states that “the Commission shall consider that the effects of revocation or termination may not be imminent, but may manifest themselves only over a longer period of time.”³² According to the SAA, a “‘reasonably foreseeable time’ will vary from case-to-case, but normally will exceed the ‘imminent’ timeframe applicable in a threat of injury analysis in original investigations.”³³

Although the standard in a five-year review is not the same as the standard applied in an original antidumping duty investigation, it contains some of the same fundamental elements. The Act provides that the Commission is to “consider the likely volume, price effect, and impact of imports of the subject merchandise on the industry if the orders are revoked or the suspended investigation is terminated.”³⁴ It directs the Commission to take into account its prior injury determination, whether any improvement in the state of the industry is related to the order or the suspension agreement under review, whether the industry is vulnerable to material injury if the orders are revoked or the suspension agreement is terminated, and any findings by Commerce regarding duty absorption pursuant to 19 U.S.C. § 1675(a)(4).³⁵

No respondent interested party participated in this review. The record, therefore, contains no information from foreign producers, exporters, or importers with respect to Chinese crepe paper capacity or production during the period of review. Accordingly, for our determination, we rely as appropriate on facts available on the record.^{36 37}

³⁰ (...continued)

Steel Standard, Line and Pressure Pipe From Argentina, Brazil, Germany, and Italy, Invs. Nos. 701-TA-362 (Review) and 731-TA-707 to 710 (Review) (Remand), USITC Pub. 3754 (Feb. 2005).

³¹ Commissioner Lane notes that, consistent with her views in Pressure Sensitive Plastic Tape From Italy, Inv. No. AA1921-167 (Second Review), USITC Pub. 3698 (June 2004), she does not concur with the U.S. Court of International Trade’s interpretation of “likely,” but she will apply the Court’s standard in this review and all subsequent reviews until either Congress clarifies the meaning or the U.S. Court of Appeals for the Federal Circuit addresses this issue.

³² 19 U.S.C. § 1675a(a)(5).

³³ SAA at 887. Among the factors that the Commission should consider in this regard are “the fungibility or differentiation within the product in question, the level of substitutability between the imported and domestic products, the channels of distribution used, the methods of contracting (such as spot sales or long-term contracts), and lead times for delivery of goods, as well as other factors that may only manifest themselves in the longer term, such as planned investment and the shifting of production facilities.” *Id.*

³⁴ 19 U.S.C. § 1675a(a)(1).

³⁵ 19 U.S.C. § 1675a(a)(1). Commerce made no duty absorption findings with respect to the order under review. CR at I-5, PR at I-4. The Act further provides that the presence or absence of any factor that the Commission is required to consider shall not necessarily give decisive guidance with respect to the Commission’s determination. 19 U.S.C. § 1675a(a)(5). Although the Commission must consider all factors, no one factor is necessarily dispositive. SAA at 886.

³⁶ 19 U.S.C. § 1677e(a) authorizes the Commission to “use the facts otherwise available” in reaching a determination when (1) necessary information is not available on the record or (2) an interested party or other person withholds information requested by the agency, fails to provide such information in the time, form, or manner requested, significantly impedes a proceeding, or provides information that cannot be verified pursuant to section 782(i) of the Act. 19 U.S.C. § 1677e(a). The verification requirements in section 782(i) are applicable only to Commerce. 19 U.S.C. § 1677m(i). See Titanium Metals Corp. v. United States, 155 F. Supp. 2d 750, 765 (Ct. Int’l Trade 2001) (“[T]he ITC correctly responds that Congress has not required the Commission to conduct verification procedures for the evidence before it, or provided a minimum standard by which to measure the thoroughness of a Commission investigation.”).

³⁷ Commissioner Okun notes that the statute authorizes the Commission to take adverse inferences in five-year reviews, but such authorization does not relieve the Commission of its obligation to consider the record evidence as a whole in making its determination. See 19 U.S.C. § 1677e. She generally gives credence to the facts supplied by the participating parties and certified by them as true, but bases her decision on the evidence as a whole, and does not automatically accept participating parties’ suggested interpretations of the record evidence. Regardless of the

(continued...)

B. Conditions of Competition and Business Cycle

In evaluating the likely impact of the subject imports on the domestic industry, the Act directs the Commission to consider all relevant economic factors “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”³⁸ We find the following conditions of competition relevant to our determination.

Demand. In the original investigation, the Commission found that most domestic producers and importers, as well as a number of purchasers, reported that demand in the U.S. market remained unchanged during the period examined. Overall, apparent U.S. consumption declined by 2.6 percent between 2001 and 2003, but was 6.7 percent higher in interim (January-September) 2004 than in interim 2003.³⁹

More recent apparent U.S. consumption data are unavailable. Seaman reported, however, that demand in the U.S. market for crepe paper has remained “relatively steady” since the period examined in the original investigation, but more recently has been “lagging” due to the general economic downturn, which Seaman states leads consumers to spend less on party supplies.⁴⁰

Supply. In the original investigation, the Commission found that the U.S. market was supplied by domestic production and subject imports, as there were no reported nonsubject imports during the period examined. The Commission found that the domestic industry’s share of apparent U.S. consumption fell substantially from *** percent in 2001 to *** percent in 2003.⁴¹ The domestic industry’s market share was lower in interim 2004, at *** percent, than it was in interim 2003, at *** percent.⁴² Subject imports captured the market share lost by domestic producers. The domestic industry’s loss of market share occurred while its production capacity remained stable until interim 2004, when *** idled *** of the firm’s capacity.⁴³

Since the original investigation, according to Seaman, the volume of subject imports from China has declined “dramatically,” and “Chinese imports retreated virtually entirely from the U.S. market and have not returned in any significant volume.”⁴⁴ The record indicates that no U.S. import duties were collected on imports from China in 2005, and only limited duties have been collected since then.⁴⁵ In addition, imports from China classified under broader HTS categories that include crepe paper have declined sharply, suggesting that imports of crepe paper from China have also declined substantially.⁴⁶ There is no evidence in the record that nonsubject imports are replacing subject imports in the U.S. market; indeed, there is no evidence of any nonsubject imports in the U.S. market.⁴⁷

Seaman states that the domestic industry is producing well below full capacity and has sufficient production capacity to meet the needs of the market if necessary. Seaman is currently operating at less

³⁷ (...continued)

level of participation, the Commission is obligated to consider all evidence relating to each of the statutory factors and may not draw adverse inferences that render such analysis superfluous. “In general, the Commission makes determinations by weighing all of the available evidence regarding a multiplicity of factors relating to the domestic industry as a whole and by drawing reasonable inferences from the evidence it finds most persuasive.” SAA at 869.

³⁸ 19 U.S.C. § 1675a(a)(4).

³⁹ USITC Pub. 3749 at 8 & C-3; CR at I-23, PR at I-18.

⁴⁰ Seaman Resp. at 14-15, 23; CR at I-24, PR at I-18.

⁴¹ Confidential Views at 13.

⁴² *Id.*

⁴³ Confidential Views at 13.

⁴⁴ CR at I-21, PR at I-16; Seaman Resp. at 8-11.

⁴⁵ CR at I-21, PR at I-16.

⁴⁶ CR at I-21-I-22, PR at I-16.

⁴⁷ CR at I-22-I-23, PR at I-16-I-17.

than *** percent of its capacity, leaving it positioned to serve the U.S. market in the case of an increase in demand.⁴⁸

Channels of Distribution. In the original investigation, the Commission found that U.S. shipments of domestically produced and subject crepe paper from China were directed to three channels of distribution during the period examined: distributors, retailers, and end users.⁴⁹ In 2003, the majority (*** percent) of U.S. producers' crepe paper products went to retailers, *** percent went to distributors, and *** percent went direct to end users.⁵⁰ U.S. producers' shipments to distributors fell from *** square meters in 2001 to *** square meters in 2002 and *** square meters in 2003.⁵¹ In contrast, U.S. producers' shipments to retailers and end users combined increased from *** square meters in 2001 to *** square meters in 2002, before falling to *** square meters in 2003.⁵² The Commission found that the shift in channels of distribution away from distributors was attributable to a larger decline in U.S. producers' shipments to distributors than the decline in U.S. producers' shipments to retailers.⁵³

U.S. importers' U.S. shipments of crepe paper from China to distributors, to retailers, and to end users all increased in 2002 and 2003. During this period, however, the composition of U.S. importers' shipments shifted noticeably.⁵⁴ Specifically, in 2001, the majority (55 percent) of crepe paper from China was shipped by U.S. importers directly to end users, while 43 percent was shipped to retailers and only two percent was shipped to distributors.⁵⁵ By 2003, 83 percent of crepe paper from China was shipped by U.S. importers to retailers, while 15 percent was sold directly to end users and only two percent was sold to distributors.⁵⁶

Based on the record evidence, the Commission found that domestically produced crepe paper and subject imports from China competed directly in all channels of distribution and that such competition appeared to be growing given the significant and increasing overlap in sales to retailers.⁵⁷

Seaman maintains that these overlapping channels of distribution continue to exist in the market today.⁵⁸ We find no evidence of changes in the market that would likely result in the domestic industry not competing with subject imports from China in all channels of distribution, and particularly in sales to retailers, in the reasonably foreseeable future were the order to be revoked.

Substitutability. In the original investigation, the Commission found that there was a high degree of substitutability between domestically produced crepe paper and subject imports from China.⁵⁹ All domestic producers and the majority of purchasers reported that domestic crepe paper and subject imports were "always" interchangeable.⁶⁰ Purchasers considered price to be one of the most important factors in

⁴⁸ CR at I-10, PR at I-8; Seaman Resp. at 15, 23.

⁴⁹ USITC Pub. 3749 at 8; CR at I-13, PR at I-10.

⁵⁰ *Id.*

⁵¹ *Id.*

⁵² *Id.*

⁵³ USITC Pub. 3749 at 9. From 2001 to 2003, U.S. producers' shipments to retailers declined *** from *** square meters to *** square meters. U.S. producers' shipments to distributors declined at a faster rate, from *** square meters in 2001 to *** square meters in 2003. These trends continued in the interim period, with U.S. producers' shipments to retailers falling from *** square meters in interim 2003 to *** square meters in interim 2004, and shipments to distributors falling from *** square meters in interim 2003 to *** square meters in interim 2004. Confidential Views at 12.

⁵⁴ USITC Pub. 3749 at 9; CR at I-13, PR at I-10.

⁵⁵ USITC Pub. 3749 at 9; CR at I-13-I-14, PR at I-10. The growth in the proportion of shipments to retailers continued during the interim period. USITC Pub. 3749 at 9; CR at I-14 n.46, PR at I-10 n.46.

⁵⁶ USITC Pub. 3749 at 9; CR at I-14, PR at I-10.

⁵⁷ USITC Pub. 3749 at 9.

⁵⁸ Seaman Resp. at 13.

⁵⁹ USITC Pub. 3749 at 10.

⁶⁰ *Id.* Nine of 11 responding importers stated that the two were "always" or "frequently" interchangeable. *Id.*

purchasing decisions.⁶¹ In response to the Commission's questionnaire, purchasers ranked quality first most frequently and ranked "price" first second most frequently.⁶² The significance of price was further demonstrated by the fact that a large majority of responding purchasers reported that domestically produced crepe paper and subject imports from China were comparable in terms of quality.⁶³

Seaman maintains that the high degree of substitutability between domestically produced crepe paper and subject imports and the importance of price in the U.S. market for crepe paper continue to exist as factors in the market.⁶⁴ There is no evidence in this record to suggest that these conditions have changed since the original investigation.

Accordingly, in this review, we find that the conditions in the market discussed above provide us with a reasonable basis on which to assess the likely effects of the revocation of the order in the reasonably foreseeable future.

C. Likely Volume of Subject Imports

In evaluating the likely volume of imports of subject merchandise if the antidumping duty order were revoked, the Commission is directed to consider whether the likely volume of imports would be significant either in absolute terms or relative to production or consumption in the United States.⁶⁵ In doing so, the Commission must consider "all relevant economic factors," including four enumerated factors: (1) any likely increase in production capacity or existing unused production capacity in the exporting country; (2) existing inventories of the subject merchandise, or likely increases in inventories; (3) the existence of barriers to the importation of the subject merchandise into countries other than the United States; and (4) the potential for product shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products.⁶⁶

In the original investigation, subject import volume increased sharply throughout the period examined, rising from 3.8 million square meters in 2001 to 12.2 million square meters in 2002 and 20.8 million square meters in 2003 (an increase between 2001 and 2003 of approximately 444 percent).⁶⁷ Subject import volume was 15.0 million square meters in interim 2003 and 25.8 million square meters in interim 2004, resulting in a quantity of subject imports that was 73 percent higher in interim 2004 than in interim 2003, exceeding the full-year volume for 2003.⁶⁸

During the period examined in the original investigation, subject imports' U.S. shipment volume relative to apparent U.S. consumption grew from *** percent in 2001 to *** percent in 2002 and *** percent in 2003.⁶⁹ Subject imports' shipment volume relative to apparent U.S. consumption was *** percent in interim 2003 and *** percent in interim 2004.⁷⁰ With nonsubject imports absent from the U.S. market during the period examined, the domestic industry's market share declined by precisely the amount that the subject imports' market share grew, from *** percent in 2001 to *** percent in 2002 and *** percent in 2003.⁷¹ In interim 2004, the domestic industry's market share was *** percent.⁷² Subject

⁶¹ *Id.*

⁶² *Id.*

⁶³ USITC Pub. 3749 at 10.

⁶⁴ Seaman Resp. at 13.

⁶⁵ 19 U.S.C. § 1675a(a)(2).

⁶⁶ 19 U.S.C. § 1675a(a)(2)(A)-(D).

⁶⁷ USITC Pub. 3749 at 10.

⁶⁸ USITC Pub. 3749 at 10.

⁶⁹ Confidential Views at 14; CR, PR at Table I-7.

⁷⁰ Confidential Views at 14; CR, PR at Table I-7.

⁷¹ Confidential Views at 14-15; CR, PR at Table I-7.

⁷² Confidential Views at 15; CR, PR at Table I-7.

import volume relative to production in the United States also increased throughout the period examined in the original investigation.⁷³

The Commission therefore concluded that the volume of subject imports increased substantially over the period examined, both in absolute terms and relative to consumption and production in the United States, and that subject imports gained market share directly at the expense of U.S. producers. Accordingly, the Commission found the volume of subject imports and the increase in that volume to be significant.⁷⁴

Seaman has reported that imports of crepe paper from China have declined dramatically since the period examined in the original investigation. As noted above, according to Seaman, “Chinese imports retreated virtually entirely from the U.S. market and have not returned in any significant volume.”⁷⁵ The available data support this conclusion. For example, the three HTS categories most specific to subject crepe paper (4808.20, 4808.30, and 4808.90.20) demonstrate sharp declines in volumes and values of imports from China, suggesting that imports of crepe paper from China have declined substantially as well.⁷⁶

The data compiled in the original investigation show that the capacity and production of Chinese producers increased substantially throughout the period examined.⁷⁷ Among responding producers, there was a marked increase in capacity from *** square meters in 2001 to *** square meters in 2002 and *** square meters in 2003.⁷⁸ Production in the same period grew similarly, from *** square meters in 2001 to *** square meters in 2002 and *** square meters in 2003.⁷⁹ The data from the original investigation also

⁷³ USITC Pub. 3749 at 10. Relative to production in the United States, subject import volume rose from *** percent in 2001 to *** percent in 2002 and *** percent in 2003. This ratio was *** percent in interim 2003 and reached *** percent by interim 2004. Confidential Views at 15; CR, PR at Table I-6.

⁷⁴ USITC Pub. 3749 at 10.

⁷⁵ CR at I-21, PR at I-16.

⁷⁶ CR at I-21-I-22, PR at I-16; Seaman Resp. at 9-10 & Exh. 1. In addition, although the Continued Dumping and Subsidy Offset Act of 2000 (“CDSOA”) was repealed with respect to duties on entries of goods made and filed on or after October 1, 2007, Pub. L. No. 109-171, 120 Stat. 4, 154 (2006), the limited distributions made under the CDSOA support our conclusion that subject imports largely exited the market after imposition of the order. CR at I-6-I-7, I-21, PR at I-5, I-16; CR, PR at Table I-2. There have been no impediments that might have prevented or delayed the liquidation of subject entries at the earliest possible date or the collection of duties for distribution. No appeals were taken of the Commerce or Commission determinations following issuance of the antidumping duty order, and there have been no periodic reviews of the order by Commerce pursuant to 19 U.S.C. § 1675. CR at I-5, PR at I-4.

The CDSOA data indicate that no duties were available for distribution in 2005 and only limited duties have been available since then. In 2006, duties totaling \$77,909.24 were distributed; in 2007, duties totaling \$29,975.52 were distributed; and in 2008, duties totaling \$23,463.80 were distributed. CR, PR at Table I-2 (in each instance, these distributions represented 100 percent of the total distribution available). In 2009, Seaman received a distribution of \$826.69, representing 100 percent of the total distribution available. Id.

Based on the total distributions under the CDSOA and the applicable antidumping duty margins, which have not changed from the original investigation, the total dutiable value of subject imports from China from September 2004 through September 2007 appears to have been less than \$50,000 (total distributions of \$132,175.25 divided by the applicable dumping margin of 266.83 percent or 2.6683). See CR, PR at Tables I-1 & I-2. The value and volume of subject imports therefore appear to have been very small, demonstrating a dramatic retreat from the market by Chinese exporters following the original investigation, as Seaman has asserted.

⁷⁷ CR, PR at Table I-8. Reported exports to the United States were noticeably smaller than U.S. imports, indicating that the reported foreign industry data are a subset of actual foreign industry data. CR at I-26, PR at I-20.

⁷⁸ CR, PR at Table I-8.

⁷⁹ CR, PR at Table I-8. Thus, during the period examined in the original investigation, the Chinese producers operated their facilities at aggregate capacity utilization rates ranging from *** to *** percent. CR at I-26 n.81, PR at I-20 n.81.

demonstrated the significant export orientation of the crepe paper industry in China, with exports ranging from *** percent of total shipments in 2001 to *** percent in the last full year examined.⁸⁰

Due to the lack of responses from subject foreign producers in this review, there is limited information in the record concerning current levels of production capacity in China. Available data, however, suggest that the Chinese industry's capacity to produce crepe paper has increased. Seaman has included in its response multiple reports of Chinese firms expanding their facilities, hiring more laborers, and adding to manufacturing equipment. Several Chinese producers of crepe paper have published summaries of their development plans for crepe paper and other paper products. The information also shows that export markets remain the focus of the industry in China.⁸¹

Seaman contends that, although there are no data on existing inventories of subject merchandise in China or the United States, Chinese producers possess the ability to build significant inventories of subject merchandise in a short time given the substantial capacity of the industry.⁸² Seaman also contends that, although China's exports of crepe paper currently are not subject to antidumping duties in third country markets, the United States is the single largest market for crepe paper in the world and Chinese imports would immediately return to the United States if the order were revoked.⁸³

Based on the increase in the volume and market share of subject imports during the original investigation, the substantial Chinese production capacity and unused capacity at the end of the original investigation, the ability of Chinese producers to increase capacity and production quickly, the evidence on the record of the Chinese industry's current capacity to produce crepe paper, the export orientation of the Chinese industry, and the attractiveness of the U.S. market, we find that Chinese producers have the ability and the incentive to increase their exports to the United States significantly if the order were revoked. Therefore, we find that the likely volume of subject imports, both in absolute terms and relative to production and consumption in the United States, would likely be significant within the reasonably foreseeable future if the order were revoked.

D. Likely Price Effects of Subject Imports

In evaluating the likely price effects of subject imports if the antidumping duty order were revoked, the Commission is directed to consider whether there is likely to be significant underselling by the subject imports as compared to the domestic like product and whether the subject imports are likely to enter the United States at prices that otherwise would have a significant depressing or suppressing effect on the price of the domestic like product.⁸⁴

In the original investigation, as discussed above, the Commission found that subject imports and the domestic like product were highly interchangeable and that price played an important role in purchasing decisions for crepe paper.⁸⁵ The Commission noted that several significant purchasers confirmed that they switched from U.S. to Chinese product to take advantage of lower prices or that U.S. suppliers lowered prices to compete with Chinese suppliers.⁸⁶ Ten of 11 responding purchasers,

⁸⁰ CR, PR at Table I-8.

⁸¹ Seaman Resp. at 16-18 & Exh. 4; CR at I-25, PR at I-20.

⁸² Seaman Resp. at 18.

⁸³ Id.

⁸⁴ 19 U.S.C. § 1675a(a)(3). The SAA states that “[c]onsistent with its practice in investigations, in considering the likely price effects of imports in the event of revocation and termination, the Commission may rely on circumstantial, as well as direct, evidence of the adverse effects of unfairly traded imports on domestic prices.” SAA at 886.

⁸⁵ USITC Pub. 3749 at 11.

⁸⁶ USITC Pub. 3749 at 11; CR at I-15, PR at I-11.

accounting for the majority of crepe paper purchases in the United States, reported that subject imports were lower priced than domestically produced crepe paper.⁸⁷

Despite this evidence of underselling by subject imports, which the Commission found was based on reliable information obtained from purchasers, importers, and domestic producers, the quarterly pricing data in the final phase investigation instead generally showed overselling by subject imports.⁸⁸ The Commission noted, however, that the domestic industry sold crepe paper to both retailers and distributors, including firms that were increasingly importing subject crepe paper from China, and that the import purchase prices for both importer/retailers and importer/distributors were consistently lower than U.S. producers' selling prices.⁸⁹

The Commission also had concerns about the comparability of the domestic and import sales price data.⁹⁰ The pricing data used in the Commission's analysis contained sales from domestic producers to both distributors and retailers. The record indicated that prices in these channels differed and that the sales prices to distributors were *** than the sales prices to retailers.⁹¹ Because the domestic industry made a greater proportion of its sales to distributors than did importers, the calculation of a weighted-average price across channels would lower the domestic industry's sales prices relative to importers' sales prices.⁹² The Commission concluded that this likely explained, in part, the apparent overselling by imports shown in the price comparison data.⁹³ Based on the mixed evidence, however, the Commission did not find significant underselling by subject imports, but did find that the record demonstrated significant adverse effects by subject imports on the domestic prices of crepe paper during the period examined.⁹⁴

The Commission found that significant price competition from, and the rapidly increasing volume of, subject imports resulted in declines in U.S. sales volumes and either restricted or prevented price increases by U.S. producers. The impact of these conditions was demonstrated by the increase in the domestic industry's cost of goods sold as a ratio to net sales from 2001 to 2003, a trend that continued in interim 2004.⁹⁵ The Commission found that subject imports, therefore, had a significant price suppressing effect on the U.S. industry.⁹⁶

There is no new product-specific pricing information on the record of this review. Although subject imports have largely exited the market as a result of the antidumping duty order, as explained above we find Chinese producers likely would increase their exports to the United States significantly in the reasonably foreseeable future if the antidumping duty order were revoked. The record in this review also indicates, as explained above, that crepe paper products produced in the United States and China remain highly substitutable and that price continues to be an important factor in purchasing decisions. Consequently, we find that subject imports would be likely to compete with U.S. product on price in order to gain market share, just as they did during the period examined in the original investigation. In the original investigation, the industry's large loss of market share meant that it had far fewer sales over which to spread its fixed costs. With the industry rapidly losing its customer base to subject imports as

⁸⁷ USITC Pub. 3749 at 11; CR at I-15, PR at I-11.

⁸⁸ USITC Pub. 3749 at 11; CR at I-15, PR at I-11. The data comparing domestic and importer sales prices to unrelated customers showed that subject imports *** oversold the domestic product, at weighted-average margins ranging from *** percent to *** percent, with U.S. prices ranging from \$*** to \$*** per unit and subject import prices ranging from \$*** to \$*** per unit. Confidential Views at 17; CR at I-15, PR at I-11.

⁸⁹ USITC Pub. 3749 at 12; CR at I-15, PR at I-11.

⁹⁰ USITC Pub. 3749 at 12.

⁹¹ Confidential Views at 18.

⁹² USITC Pub. 3749 at 12.

⁹³ Id.

⁹⁴ Id.

⁹⁵ USITC Pub. 3749 at 12-13.

⁹⁶ Id. at 13.

well as facing pricing pressure from those imports, the industry was unable to increase prices to offset the financial effects of the loss of volume.⁹⁷

We find that, absent the disciplining effects of the antidumping duty order, competitive conditions likely would return to those prevailing prior to the imposition of the order. Subject imports would likely re-enter the U.S. market in large volumes and be aggressively marketed at low prices. As a result, the domestic industry likely would lose critical sales volume, thereby reducing the sales over which it could spread its fixed costs. Therefore, we conclude that, if the order were revoked, subject imports from China likely would increase significantly and those imports likely would have a depressing or suppressing effect on prices for the domestic like product.

E. Likely Impact of Subject Imports⁹⁸

In evaluating the likely impact of imports of subject merchandise if the antidumping duty order were revoked, the Commission is directed to consider all relevant economic factors that are likely to have a bearing on the state of the industry in the United States, including, but not limited to the following: (1) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity; (2) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment; and (3) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or more advanced version of the domestic like product.⁹⁹ All relevant economic factors are to be considered within the context of the business cycle and the conditions of competition that are distinctive to the industry.¹⁰⁰ As instructed by the Act, we have considered the extent to which any improvement in the state of the domestic industry is related to the order at issue and whether the industry is vulnerable to material injury if the order were revoked.

In the original investigation, the Commission found that virtually every indicator of the domestic industry's condition showed marked declines during the period examined.¹⁰¹ There were declines in the domestic industry's production capacity, output, capacity utilization, and U.S. shipment volumes.¹⁰² The number of workers, total wages paid, and productivity similarly declined, while unit labor costs increased

⁹⁷ *Id.*

⁹⁸ The SAA states that in assessing whether the domestic industry is vulnerable to injury if the order is revoked, the Commission "considers, in addition to imports, other factors that may be contributing to overall injury. While these factors, in some cases, may account for the injury to the domestic industry, they may also demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports." SAA at 885; *see also* 19 U.S.C. § 1675a(a)(4). Section 752(a)(6) of the Tariff Act states that "the Commission may consider the magnitude of the margin of dumping or the magnitude of the net countervailable subsidy" in making its determination in a five-year review. 19 U.S.C. § 1675a(a)(6). The Act defines the "magnitude of the margin of dumping" to be used by the Commission in five-year reviews as "the dumping margin or margins determined by the administering authority under section 1675a(c)(3) of this title." 19 U.S.C. § 1677(35)(C)(iv). *See also* SAA at 887.

In its expedited review of the antidumping duty order, Commerce found that revocation of the order would be likely to lead to continuation or recurrence of dumping at the following margins: 266.83 percent for Fuzhou Light Industry Import and Export Co., Ltd.; 266.83 percent for Fuzhou Magicpro Gifts Co., Ltd.; 266.83 percent for Everlasting Business and Industry Co. Ltd.; 266.83 percent for Fujian Nanping Investment and Enterprise Co., Ltd.; 266.83 percent for Ningbo Spring Stationary Co., Ltd.; and 266.83 percent for the PRC-wide rate. 75 Fed. Reg. 15415 (March 29, 2010). These dumping margins are the same as the margins Commerce calculated in its original final determination. CR, PR at Table I-1.

⁹⁹ 19 U.S.C. § 1675a(a)(4).

¹⁰⁰ 19 U.S.C. § 1675a(a)(4).

¹⁰¹ USITC Pub. 3749 at 13.

¹⁰² *Id.*; CR, PR at Table I-4.

throughout the period examined.¹⁰³ Domestic inventories fluctuated somewhat in absolute terms and increased throughout the period examined as a ratio to total shipments.¹⁰⁴

The Commission found that the domestic industry's financial indicators worsened substantially over the period examined. The domestic industry's operating margin fell from *** percent in 2001 to *** percent in 2002, before further declining to a negative operating margin of *** percent in 2003.¹⁰⁵ The domestic industry's operating margin was negative *** percent in interim 2003 and negative *** percent in interim 2004.¹⁰⁶ *** of the three responding domestic producers reported operating *** in 2003 and interim 2004, and *** experienced worsening operating income levels during the period examined.¹⁰⁷ Unit sales values fell between 2001 and 2003 before recovering somewhat in interim 2004, capital expenditures declined throughout the period examined, and no firm reported research and development expenditures.¹⁰⁸ Finally, the Commission found that the trend of the domestic industry's return on investment mirrored the downward decline in its operating margin during the period examined.¹⁰⁹ Based on its findings of a significant volume (and increase in volume) of subject imports and negative price effects, together with the weakened state of the domestic industry, the Commission concluded that subject imports had had a significant adverse impact on the domestic industry.¹¹⁰

Because this is an expedited review, there is limited information on the record concerning the performance of the domestic industry since the original injury determination. This information pertains only to certain economic factors, is available only for 2008, and is essentially limited to Seaman's performance.¹¹¹ The information is insufficient to enable us to make a determination as to whether the industry is currently vulnerable.¹¹²

As discussed above, we find that revocation of the order would likely lead to a significant increase in the volume of subject imports, and that subject imports would aggressively compete with the domestic product on price, resulting in significant depression and/or suppression of U.S. prices for the domestic like product. We find that the intensified subject import competition that would likely occur after revocation of the order would likely have a significant adverse impact on the domestic industry. Specifically, the domestic industry would likely lose market share to low-priced subject imports and would likely obtain lower prices due to competition from subject imports, which would adversely impact the industry's production, shipments, sales, and revenue. These reductions would likely have a direct adverse impact on the industry's profitability and employment levels, as well as its ability to raise capital and make and maintain necessary capital investments.¹¹³

Accordingly, we conclude that, if the antidumping duty order on certain crepe paper products from China were revoked, subject imports from China would be likely to have a significant adverse impact on the domestic industry within a reasonably foreseeable time.

¹⁰³ USITC Pub. 3749 at 13-14.

¹⁰⁴ Id. at 14.

¹⁰⁵ Confidential Views at 21.

¹⁰⁶ Id.

¹⁰⁷ Id.

¹⁰⁸ USITC Pub. 3749 at 14.

¹⁰⁹ USITC Pub. 3749 at 14.

¹¹⁰ Id. at 15.

¹¹¹ See CR at I-19, PR at I-14; CR, PR at Table I-4.

¹¹² Id.

¹¹³ We further find that, if the order were revoked, the likely significant adverse impact would not be attributable to nonsubject imports. Nonsubject imports had no presence in the U.S. market during the period examined in the original investigation and have not had a presence since the imposition of the order. Nor is there any indication that this would change in the foreseeable future were the order revoked.

CONCLUSION

For the above-stated reasons, we determine that revocation of the antidumping duty order on certain crepe paper products from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

INFORMATION OBTAINED IN THE REVIEW

INTRODUCTION

On December 1, 2009, in accordance with section 751(c) of the Tariff Act of 1930, as amended (“the Act”),¹ the U.S. International Trade Commission (“Commission” or “USITC”) gave notice that it had instituted a review to determine whether revocation of the antidumping duty order on imports of crepe paper products (“crepe paper”) from China would be likely to lead to a continuation or recurrence of material injury within a reasonably foreseeable time.^{2 3} On March 8, 2010, the Commission determined that the domestic interested party group response to its notice of institution was adequate⁴ and that the respondent interested party group response was inadequate.⁵ In the absence of respondent interested party responses and any other circumstances that would warrant the conduct of a full review, the Commission determined to conduct an expedited review of the antidumping duty order pursuant to section 751(c)(3) of the Act (19 U.S.C. § 1675(c)(3)).⁶ The following tabulation presents selected information relating to the schedule of this five-year review.⁷

Effective date	Action	<i>Federal Register</i> citation
December 1, 2009	Commission’s institution of five-year review	74 FR 62815
December 1, 2009	Commerce’s initiation of five-year review	74 FR 62748
March 8, 2010	Commission’s determination to conduct an expedited five-year review and scheduling of expedited review	75 FR 13779 (March 23, 2010)
March 29, 2010	Commerce’s final results for expedited five-year review	75 FR 15415
April 21, 2010	Commission’s vote	Not applicable
April 30, 2010	Commission’s determination transmitted to Commerce	Not applicable

¹ 19 U.S.C. 1675(c).

² *Crepe Paper Products From China*, 74 FR 62815, December 1, 2009. All interested parties were requested to respond to this notice by submitting the information requested by the Commission. The Commission’s notice of institution is presented in app. A.

³ In accordance with section 751(c) of the Act, the U.S. Department of Commerce (“Commerce”) published a notice of initiation of a five-year review of the subject antidumping duty order concurrently with the Commission’s notice of institution. *Initiation of Five-year (“Sunset”) Review*, 74 FR 62748, December 1, 2009.

⁴ The Commission received a submission from one domestic producer, Seaman Paper Company of Massachusetts, Inc. (“Seaman”), in response to its notice of institution for the subject review. Seaman is represented by the law firm of Wiley Rein. The domestic interested party reported that it accounted for “at least” *** percent of total U.S. production of crepe paper. Seaman’s *Response*, December 31, 2009, p. 21.

⁵ The Commission did not receive a response from any respondent interested parties to its notice of institution.

⁶ 75 FR 13779, March 23, 2010. The Commission’s notice of an expedited review appears in app. A. The Commission’s statement on adequacy is presented in app. B.

⁷ Cited *Federal Register* notices beginning with the Commission’s institution of a five-year sunset review are presented in app. A.

The Original Investigation

On February 17, 2004, a petition was filed with Commerce and the Commission alleging that an industry in the United States was materially injured and threatened with further material injury by reason of less-than-fair-value (“LTFV”) imports of certain tissue paper and crepe paper products.⁸ The case was subsequently divided resulting in two separate investigations, crepe paper and tissue paper products.⁹ On December 3, 2004, Commerce made an affirmative final LTFV determination¹⁰ and, on January 18, 2005, the Commission completed its original investigation, determining that an industry in the United States was materially injured by reason of LTFV imports of crepe paper products from China.¹¹ After receipt of the Commission’s final affirmative determination, Commerce issued an antidumping duty order on imports of crepe paper from China.¹²

Commerce’s Original Determination and Subsequent Review Determinations

Commerce’s original determination was published on December 3, 2004, and the antidumping duty order concerning crepe paper products from China was issued on January 25, 2005. Since the issuance of the antidumping duty order, there have been no administrative reviews, no scope rulings concerning the antidumping duty order, no new shipper reviews, no changed circumstances determinations, and no duty absorption findings.

Commerce’s Final Results of Expedited Five-Year Review

Commerce published the final results of its expedited review on March 29, 2010. Commerce concluded that revocation of the antidumping duty order on crepe paper from China would likely lead to continuation or recurrence of dumping at the margins calculated in its original final determination.¹³ Information on Commerce’s final determination, antidumping duty order, and final results of its expedited five-year review is presented in table I-1.

⁸ The petition was filed by Seaman, American Crepe Corp., (“American Crepe”); Eagle Tissue LLC; Flower City Tissue Mills Co.; Garlock Printing & Converting, Inc.; Paper Service Ltd.; Putney Paper Co., Ltd.; and the Paper, Allied-Industrial, Chemical and Energy Workers International Union AFL-CIO, CLC.

⁹ Among the original petitioners, only Seaman and American Crepe produced crepe paper.

¹⁰ Commerce further found that critical circumstances existed with respect to subject imports from China. 69 FR 70233, December 3, 2004.

¹¹ The Commission additionally made a negative finding with respect to critical circumstances. *Certain Crepe Paper Products From China*, 70 FR 3385, January 24, 2005.

¹² *Antidumping Duty Order: Certain Crepe Paper From the People’s Republic of China*, 70 FR 3509, January 25, 2005.

¹³ 75 FR 15415, March 29, 2010.

Table I-1
Crepe paper: Commerce’s final determination, antidumping duty order, and final results of expedited five-year review

Action	Effective date	Federal Register citation	Period of investigation/ review	Antidumping duty margins	
				Firm-specific	PRC-wide ¹
				Percent ad valorem	
Final determination	12/03/2004	69 FR 70233	07/01/2003-12/31/2003	Fuzhou 266.83 Magicpro 266.83 Everlasting Business & Industry Co. Ltd 266.83 Fujian Nanping Investment & Enterprise Co., Ltd 266.83 Ningbo Spring Stationary Co., Ltd 266.83	266.83
Antidumping duty order	01/25/2005	70 FR 3509	---	Everlasting Business & Industry Co. Ltd 266.83 Fujian Nanping Investment & Enterprise Co., Ltd 266.83 Ningbo Spring Stationary Co., Ltd 266.83	266.83
Final results of expedited five-year review	03/29/2010	75 FR 15415	---	Fuzhou 266.83 Magicpro 266.83 Everlasting Business & Industry Co. Ltd 266.83 Fujian Nanping Investment & Enterprise Co., Ltd 266.83 Ningbo Spring Stationary Co., Ltd 266.83	266.83

¹ The PRC-wide rate applies to all companies that otherwise have not received a “firm-specific” rate.

Source: Cited *Federal Register* notices.

Distribution of Continued Dumping and Subsidy Offset Act Funds to Affected Domestic Producers

Qualified U.S. producers of crepe paper are eligible to receive disbursements from U.S. Customs and Border Protection (“Customs”) under the Continued Dumping and Subsidy Offset Act of 2000 (“CDSOA”), also known as the Byrd Amendment.¹⁴ With respect to crepe paper products from China during 2006-09, certifications were filed with Customs by Cindus, Seaman, and the USW in 2006, Seaman and the USW in 2007 and 2008, and only Seaman in 2009.¹⁵ No other CDSOA claims / disbursements were made prior to 2006. Table I-2 presents CDSOA claims and disbursements for Federal fiscal years 2006-09.

¹⁴ 19 CFR 159.64(g).

¹⁵ Customs’ *CDSOA Annual Reports 2006-09*, found at http://www.cbp.gov/xp/cgov/trade/priority_trade/add_cvd/cont_dump/.

Table I-2

Crepe paper: CDSOA claims and disbursements, Federal fiscal years¹ 2006-09

Year	Claimant	Share of yearly allocation	Certification amount ²	Amount disbursed
		Percent	Dollars	
2006	Cindus	10.30	888,183.30	8,020.85
	Seaman	89.67	7,736,104.00	69,861.82
	USW ³	0.03	22,942.00	26.57
	Total, 2006	100.00	8,647,229.30	77,909.24
2007	Seaman	99.96	15,358,460.18	29,963.98
	USW	0.04	5,915.00	11.54
	Total, 2007	100.00	15,364,375.18	29,975.52
2008	Seaman	99.97	17,755,244.20	23,456.00
	USW	0.03	5,903.00	7.80
	Total, 2008	100.00	17,761,147.20	23,463.80
2009	Seaman	100.00	17,731,788.20	826.69
	Total, 2009	100.00	17,731,788.20	826.69

¹ The Federal fiscal year is October 1-September 30.

² Qualifying expenditures incurred by domestic producers since the issuance of an order.

³ The United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial & Service Workers International Union.

Source: Customs' CDSOA Annual Reports 2004-09, found at http://www.cbp.gov/xp/cgov/trade/priority_trade/add_cvd/cont_dump/

Related Commission Investigations and Reviews

The Commission has not conducted previous antidumping or countervailing duty investigations concerning crepe paper. However, in 2001, the Commission conducted an antidumping duty investigation on folding gift boxes from China, issuing a final affirmative determination in December of that year.¹⁶ Commerce imposed an antidumping duty order on imports of certain folding gift boxes from China on January 8, 2002.¹⁷ Following affirmative expedited review determinations by the Commission and Commerce in 2007, the antidumping duty order was continued.¹⁸

In addition, as discussed previously, the Commission conducted a final-phase investigation on certain tissue paper products from China in 2004-05. Following affirmative determinations by Commerce and the Commission in February 2005 and March 2005, respectively,¹⁹ Commerce issued an antidumping duty order on certain tissue paper products from China.²⁰ A five-year review of this outstanding order was initiated in February 2010.

¹⁶ *Folding Gift Boxes from China, Inv. No. 731-TA-921 (Final)*, USITC Publication 3480, December 2001.

¹⁷ *Notice of Antidumping Duty Order: Certain Folding Gift Boxes from the People's Republic of China*, 67 FR 864, January 8, 2002.

¹⁸ *Folding Gift Boxes From China, Inv. No. 731-TA-921 (Review)*, USITC Publication 3917, April 2007; 72 FR 28025, May 18, 2007.

¹⁹ *Certain Tissue Paper Products From China, Investigation No. 731-TA-1070B (Final)*, USITC Publication 3758, March 2005.

²⁰ *Notice of Amended Final Determination of Sales at Less than Fair Value and Antidumping Duty Order: Certain Tissue Paper Products from the People's Republic of China*, 70 FR 16223, March 30, 2005.

THE PRODUCT

Scope

In its original antidumping duty order, Commerce defined the subject merchandise as follows: ...crepe paper products that have a basis weight not exceeding 29 grams per square meter prior to being creped and, if appropriate, flame-proofed. Crepe paper has a finely wrinkled surface texture and typically but not exclusively is treated to be flame-retardant. Crepe paper is typically but not exclusively produced as streamers in roll form and packaged in plastic bags. Crepe paper may or may not be bleached, dye-colored, surface-colored, surface decorated or printed, glazed, sequined, embossed, die-cut, and/or flame-retardant. Subject crepe paper may be rolled, flat or folded, and may be packaged by banding or wrapping with paper, by placing in plastic bags, and/or by placing in boxes for distribution and use by the ultimate consumer. Packages of crepe paper subject to this investigation may consist solely of crepe paper of one color and/or style, or may contain multiple colors and/or styles.²¹

Commerce has not received any requests for scope rulings since the original antidumping duty order date.

U.S. Tariff Treatment

The crepe paper products subject to this review do not have distinct tariff or statistical categories assigned to them under the Harmonized Tariff Schedule of the United States (“HTS”) and likewise appear to be imported under one or more of the several different very broad categories covering a range of paper goods by name and/or weight, including but not necessarily limited to the following HTS subheadings: 4802.30; 4802.54; 4802.61; 4802.62; 4802.69; 4804.39; 4806.40; 4808.30; 4808.90; 4811.90; 4818.90; 4823.90; and 9505.90.40. As such, the subject crepe paper products from China enter the United States free of duty at normal trade relations (“NTR”) rates.²²

Domestic Like Product and Domestic Industry

The domestic like product is the domestically-produced product or products which are like, or in the absence of like, most similar in characteristics and uses with the subject merchandise. In its original determination, the Commission defined the domestic like product as crepe paper, coextensive with Commerce’s scope.²³ Seaman indicated in its response to the Commission’s notice of institution in this review that it agrees with the definition of the domestic like product as set out in the Commission’s notice of institution and its final determination in the original investigation.²⁴

The domestic industry is the collection of U.S. producers as a whole of the domestic like product, or those producers whose collective output of the domestic like product constitutes a major proportion of the total domestic production of the product. At the time of the Commission’s original investigation concerning crepe paper, there were four known, fully operational U.S. producers: American Crepe,

²¹ *Antidumping Duty Order: Certain Crepe Paper from the People’s Republic of China*, 70 FR 3509, January 25, 2005.

²² All NTR rates in chapter 48 are “free.” Subheading 9505.90.40 covers paper spirals and streamers, party favors and similar goods, also with an NTR duty rate of free.

²³ Confidential Views of the Commission, p. 7.

²⁴ Seaman’s *Response*, December 31, 2009, p. 23.

Cindus, Seaman, and Beistle.²⁵ Of the petitioning firms, Seaman accounted for *** percent of total reported U.S. production of crepe paper and American Crepe comprised *** percent. Cindus, a non-petitioning company, accounted for *** percent of domestic production. Beistle, a domestic producer and an importer of the subject merchandise from China, did not provide a response to the Commission's questionnaire in the original investigation. The Commission's report indicated that Beistle accounted for only a "modest share" of the U.S. market at the time of the original investigation.²⁶

The Commission defined the domestic industry as all domestic producers (whether integrated or converters) of crepe paper. The domestic interested party indicated in its response to the Commission's notice of institution in this review that it agrees with the definition of the domestic industry as set out in the Commission's notice of institution and its final determination in the original investigation.²⁷

According to the response of Seaman to the Commission's notice of institution in this review, it accounts for "at least" *** percent²⁸ of total crepe paper production in the United States for 2008. Seaman's share of the domestic production reported in the original investigation (*** percent)²⁹ falls within the estimated range of total production reported in this review. According to its response, there are currently three domestic producers of crepe paper products: Seaman, Unique Industries,³⁰ and Cindus.³¹ Seaman reported that Beistle ceased production of the domestic like product and is currently an importer of the subject merchandise from China, but indicated that this transition resulted in very small changes in domestic production capacity.³²

Additionally, Seaman contends that the domestic industry is producing well below full capacity and is competent to meet the needs of the market if needed. Specifically, Seaman reported that it is producing at less than *** percent capacity.³³

Physical Characteristics and Uses³⁴

Crepe paper is manufactured from flat tissue paper using a wet creping process that imparts a regularly wrinkled surface to the paper. Certain crepe paper products are distinguishable from the dry creped tissue paper used for sanitary and other household purpose and the creped kraft papers used in industrial applications such as air, fuel, and oil filters. Certain crepe paper products may be colored, decorated, or customized in a variety of ways. According to testimony presented at the staff conference

²⁵ In addition to these four U.S. producers, Glitterwrap reportedly *** in September 2004. However, at the time the staff report in the original investigation was written, December 2004, nothing further regarding Glitterwrap was available. *Certain Crepe Paper Products from China: Inv. No. 731-TA-1070A (Final)*, INV-BB-161, December 28, 2004, p. I-5.

²⁶ Ibid. p. III-1 and table IV-1.

²⁷ Seaman's *Response*, December 31, 2009, p. 23.

²⁸ Ibid., p. 21.

²⁹ *Certain Crepe Paper Products from China: Inv. No. 731-TA-1070A (Final)*, INV-BB-161, December 28, 2004, table III-1.

³⁰ In 2007, American Crepe was acquired by Unique, a former importer; although identified as a currently operating importer, Seaman indicated that Unique likely no longer imports the subject merchandise from China. Seaman's *Cure Response*, January 25, 2010, p. 2. This acquisition has not affected the domestic capacity for production. Seaman's *Response*, December 31, 2009, p. 22.

³¹ Seaman's *Response*, December 31, 2009, p. 21.

³² Ibid., p. 22 and n. 72.

³³ Ibid., pp. 15 and 23.

³⁴ Unless indicated otherwise, discussion in this section is based on information contained in *Certain Crepe Paper Products from China: Inv. No. 731-TA-1070A (Final)*, INV-BB-161, December 28, 2004, p. I-5.

in the original investigation, the consistency of color matching and crimping of crepe paper produced in the United States reportedly is superior to that produced in China.

Certain crepe paper generally is slit into narrow rolls, although a small amount of crepe folds are sold for arts and crafts end uses. While tissue paper (defined broadly) is an upstream product in the manufacture of certain crepe paper products, certain crepe paper products have a finely wrinkled (creped) surface, usually are cut into streamers and treated with fire-retardant chemicals, and most often are used for decorative purposes. In addition, small amounts are sold in sheets to school supply companies, craft stores, or individuals for use in craft projects.^{35 36}

Manufacturing Process³⁷

The crepe paper products subject to this review are produced from rolls of flat tissue paper, often referred to as “jumbo rolls,” rather than dry creped tissue paper such as that used for sanitary and other household purposes. The term “tissue paper” refers to a class of lightweight paper that generally exhibits a gauze-like, fairly transparent character and that has a basis weight of less than 29 grams per square meter (18 pounds per 3,000 square feet). The tissue paper used for the manufacture of certain crepe paper products differs from that used for bulk and consumer tissue paper in that sizing is added to the pulp as the paper is manufactured.³⁸

In contrast to the dry creping process that is used in the manufacture of sanitary tissue and toweling, certain crepe paper products undergo a wet creping process. Typically, the first step is to mix a solution of ammonia-based flameproof salts and, if necessary, dyes and other additives (e.g., softeners, mineral-based pearlescent coatings). For dyed crepe papers, proper color matching from batch to batch is critical. Once mixed, the solution is transferred to a creping machine, and a roll of tissue paper is mounted in its roll stand. As the sheet is unwound, it is bathed in the solution, which is circulated either in a trough or in the nip of a small roll which presses the sheet onto a large, rotating drum. The moistened sheet adheres to the drum, which is equipped with a doctor blade extending across the surface of the back side of the roll. Crepes are formed as the sheet is crowded against the doctor blade, and a felt picks the sheet off the doctor blade. The relative speeds of the felt and the rotating drum are set such that the felt will not pull the creping out of the sheet. The felt conveys the creped paper to a drier cylinder which dries the sheet. Once dry, the crepe paper is rewound on a roll. The roll of creped paper is then moved to a slitter, which cuts the sheet into streamer widths (typically 1-3/4 inches), winds them to the correct length and diameter, and applies adhesive to the end to keep the streamers from unraveling. The streamers are packed in preformed bags, wholesale bags (if needed), and finally into corrugated cartons.³⁹

³⁵ Ibid., p. II-3.

³⁶ Neither of the two firms responding to the purchaser survey identified any changes in the end uses and applications of crepe paper.

³⁷ Unless indicated otherwise, discussion in this section is based on information contained in *Certain Crepe Paper Products from China: Inv. No. 731-TA-1070A (Final)*, INV-BB-161, December 28, 2004, pp. I-4-I-7.

³⁸ The sizing prevents the sheet of paper from disintegrating during the creping operations.

³⁹ Neither of the two firms responding to the purchaser survey identified any changes in the technology, production methods, or development efforts to produce crepe paper.

Interchangeability and Customer and Producer Perceptions

Despite the reportedly higher quality of domestically-produced crepe paper by virtue of its crimping and dyeing process, most U.S. producers, U.S. importers, and U.S. purchasers perceived certain crepe paper produced in the United States and in China to be “always” or “frequently” interchangeable.⁴⁰ Seaman echoed the Commission’s view of interchangeability from the original investigation and reported that the U.S. crepe paper market continues to reflect a high degree of substitutability among crepe paper products from different suppliers.⁴¹

Substitute Products⁴²

In the original investigation, purchasers of crepe paper were asked to list the top three substitutes for the product, and four purchasers reported that no substitutes existed. *** of three responding U.S. producers and four of nine responding importers in the original investigation reported that there are no direct substitutes for certain crepe paper products. Several importers and *** reported that products such as banners, paper or foil garlands, mylar, and plastic streamers are possible substitutes. Additional substitute products reported by purchasers included tinsel, and balloons.⁴³

Channels of Distribution⁴⁴

Crepe paper is sold through both distributors and retailers. In the original investigation, for the year 2003, the majority (*** percent) of U.S. producers’ crepe paper products went to retailers, *** percent went to distributors, and *** percent went direct to end users.⁴⁵ U.S. producers’ shipments to distributors fell from *** square meters in 2001, to *** in 2002, and to *** in 2003. In contrast, U.S. producers’ shipments to retailers and end users combined increased from *** square meters in 2001, to *** in 2002, before falling to *** in 2003.

U.S. importers’ U.S. shipments of crepe paper from China to distributors, to retailers, and to end users all increased in 2002 and in 2003. During this period, however, the composition of U.S. importers’ shipments shifted noticeably. In 2001, the majority - 55 percent- of crepe paper from China was shipped by U.S. importers directly to end users, while 43 percent was shipped to retailers and only 2 percent was shipped to distributors. By 2003, 83 percent of crepe paper from China was shipped by U.S. importers to retailers, while 15 percent was sold directly to end users and only 2 percent was sold to distributors.⁴⁶

According to one U.S. producer, Chinese suppliers began to contact U.S. crepe paper distributors at a trade show in 1999 or 2000. Gradually, companies that had distributed crepe paper produced in the

⁴⁰ *Certain Crepe Paper Products from China: Inv. No. 731-TA-1070A (Final)*, INV-BB-161, December 28, 2004, p. I-7.

⁴¹ Seaman’s *Response*, December 31, 2009, pp. 7 and 13.

⁴² Unless indicated otherwise, discussion in this section is based on information contained in *Certain Crepe Paper Products from China: Inv. No. 731-TA-1070A (Final)*, INV-BB-161, December 28, 2004, p. II-6.

⁴³ Neither of the two firms responding to the purchaser survey identified any changes to the existence and availability of substitute products.

⁴⁴ Unless indicated otherwise, the discussion in this section is based on information contained in *Certain Crepe Paper Products from China: Inv. No. 731-TA-1070A (Final)*, INV-BB-161, December 28, 2004, pp. II-1-II-3.

⁴⁵ Crepe paper end users include individuals and firms that directly purchase the product for use in their entertainment or artistic activities.

⁴⁶ In January-September, 90 percent of U.S. shipments of crepe paper from China by U.S. importers were to retailers, up from 80 percent in January-September 2003.

United States began to import crepe paper from China. This U.S. producer identified *** as one of the first major distributors to shift portions of its sourcing requirements from crepe paper produced in the United States to crepe paper produced in China. According to ***. After *** began purchasing Chinese products, other distributors followed. According to the U.S. producer, these distributors then began to compete with U.S. producers for sales to retailers.⁴⁷

Unique Industries was the *** largest U.S. importer of crepe paper from China in 2003 with a *** percent share of U.S. imports from China.⁴⁸ However, in 2007, it purchased its own crepe paper production line via the acquisition of American Crepe. Unique is still listed in the response to the notice of institution as an importer as well as a producer.

Pricing

In the aggregate, the average unit values for U.S. shipments of domestically-produced certain crepe paper products were *** per thousand square meters in 2001, *** in 2002, *** in 2003, *** in interim 2003, and *** in interim 2004. By comparison, the average unit values for U.S. imports of certain crepe paper products from China were \$117.64 per thousand square meters in 2001, \$116.34 in 2002, \$109.68 in 2003, \$109.33 in interim 2003, and \$117.31 in interim 2004. The average unit values for U.S. shipments of imports of certain crepe paper products from China were *** per thousand square meters in 2001, *** in 2002, and *** in 2003, *** in interim 2003, and *** in interim 2004.⁴⁹

In the original investigation, ten of 11 responding purchasers accounting for the majority of crepe paper purchases in the United States reported that subject imports were lower priced than the domestically produced crepe paper. Several significant purchasers also confirmed that they switched from U.S. to Chinese product to take advantage of lower prices, or that U.S. suppliers lowered prices to compete with Chinese suppliers. Despite the evidence of underselling on the record, the Commission found that quarterly pricing data in the final phase, which contain sales from domestic producers to both distributors and retailers, show overselling by subject imports. The Commission noted in its Views that “data comparing domestic and importer sales prices to unrelated customers show that subject imports *** oversold the domestic product, at weighted average margins ranging from *** percent to *** percent, with U.S. prices ranging from \$*** to \$*** per unit and prices for Chinese crepe paper ranging from \$*** to \$*** per unit.” However, the Commission also noted that “the domestic industry has sold crepe paper to both retailers and distributors, including firms that also increasingly import subject crepe paper from China” and further “that import purchase prices for both importer/retailers (\$*** per unit) and importer/distributors (\$*** per unit) are consistently lower than the selling prices of the U.S. producers.”⁵⁰ The Commission further noted that the record indicates that prices to distributors and retailers differ with price to distributors being *** that the sales price to retailers. Recognizing that the domestic industry has a greater proportion of their sales to distributors than importers, the Commission reasoned that calculating a weighted average price across channels could explain the apparent overselling shown in the price comparison data.⁵¹

⁴⁷ *Certain Crepe Paper Products from China: Inv. No. 731-TA-1070A (Final)*, INV-BB-161, December 28, 2004, p. II-2.

⁴⁸ *Ibid.*, table IV-1.

⁴⁹ *Certain Crepe Paper Products from China: Inv. No. 731-TA-1070A (Final)*, INV-BB-161, December 28, 2004, p. I-8. Additional price-related data for the three large importing distributors appears in Memorandum INV-CC-001, January 5, 2005.

⁵⁰ Confidential Views of the Commission, p. 17.

⁵¹ *Ibid.*, p. 18.

THE INDUSTRY IN THE UNITED STATES

U.S. Producers

U.S. industry data collected in the original investigation were based on the questionnaire responses of three of the four total domestic producers that accounted for almost all U.S. production of crepe paper products.⁵² The three U.S. producers that participated in the original investigation and their shares of total domestic production during 2002 were as follows: American Crepe (***) percent), Cindus (***) percent), and Seaman (***) percent).⁵³

The domestic interested party reported in its response that there are currently three domestic producers of crepe paper products: Cindus, Seaman, and Unique Industries.⁵⁴ Seaman was the only respondent to the Commission's notice of institution of this review. Details regarding each firm's location and company shares of 2003 and 2008 total domestic production of crepe paper are presented in table I-3.

Table I-3
Crepe paper: U.S. producers, locations, and company shares of 2003 and 2008 total domestic production

Firm	Location	Share of 2003 reported production (percent)	Estimated share of 2008 domestic production (percent)
American Crepe/ Unique Industries ²	Montoursville, PA/ Philadelphia, PA	***	(1)
Beistle	Shippensburg, PA	(1)	(3)
Cindus	Cincinnati, OH	***	(1)
Seaman	Gardner, MA	***	***
Total		100.0	

¹ Not available.
² American Crepe was acquired by Unique Industries, a former importer of crepe paper. This reportedly has not changed production capabilities as Unique has continued American Crepe's production of the product.
³ Beistle is no longer a domestic producer of crepe paper.

Note.-- Subsequent to the filing of the petition, Glitterwrap was said to have *** and reportedly began crepe paper production in September 2004. The company, however, has undergone multiple changes in ownership and was not identified as a producer in this review.

Source: *Inv. No. 731-TA-1070A (Final): Certain Crepe Paper Products from China- Staff Report*, INV-BB-161, December 28, 2004, Table III-1; *Seaman's Response*.

⁵² *Certain Crepe Paper Products from China: Inv. No. 731-TA-1070A (Final)*, INV-BB-161, December 28, 2004, p. III-1.

⁵³ *Ibid.* p. III-2, Table III-1.

⁵⁴ *Seaman's Response*, December 31, 2009, pp. 22-23.

In 2003, Glitterwrap was the *** U.S. importer of crepe paper from China with *** percent of U.S. imports. After the filing of the petition, Glitterwrap reportedly *** and began production. On September 7, 2007, Glitterwrap was acquired by International Greetings PLC, a world leader in the manufacturing of stationary and paper greeting products, and became one of its subsidiaries.⁵⁵ Then, in early 2009, Glitterwrap was acquired by Designer Greetings, Inc., one of the largest greeting card companies in the United States.⁵⁶ Since then, it is reported that Glitterwrap's party division has been liquidated.⁵⁷

Cindus

Since 1923, Cindus has been a paper converting company located in Cincinnati, OH. Its main function is the production of different varieties of crepe paper, and their line includes crepe and calendered insulation products for the electrical industry, creped paper for party goods, and "X-Crepe" (its exclusive "all directional" stretch paper used in the transformer industry as an alternative to lead cable insulation).⁵⁸

Seaman

Seaman Paper Co. has its paper mill headquarters in Otter River, MA, with corporate offices in Gardner, MA. In 1945, Seaman Paper Company of Chicago originally purchased this mill which produced napkin and toweling products. Since, it has grown to include a second paper machine in 1954 and many eco-friendly applications in trying to keep with their environmental policy. In the 1980s, demand began to decline, so, in 1985, Seaman developed new products which added value to the paper grades. A few results from this program include Seaman's *SatinWrap* line (which has been sold internationally), industrial wrapping paper, private label folded gift wrap, florist tissue, arts and crafts tissue, and decorative crepe party goods. Seaman has the capacity to produce 100 tons of paper per day and currently comprises *** percent of domestic crepe paper production.⁵⁹ However, it is only producing at less than *** percent of its capacity.⁶⁰

Unique

Unique is headquartered in Philadelphia, PA, and is a leading producer of party merchandise. It offers a variety of products such as balloons, pinatas, party favors, paperware, and more, including crepe paper.⁶¹

⁵⁵ *International Greeting Acquires Glitterwrap*, found at <http://www.giftsanddec.com/article/CA6477874.html>.

⁵⁶ *Designer Greeting Acquires Glitterwrap*, found at http://designergreetings.com/pages/Press_Release.html.

⁵⁷ *Designer Greeting Acquires Red Farm Studio and Glitterwrap*, found at <http://www.greetingsmagazine.com/ME2/Sites/dirmod.asp?sid=&nm=&type=MultiPublishing&mod=PublishingTitles&mid=16866170C972451FAAF3BBD694B473B4&tier=4&id=199AE3D3E9714F72A153DB4EB4E281A6&SiteID=71DDBD9AA0F345578C063676C6E48986>.

⁵⁸ Cindus Company Website, History, found at http://www.cindus.com/corp_history.php.

⁵⁹ Seaman Company Website, The History of Seaman Paper Company, found at <http://www.seamanpaper.com/history.html>.

⁶⁰ Seaman's *Response*, December 31, 2009, p. 23.

⁶¹ Unique Company Website, Home, found at <http://favors.com/default.asp>.

In the original investigation, Unique was listed as one of the top three importers of crepe paper products from China.⁶² In the response to the notice of institution, Unique was still listed as an importer; however, they also had become a producer via the acquisition of American Crepe in 2007. The purchase of American Crepe, which in the original investigation accounted for *** percent of United States crepe paper production, has not affected the supply of crepe paper production in the U.S., as Unique has continued its production of the domestic like product.⁶³

U.S. Producers' Trade, Employment, and Financial Data

Data reported by U.S. producers of crepe paper products in the Commission's original investigation and in response to its five-year review institution notice are presented in table I-4. Data presented for 2001-03, January-September 2003, and January-September 2004 were provided by three producers (American Crepe, Cindus, and Seaman) that were believed to have represented nearly 100 percent of the U.S. production of crepe paper products. Data presented for 2008 were provided by one producer (Seaman) which is believed to have represented *** percent of U.S. crepe paper production during the period of review.⁶⁴

During the period examined in the original investigation, U.S. capacity remained stable until 2004 when *** idled *** of its capacity. Additionally, U.S. production declined by nearly *** between 2001 and 2003 and was lower in interim 2004 than in interim 2003. ***'s production level fell by more than *** between 2001 and 2003, and *** production level in interim 2004 was approximately *** of its production level in interim 2003. The domestic industry's capacity utilization decreased in each successive period (annual and interim) relative to the comparable prior period.⁶⁵

Seaman reports in its response that the Commission's imposition of the order has allowed U.S. crepe paper producers to stay in business⁶⁶ and increase their production, in part as a result of retreating Chinese imports.⁶⁷ However, Seaman also contends that the domestic industry remains vulnerable in the midst of the current economic downturn, which has brought stagnant demand and increased material costs. It also reports that production is *** percent of capacity.⁶⁸

⁶² *Certain Crepe Paper Products from China: Inv. No. 731-TA-1070A (Final)*, INV-BB-161, December 28, 2004, p. I-3.

⁶³ *Seaman's Response*, December 31, 2009, pp. 22-23.

⁶⁴ *Ibid.*, p. 22.

⁶⁵ Staff Report on *Certain Crepe Paper Products from China, Investigation No. 731-TA-1070A (Final)*, December 28, 2004 (INV-BB-161), p. III-4.

⁶⁶ Beistle, a minor producer, has ceased production of crepe paper since the original investigation, and American Crepe has been acquired by Unique Industries, although its facilities are still in use.

⁶⁷ *Ibid.* p. 8.

⁶⁸ *Ibid.* p. 23.

Table I-4

Crepe paper: U.S. producers' trade, employment, and financial data, 2001-03, January-September 2003, January-September 2004 and 2008¹

Item	2001	2002	2003	January-September		2008
				2003	2004	
Capacity (1,000 square meters)	***	***	***	***	***	***
Production (1,000 square meters)	***	***	***	***	***	***
Capacity utilization (<i>percent</i>)	***	***	***	***	***	***
U.S. shipments:						
Quantity (1,000 square meters)	***	***	***	***	***	***
Value (\$1,000)	***	***	***	***	***	***
Unit value (per 1,000 square meters)	\$***	\$***	\$***	\$***	\$***	\$***
Exports:						
Quantity (1,000 square meters)	***	***	***	***	***	(²)
Value (\$1,000)	***	***	***	***	***	(²)
Unit value (per 1,000 square meters)	\$***	\$***	\$***	\$***	\$***	(²)
Total shipments:						
Quantity (1,000 square meters)	***	***	***	***	***	(²)
Value (\$1,000)	***	***	***	***	***	(²)
Unit value (per 1,000 square meters)	\$***	\$***	\$***	\$***	\$***	(²)
End-of-period inventories (1,000 square meters)	***	***	***	***	***	(²)
Production and related workers (<i>number</i>)	***	***	***	***	***	(²)
Hours worked (<i>1,000 hours</i>)	***	***	***	***	***	(²)
Wages paid (\$1,000)	***	***	***	***	***	(²)
Hourly wages	\$***	\$***	\$***	\$***	\$***	(²)
Productivity (<i>square meters per hour</i>)	***	***	***	***	***	(²)
Unit labor costs (<i>per 1,000 square meters</i>)	\$***	\$***	\$***	\$***	\$***	(²)
Net sales (\$1,000)	***	***	***	***	***	***
Operating income or (loss) (\$1,000)	***	***	***	***	***	***
Operating income (loss)/sales (<i>percent</i>)	***	***	***	***	***	***

¹ Data presented for 2001-03, January-June 2003, and January-June 2004 were provided by three producers (American Crepe, Cindus, and Seaman) in the final phase of the original investigation. These three firms were believed to have represented nearly all U.S. production of crepe paper during the period examined in the original investigation. Data presented for 2008 was provided by exclusively by Seaman, which represented approximately *** percent of U.S. production.

² Not available.

Source: *Certain Crepe Paper Products from China: Inv. No. 731-TA-1070A (Final)*, INV-BB-161, December 28, 2004, tables III-2, III-3, III-4, III-5, IV-3, V1-1, VI-5; Seaman's Responses.

U.S. IMPORTS AND APPARENT U.S. CONSUMPTION

U.S. Imports

During the original investigation, 13 firms provided the requested trade data to the Commission including all companies that provided usable data to the Commission in the preliminary phase of the investigation. Of those firms, six were importing subject crepe paper from China in 2001, two firms began importing crepe paper from China in 2002, and five began importing in 2003.

Creative Expressions, Glitterwrap,⁶⁹ and Unique Industries accounted for more than *** of reported subject imports in 2003. ***.⁷⁰ In Seaman's response to the Commission's notice of institution, 28 importers were listed, none of which responded to the notice of institution.⁷¹

Crepe paper import data for 2001-03, January-September 2003, January-September 2004, and 2008 are presented in table I-5. The volume of U.S. imports of crepe paper products from China increased by 444 percent from 2001 to 2003.⁷² The quantity of imports from nonsubject countries throughout the same period began and remained at zero.⁷³

According to Seaman, since the period of the original investigation, the volume of U.S. imports of crepe paper from China have declined "dramatically," and "Chinese imports retreated virtually entirely from the U.S. market and have not returned in any significant volume."⁷⁴ No duties were collected in 2005 and only limited duties since then. Also, broader HTS categories (4808.20, 4808.30, and 4808.90.20) have declined sharply, suggesting that imports of crepe paper products have also declined substantially.⁷⁵ Seaman's response suggests that nonsubject imports have remained low as well.⁷⁶

⁶⁹ Subsequent to the filing of the petition, Glitterwrap *** and reportedly began crepe paper production in September 2004. This firm was a party to the investigation until November 19, 2004.

⁷⁰ *Certain Crepe Paper Products from China: Inv. No. 731-TA-1070A (Final)*, INV-BB-161, December 28, 2004, p. IV-1.

⁷¹ *Seaman's Response*, December 31, 2009, Section 5.

⁷² *Ibid.*, p. 6.

⁷³ *Certain Crepe Paper Products from China: Inv. No. 731-TA-1070A (Final)*, INV-BB-161, December 28, 2004, Table IV-3.

⁷⁴ *Seaman's Response*, December 31, 2009, p. 8.

⁷⁵ *Ibid.*, p. 9.

⁷⁶ Neither of the two firms responding to the purchaser survey identified any shift in supply since 2005; however, *** noted that it expected Chinese producers to establish operations in other countries such as Vietnam.

Table I-5
Crepe paper: U.S. imports, by source, 2001-08

Source	2001	2002	2003	January-September		2008
				2003	2004	
Quantity (1,000 square meters)						
China	3,819	12,156	20,769	14,962	25,816	(¹)
All Others	0	0	0	0	0	(¹)
Total imports	3,819	12,156	20,769	14,962	25,816	(¹)
Value (\$1,000)						
China	449	1,414	2,278	1,636	3,028	(¹)
All Others	0	0	0	0	0	(¹)
Total imports	449	1,414	2,278	1,636	3,028	(¹)
Unit value (per 1,000 square meters)						
China	\$117.64	\$116.34	\$109.68	\$109.33	\$117.31	(¹)
All Others	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)
Average total imports	117.64	116.34	109.68	109.33	117.31	(¹)
Share of quantity (percent)						
China	100.0	100.0	100.0	100.0	100.0	(¹)
All Others	0.0	0.0	0.0	0.0	0.0	(¹)
Total imports	100.0	100.0	100.0	100.0	100.0	(¹)
¹ Not applicable. Note.— Because of rounding, figures may not add to the totals shown. Note.— Seaman believes that imports from China have declined dramatically and “retreated virtually entirely from the U.S. market.” Limited duties have been collected on the product, and broader HTS categories also suggest that imports have declined markedly. Source: Staff Report on <i>Certain Crepe Paper Products from China, Investigation No. 731-TA-1070A (Final)</i> , December 28, 2004 (INV-BB-161), Table IV-2.						

Ratio of Imports to U.S. Production

Information concerning the ratio of U.S. imports to U.S. production of crepe paper is presented in table I-6. Subject imports of crepe paper from China were equivalent to *** percent of U.S. production during 2001, increased by over three times the amount to *** percent during 2002, and then more than doubled to *** percent in 2003. During interim 2003, the ratio of imports to production was *** percent; by interim 2004, the ratio had reached *** percent. Nonsubject imports were nonexistent during the period examined in the final phase of the Commission’s original investigation and for 2008.

Table I-6

Crepe paper: Ratio of U.S. imports to U.S. production, by sources, 2001-03, January-September 2003, January- September 2004, and 2008 ¹

Item	2001	2002	2003	January-September		2008
				2003	2004	
Quantity (1,000 square meters)						
U.S. production	***	***	***	***	***	***
Ratio of U.S. imports to production (percent)						
China	***	***	***	***	***	(2)
Other	***	***	***	***	***	(2)
Total imports	***	***	***	***	***	(2)
¹ Production data presented for 2001-03, January-September 2003, and January-September 2004 were provided by three producers believed to have represented nearly all U.S. production of crepe paper. Data presented for 2008 was provided by Seaman which represents approximately *** percent of U.S. production. ² Not available.						
Source: Staff Report on <i>Certain Crepe Paper Products from China, Investigation No. 731-TA-1070A (Final)</i> , December 28, 2004 (INV-BB-161), Table III-2 and p. IV-5; and Seaman's <i>Response</i> (for 2008 production data).						

Apparent U.S. Consumption and Market Shares

Apparent U.S. consumption and market shares are presented in table I-7. The quantity of apparent U.S. consumption of crepe paper declined by 2.6 percent between 2001 and 2003. However, the interim period of 2004 was 6.7 percent higher than the interim period of 2003. The value of apparent U.S. consumption of crepe paper declined by 2.0 percent from 2001 to 2003, but increased by 4.1 percent from the interim period of 2003 to the interim period of 2004. Apparent consumption quantity in 2008 is not available. However, Seaman described U.S. crepe paper demand as “steady” into 2008, though more recent demand was characterized as “lagging.”⁷⁷

Domestic producers’ market share based on quantity was *** percent in 2001, *** percent in 2002, and decreased to *** percent in 2003. It was *** percent by September 2004. The market share of subject imports from China was *** percent in 2001 and *** percent in 2003. In January-September 2003, China’s market share was *** percent, and in January-September 2004, China’s market share was *** percent. In 2008, however, imports of crepe paper are believed to be minimal.

⁷⁷ Seaman’s *Response*, December 31, 2009, p. 15.

Table I-7

Crepe paper: U.S. producers' U.S. shipments, U.S. imports, and apparent U.S. consumption, 2001-03, January-September 2003, January-September 2004, and 2008

Item	2001	2002	2003	Jan.-Sept.		2008 ¹
				2003	2004	
Quantity (1,000 Square Meters)						
U.S. producers' U.S. shipments	***	***	***	***	***	***
U.S. shipment of imports from-- China	***	***	***	***	***	(²)
Other sources	***	***	***	***	***	(²)
Total import shipments	***	***	***	***	***	(²)
Apparent U.S. consumption	62,832	67,535	61,203	46,481	49,604	(²)
Value (1,000 dollars)						
U.S. producers' U.S. shipments	***	***	***	***	***	***
U.S. shipment of imports from-- China	***	***	***	***	***	(²)
Other sources	0	0	0	0	0	(²)
Total import shipments	***	***	***	***	***	(²)
Apparent U.S. consumption	11,274	12,385	11,047	8,547	8,900	(²)
Share of consumption based on quantity (percent)						
U.S. producers' U.S. shipments	***	***	***	***	***	(²)
U.S. shipment of imports from-- China	***	***	***	***	***	(²)
Other sources	***	***	***	***	***	(²)
Total import shipments	***	***	***	***	***	(²)
Apparent U.S. consumption	100.0	100.0	100.0	100.0	100.0	(²)
Share of consumption based on value (percent)						
U.S. producers' U.S. shipments	***	***	***	***	***	(²)
U.S. shipment of imports from-- China	***	***	***	***	***	(²)
Other sources	***	***	***	***	***	(²)
Total import shipments	***	***	***	***	***	(²)
Apparent U.S. consumption	100.0	100.0	100.0	100.0	100.0	(²)
¹ Data for 2008 were provided by Seaman who comprises *** percent U.S. production. ² Not available.						
Source: Staff Report on <i>Certain Crepe Paper Products from China, Investigation No. 731-TA-1070A (Final)</i> , December 28, 2004 (INV-BB-161), Table IV-3, IV-4; and Seaman's <i>Responses</i> (for 2008 production data), Section 8.						

ANTIDUMPING ACTIONS OUTSIDE THE UNITED STATES

Based on available information, crepe paper products have not been subject to other investigations outside the United States.

THE SUBJECT INDUSTRY IN CHINA

In the original investigation, 78 firms were identified as possible tissue and crepe paper producers or exporters in China, and they were sent foreign producer questionnaires. Two producers (Guilen Quifeng Paper Co., Ltd, and Max Fortune Industrial, Ltd.) completed and returned the Commission's questionnaire in addition to one exporter (Constant China Import Export, Ltd.) concerning their operations in China. However, only one producer, ***, reported the production of crepe paper products (as opposed to tissue paper) in the final phase of the investigation.⁷⁸

The Commission did not receive any responses to its notice of institution in this review from Chinese producers of the subject merchandise. However, the domestic interested party's response to the Commission's notice of institution listed 73 known Chinese producers of crepe paper products.⁷⁹

Since the original investigation, China's capacity to produce crepe paper reportedly has increased. Seaman has included in its response multiple reports of Chinese firms expanding their facilities, hiring more laborers, and increasing manufacturing equipment. Several Chinese producers of crepe paper published summaries of their development plans for crepe paper and other paper products.⁸⁰

Table I-8 presents trade data for the Chinese crepe paper industry compiled during the preliminary and final phases of the original investigation. As these data show, Chinese production increased substantially throughout the period for which data were collected in the original investigation.⁸¹

In the final phase of the original investigation, reporting by Chinese producers was incomplete. For example, the exports to the United States reported by responding Chinese producers was noticeably smaller than U.S. imports from China. Among responding producers, however, there was a marked increase in capacity from *** square meters in 2001 to *** square meters in 2002 to *** square meters in 2003. This trend was consistent with the growing number of Chinese producers (one company reported production in 2001, three companies in 2002, and three in 2003).⁸²

⁷⁸ *Certain Crepe Paper Products from China: Inv. No. 731-TA-1070A (Final)*, INV-BB-161, December 28, 2004, p. VII-1.

⁷⁹ *Response of Seaman*, December 31, 2009, Section 6.

⁸⁰ *Ibid.*, Section 4.

⁸¹ During the period examined in the original investigation, the Chinese producers operated their facilities at aggregate capacity utilization rates ranging from *** to *** percent. *Certain Crepe Paper Products from China: Inv. No. 731-TA-1070A (Final)*, INV-BB-161, December 28, 2004, Table VII-1.

⁸² *Certain Crepe Paper Products from China: Inv. No. 731-TA-1070A (Final)*, INV-BB-161, December 28, 2004, p. VII-3.

Table I-8
Crepe paper: Chinese production capacity, production, shipments, and inventories, 2001-03,
January-September 2003, January-September 2004, and 2008

Item	2001	2002	2003	January- September		2008
				2003	2004	
Quantity (1,000 square meters)						
Capacity	***	***	***	(¹)	(¹)	(²)
Production	***	***	***	(¹)	(¹)	(²)
End of period inventories	***	***	***	(¹)	(¹)	(²)
Shipments:						
Internal consumption	***	***	***	(¹)	(¹)	(²)
Home market	***	***	***	(¹)	(¹)	(²)
Exports to--						
The United States	***	***	***	(¹)	(¹)	(²)
All other markets	***	***	***	(¹)	(¹)	(²)
Total exports	***	***	***	(¹)	(¹)	(²)
Total shipments	***	***	***	(¹)	(¹)	(²)
Ratios and shares (percent)						
Capacity utilization	***	***	***	(¹)	(¹)	(²)
Inventories to production	***	***	***	(¹)	(¹)	(²)
Inventories to total shipments	***	***	***	(¹)	(¹)	(²)
Share of total quantity of shipments:						
Internal consumption	***	***	***	(¹)	(¹)	(²)
Home market	***	***	***	(¹)	(¹)	(²)
Exports to--						
The United States	***	***	***	(¹)	(¹)	(²)
All other markets	***	***	***	(¹)	(¹)	(²)
All export markets	***	***	***	(¹)	(¹)	(²)
¹ Not available because few known producers in China responded to the Commission's request for information in the original investigation. ² Not available because no Chinese producers responded to the Commission's notice of institution.						
Note – Because of rounding, figures may not add to the totals shown.						
Source: Staff Report on <i>Certain Crepe Paper Products from China</i> , Investigation No. 731-TA-1070A (Final), December 28, 2004 (INV-BB-161), Table VII-1 (including data from the preliminary phase of investigation).						

APPENDIX A
***FEDERAL REGISTER* NOTICES**

SUMMARY: In accordance with section 751(c) of the Tariff Act of 1930, as amended (“the Act”), the Department of Commerce (“the Department”) is automatically initiating a five-year review (“Sunset Review”) of the antidumping duty orders listed below. The International Trade Commission (“the Commission”) is publishing concurrently with this notice its notice of *Institution of Five-Year Review* which covers the same orders.

DATES: *Effective Date:* December 1, 2009.

FOR FURTHER INFORMATION CONTACT: The Department official identified in the *Initiation of Review* section below at AD/CVD Operations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230. For information from the Commission contact Mary Messer, Office of Investigations, U.S. International Trade Commission at (202) 205–3193.

SUPPLEMENTARY INFORMATION:

Background

The Department’s procedures for the conduct of Sunset Reviews are set forth in its *Procedures for Conducting Five-year (“Sunset”) Reviews of Antidumping and Countervailing Duty Orders*, 63 FR 13516 (March 20, 1998) and 70 FR 62061 (October 28, 2005). Guidance on methodological or analytical issues relevant to the Department’s conduct of Sunset Reviews is set forth in the Department’s Policy Bulletin 98.3—*Policies Regarding the Conduct of Five-year (“Sunset”) Reviews of Antidumping and Countervailing Duty Orders: Policy Bulletin*, 63 FR 18871 (April 16, 1998).

Initiation of Review

In accordance with 19 CFR 351.218(c), we are initiating the Sunset Review of the following antidumping duty orders:

DEPARTMENT OF COMMERCE

International Trade Administration

Initiation of Five-Year (“Sunset”) Review

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

DOC case No.	ITC case No.	Country	Product	Department contact
A–570–895	731–TA–1070A	PRC	Certain Crepe Paper Products	Jennifer Moats (202) 482–5047
A–570–890	731–TA–1058	PRC	Wooden Bedroom Furniture	Jennifer Moats (202) 482–5047

Filing Information

As a courtesy, we are making information related to Sunset proceedings, including copies of the pertinent statute and Department’s regulations, the Department schedule for Sunset Reviews, a listing of past revocations and continuations, and current service lists, available to the public on the Department’s Internet Web site at the following address: <http://ia.ita.doc.gov/sunset/>. All submissions in these Sunset Reviews must be filed in accordance with the Department’s regulations regarding format, translation, service, and certification of documents. These rules can be found at 19 CFR 351.303.

Pursuant to 19 CFR 351.103(c), the Department will maintain and make available a service list for these proceedings. To facilitate the timely preparation of the service list(s), it is requested that those seeking recognition as interested parties to a proceeding contact the Department in writing within 10 days of the publication of the Notice of Initiation.

Because deadlines in Sunset Reviews can be very short, we urge interested parties to apply for access to proprietary information under administrative protective order (“APO”) immediately following publication in the **Federal Register** of this notice of initiation by

filing a notice of intent to participate. The Department’s regulations on submission of proprietary information and eligibility to receive access to business proprietary information under APO can be found at 19 CFR 351.304–306.

Information Required From Interested Parties

Domestic interested parties defined in section 771(9)(C), (D), (E), (F), and (G) of the Act and 19 CFR 351.102(b) wishing to participate in a Sunset Review must respond not later than 15 days after the date of publication in the **Federal Register** of this notice of initiation by filing a notice of intent to participate. The required contents of the notice of intent to participate are set forth at 19 CFR 351.218(d)(1)(ii). In accordance with the Department’s regulations, if we do not receive a notice of intent to participate from at least one domestic interested party by the 15-day deadline, the Department will automatically revoke the order without further review. See 19 CFR 351.218(d)(1)(iii).

If we receive an order-specific notice of intent to participate from a domestic interested party, the Department’s regulations provide that *all parties* wishing to participate in the Sunset Review must file complete substantive responses not later than 30 days after

the date of publication in the **Federal Register** of this notice of initiation. The required contents of a substantive response, on an order-specific basis, are set forth at 19 CFR 351.218(d)(3). Note that certain information requirements differ for respondent and domestic parties. Also, note that the Department’s information requirements are distinct from the Commission’s information requirements. Please consult the Department’s regulations for information regarding the Department’s conduct of Sunset Reviews.¹ Please consult the Department’s regulations at 19 CFR Part 351 for definitions of terms and for other general information concerning antidumping and countervailing duty proceedings at the Department.

This notice of initiation is being published in accordance with section 751(c) of the Act and 19 CFR 351.218(c).

¹ In comments made on the interim final sunset regulations, a number of parties stated that the proposed five-day period for rebuttals to substantive responses to a notice of initiation was insufficient. This requirement was retained in the final sunset regulations at 19 CFR 351.218(d)(4). As provided in 19 CFR 351.302(b), however, the Department will consider individual requests to extend that five-day deadline based upon a showing of good cause.

Dated: *November 24, 2009.*

John M. Andersen,

*Acting Deputy Assistant Secretary for
Antidumping and Countervailing Duty
Operations.*

[FR Doc. E9-28775 Filed 11-30-09; 8:45 am]

BILLING CODE 3510-DS-P

INTERNATIONAL TRADE COMMISSION

[Investigation No. 731-TA-1070A (Review)]

Crepe Paper Products From China

AGENCY: United States International Trade Commission.

ACTION: Institution of a five-year review concerning the antidumping duty order on crepe paper products from China.

SUMMARY: The Commission hereby gives notice that it has instituted a 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 antidumping duty order on crepe paper products from China would be likely to lead to continuation or recurrence of material injury. Pursuant to section 751(c)(2) of the Act, interested parties are requested to respond to this notice by submitting the information specified below to the Commission;¹ to be assured of consideration, the deadline for responses is December 31, 2009. Comments on the adequacy of responses may be filed with the Commission by February 16, 2010. For further information concerning the conduct of this review and rules of general application, consult the Commission's Rules of Practice and Procedure, part 201, subparts A through E (19 CFR part 201), and part 207, subparts A, D, E, and F (19 CFR part 207), as most recently amended at 74 FR 2847 (January 16, 2009).

DATES: *Effective Date:* December 1, 2009.

FOR FURTHER INFORMATION CONTACT: Mary Messer (202-205-3193), Office of Investigations, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting the Commission's TDD terminal on 202-205-1810. Persons with mobility impairments who will need special assistance in gaining access to the

¹ No response to this request for information is required if a currently valid Office of Management and Budget (OMB) number is not displayed; the OMB number is 3117-0016/USITC No. 10-5-207, expiration date June 30, 2011. Public reporting burden for the request is estimated to average 15 hours per response. Please send comments regarding the accuracy of this burden estimate to the Office of Investigations, U.S. International Trade Commission, 500 E Street, SW., Washington, DC 20436.

Commission should contact the Office of the Secretary at 202-205-2000. General information concerning the Commission may also be obtained by accessing its internet server (<http://www.usitc.gov>). The public record for this review may be viewed on the Commission's electronic docket (EDIS) at <http://edis.usitc.gov>.

SUPPLEMENTARY INFORMATION:

Background.—On January 25, 2005, the Department of Commerce issued an antidumping duty order on imports of certain crepe paper products from China (70 FR 3509). The Commission is conducting a review 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. It will assess the adequacy of interested party responses to this notice of institution to determine whether to conduct a full review or an expedited review. The Commission's determination in any expedited review will be based on the facts available, which may include information provided in response to this notice.

Definitions.—The following definitions apply to this review:

(1) *Subject Merchandise* is the class or kind of merchandise that is within the scope of the five-year review, as defined by the Department of Commerce.

(2) The *Subject Country* in this review is China.

(3) The *Domestic Like Product* is the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the *Subject Merchandise*. In its original determination, the Commission defined the *Domestic Like Product* as crepe paper, coextensive with Commerce's scope.

(4) The *Domestic Industry* is the U.S. producers as a whole of the *Domestic Like Product*, or those producers whose collective output of the *Domestic Like Product* constitutes a major proportion of the total domestic production of the product. In its original determination, the Commission defined the *Domestic Industry* as all domestic producers (whether integrated or converters) of crepe paper.

(5) The *Order Date* is the date that the antidumping duty order under review became effective. In this review, the *Order Date* is January 25, 2005.

(6) An *Importer* is any person or firm engaged, either directly or through a parent company or subsidiary, in importing the *Subject Merchandise* into the United States from a foreign manufacturer or through its selling agent.

Participation in the review and public service list.—Persons, including industrial users of the *Subject Merchandise* and, if the merchandise is sold at the retail level, representative consumer organizations, wishing to participate in the review as parties must file an entry of appearance with the Secretary to the Commission, as provided in section 201.11(b)(4) of the Commission's rules, no later than 21 days after publication of this notice in the **Federal Register**. The Secretary will maintain a public service list containing the names and addresses of all persons, or their representatives, who are parties to the review.

Former Commission employees who are seeking to appear in Commission five-year reviews are advised that they may appear in a review even if they participated personally and substantially in the corresponding underlying original investigation. The Commission's designated agency ethics official has advised that a five-year review is not considered the "same particular matter" as the corresponding underlying original investigation for purposes of 18 U.S.C. 207, the post employment statute for Federal employees, and Commission rule 201.15(b)(19 CFR 201.15(b)), 73 FR 24609 (May 5, 2008). This advice was developed in consultation with the Office of Government Ethics. Consequently, former employees are not required to seek Commission approval to appear in a review under Commission rule 19 CFR 201.15, even if the corresponding underlying original investigation was pending when they were Commission employees. For further ethics advice on this matter, contact Carol McCue Verratti, Deputy Agency Ethics Official, at 202-205-3088.

Limited disclosure of business proprietary information (BPI) under an administrative protective order (APO) and APO service list.—Pursuant to section 207.7(a) of the Commission's rules, the Secretary will make BPI submitted in this review available to authorized applicants under the APO issued in the review, provided that the application is made no later than 21 days after publication of this notice in the **Federal Register**. Authorized applicants must represent interested parties, as defined in 19 U.S.C. 1677(9), who are parties to the review. A separate service list will be maintained by the Secretary for those parties authorized to receive BPI under the APO.

Certification.—Pursuant to section 207.3 of the Commission's rules, any person submitting information to the

Commission in connection with this review must certify that the information is accurate and complete to the best of the submitter's knowledge. In making the certification, the submitter will be deemed to consent, unless otherwise specified, for the Commission, its employees, and contract personnel to use the information provided in any other reviews or investigations of the same or comparable products which the Commission conducts under Title VII of the Act, or in internal audits and investigations relating to the programs and operations of the Commission pursuant to 5 U.S.C. Appendix 3.

Written submissions.—Pursuant to section 207.61 of the Commission's rules, each interested party response to this notice must provide the information specified below. The deadline for filing such responses is December 31, 2009. Pursuant to section 207.62(b) of the Commission's rules, eligible parties (as specified in Commission rule 207.62(b)(1)) may also file comments concerning the adequacy of responses to the notice of institution and whether the Commission should conduct an expedited or full review. The deadline for filing such comments is February 16, 2010. All written submissions must conform with the provisions of sections 201.8 and 207.3 of the Commission's rules and any submissions that contain BPI must also conform with the requirements of sections 201.6 and 207.7 of the Commission's rules. The Commission's rules do not authorize filing of submissions with the Secretary by facsimile or electronic means, except to the extent permitted by section 201.8 of the Commission's rules, as amended, 67 FR 68036 (November 8, 2002). Also, in accordance with sections 201.16(c) and 207.3 of the Commission's rules, each document filed by a party to the review must be served on all other parties to the review (as identified by either the public or APO service list as appropriate), and a certificate of service must accompany the document (if you are not a party to the review you do not need to serve your response).

Inability to provide requested information.—Pursuant to section 207.61(c) of the Commission's rules, any interested party that cannot furnish the information requested by this notice in the requested form and manner shall notify the Commission at the earliest possible time, provide a full explanation of why it cannot provide the requested information, and indicate alternative forms in which it can provide equivalent information. If an interested party does not provide this notification (or the Commission finds the explanation provided in the notification

inadequate) and fails to provide a complete response to this notice, the Commission may take an adverse inference against the party pursuant to section 776(b) of the Act in making its determination in the review.

Information To Be Provided in Response to this Notice of Institution: As used below, the term "firm" includes any related firms.

(1) The name and address of your firm or entity (including World Wide Web address) and name, telephone number, fax number, and E-mail address of the certifying official.

(2) A statement indicating whether your firm/entity is a U.S. producer of the *Domestic Like Product*, a U.S. union or worker group, a U.S. importer of the *Subject Merchandise*, a foreign producer or exporter of the *Subject Merchandise*, a U.S. or foreign trade or business association, or another interested party (including an explanation). If you are a union/worker group or trade/business association, identify the firms in which your workers are employed or which are members of your association.

(3) A statement indicating whether your firm/entity is willing to participate in this review by providing information requested by the Commission.

(4) A statement of the likely effects of the revocation of the antidumping duty order on the *Domestic Industry* in general and/or your firm/entity specifically. In your response, please discuss the various factors specified in section 752(a) of the Act (19 U.S.C. 1675a(a)) including the likely volume of subject imports, likely price effects of subject imports, and likely impact of imports of *Subject Merchandise* on the *Domestic Industry*.

(5) A list of all known and currently operating U.S. producers of the *Domestic Like Product*. Identify any known related parties and the nature of the relationship as defined in section 771(4)(B) of the Act (19 U.S.C. 1677(4)(B)).

(6) A list of all known and currently operating U.S. importers of the *Subject Merchandise* and producers of the *Subject Merchandise* in the *Subject Country* that currently export or have exported *Subject Merchandise* to the United States or other countries since the *Order Date*.

(7) A list of 3–5 leading purchasers in the U.S. market for the *Domestic Like Product* and the *Subject Merchandise* (including street address, World Wide Web address, and the name, telephone number, fax number, and E-mail address of a responsible official at each firm).

(8) A list of known sources of information on national or regional prices for the *Domestic Like Product* or

the *Subject Merchandise* in the U.S. or other markets.

(9) If you are a U.S. producer of the *Domestic Like Product*, provide the following information on your firm's operations on that product during calendar year 2008, except as noted (report quantity data in square meters and value data in U.S. dollars, f.o.b. plant). If you are a union/worker group or trade/business association, provide the information, on an aggregate basis, for the firms in which your workers are employed/which are members of your association.

(a) Production (quantity) and, if known, an estimate of the percentage of total U.S. production of the *Domestic Like Product* accounted for by your firm's(s') production;

(b) Capacity (quantity) of your firm to produce the *Domestic Like Product* (i.e., the level of production that your establishment(s) could reasonably have expected to attain during the year, assuming normal operating conditions (using equipment and machinery in place and ready to operate), normal operating levels (hours per week/weeks per year), time for downtime, maintenance, repair, and cleanup, and a typical or representative product mix);

(c) the quantity and value of U.S. commercial shipments of the *Domestic Like Product* produced in your U.S. plant(s);

(d) the quantity and value of U.S. internal consumption/company transfers of the *Domestic Like Product* produced in your U.S. plant(s); and

(e) the value of (i) net sales, (ii) cost of goods sold (COGS), (iii) gross profit, (iv) selling, general and administrative (SG&A) expenses, and (v) operating income of the *Domestic Like Product* produced in your U.S. plant(s) (include both U.S. and export commercial sales, internal consumption, and company transfers) for your most recently completed fiscal year (identify the date on which your fiscal year ends).

(10) If you are a U.S. importer or a trade/business association of U.S. importers of the *Subject Merchandise* from the *Subject Country*, provide the following information on your firm's(s') operations on that product during calendar year 2008 (report quantity data in square meters and value data in U.S. dollars). If you are a trade/business association, provide the information, on an aggregate basis, for the firms which are members of your association.

(a) The quantity and value (landed, duty-paid but not including antidumping duties) of U.S. imports and, if known, an estimate of the percentage of total U.S. imports of *Subject Merchandise* from the *Subject*

Country accounted for by your firm's(s') imports;

(b) the quantity and value (f.o.b. U.S. port, including antidumping duties) of U.S. commercial shipments of *Subject Merchandise* imported from the *Subject Country*; and

(c) the quantity and value (f.o.b. U.S. port, including antidumping duties) of U.S. internal consumption/company transfers of *Subject Merchandise* imported from the *Subject Country*.

(11) If you are a producer, an exporter, or a trade/business association of producers or exporters of the *Subject Merchandise* in the *Subject Country*, provide the following information on your firm's(s') operations on that product during calendar year 2008 (report quantity data in square meters and value data in U.S. dollars, landed and duty-paid at the U.S. port but not including antidumping duties). If you are a trade/business association, provide the information, on an aggregate basis, for the firms which are members of your association.

(a) Production (quantity) and, if known, an estimate of the percentage of total production of *Subject Merchandise* in the *Subject Country* accounted for by your firm's(s') production;

(b) Capacity (quantity) of your firm to produce the *Subject Merchandise* in the *Subject Country* (i.e., the level of production that your establishment(s) could reasonably have expected to attain during the year, assuming normal operating conditions (using equipment and machinery in place and ready to operate), normal operating levels (hours per week/weeks per year), time for downtime, maintenance, repair, and cleanup, and a typical or representative product mix); and

(c) the quantity and value of your firm's(s') exports to the United States of *Subject Merchandise* and, if known, an estimate of the percentage of total exports to the United States of *Subject Merchandise* from the *Subject Country* accounted for by your firm's(s') exports.

(12) Identify significant changes, if any, in the supply and demand conditions or business cycle for the *Domestic Like Product* that have occurred in the United States or in the market for the *Subject Merchandise* in the *Subject Country* since the *Order Date*, and significant changes, if any, that are likely to occur within a reasonably foreseeable time. Supply conditions to consider include technology; production methods; development efforts; ability to increase production (including the shift of production facilities used for other products and the use, cost, or availability of major inputs into

production); and factors related to the ability to shift supply among different national markets (including barriers to importation in foreign markets or changes in market demand abroad). Demand conditions to consider include end uses and applications; the existence and availability of substitute products; and the level of competition among the *Domestic Like Product* produced in the United States, *Subject Merchandise* produced in the *Subject Country*, and such merchandise from other countries.

(13) (Optional) A statement of whether you agree with the above definitions of the *Domestic Like Product* and *Domestic Industry*; if you disagree with either or both of these definitions, please explain why and provide alternative definitions.

Authority: This review is being conducted under authority of title VII of the Tariff Act of 1930; this notice is published pursuant to section 207.61 of the Commission's rules.

By order of the Commission.

Issued: November 24, 2009.

William R. Bishop,

Acting Secretary to the Commission.

[FR Doc. E9-28643 Filed 11-30-09; 8:45 am]

BILLING CODE 7020-02-P

**INTERNATIONAL TRADE
COMMISSION**

[Investigation No. 731-TA-1070A (Review)]

Crepe Paper Products From China

AGENCY: United States International
Trade Commission.

ACTION: Scheduling of an expedited five-
year review concerning the antidumping

duty order on crepe paper products from China.

SUMMARY: The Commission hereby gives notice of the scheduling of an expedited review pursuant to section 751(c)(3) of the Tariff Act of 1930 (19 U.S.C. 1675(c)(3)) (the Act) to determine whether revocation of the antidumping duty order on crepe paper products from China would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time. For further information concerning the conduct of this review and rules of general application, consult the Commission's Rules of Practice and Procedure, part 201, subparts A through E (19 CFR part 201), and part 207, subparts A, D, E, and F (19 CFR part 207).

DATES: *Effective Date:* March 8, 2010.

FOR FURTHER INFORMATION CONTACT: Timothy Meadors (202–205–3408) or Douglas Corkran (202–205–3057), Office of Investigations, U.S. International Trade Commission, 500 E Street, SW., Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting the Commission's TDD terminal on 202–205–1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202–205–2000. General information concerning the Commission may also be obtained by accessing its internet server (<http://www.usitc.gov>). The public record for this review may be viewed on the Commission's electronic docket (EDIS) at <http://edis.usitc.gov>.

SUPPLEMENTARY INFORMATION:

Background.—On March 8, 2010, the Commission determined that the domestic interested party group response to its notice of institution (74 FR 62815, December 1, 2009) of the subject five-year review was adequate and that the respondent interested party group response was inadequate. The Commission did not find any other circumstances that would warrant conducting a full review.¹ Accordingly, the Commission determined that it would conduct an expedited review pursuant to section 751(c)(3) of the Act.

Staff report.—A staff report containing information concerning the subject matter of the review will be placed in the nonpublic record on April 5, 2010, and made available to persons

on the Administrative Protective Order service list for this review. A public version will be issued thereafter, pursuant to section 207.62(d)(4) of the Commission's rules.

Written submissions.—As provided in section 207.62(d) of the Commission's rules, interested parties that are parties to the review and that have provided individually adequate responses to the notice of institution,² and any party other than an interested party to the review may file written comments with the Secretary on what determination the Commission should reach in the review. Comments are due on or before April 8, 2010, and may not contain new factual information. Any person that is neither a party to the five-year review nor an interested party may submit a brief written statement (which shall not contain any new factual information) pertinent to the review by April 8, 2010. However, should the Department of Commerce extend the time limit for its completion of the final results of its review, the deadline for comments (which may not contain new factual information) on Commerce's final results is three business days after the issuance of Commerce's results. If comments contain business proprietary information (BPI), they must conform with the requirements of sections 201.6, 207.3, and 207.7 of the Commission's rules. The Commission's rules do not authorize filing of submissions with the Secretary by facsimile or electronic means, except to the extent permitted by section 201.8 of the Commission's rules, as amended, 67 FR 68036 (November 8, 2002). Even where electronic filing of a document is permitted, certain documents must also be filed in paper form, as specified in II (C) of the Commission's Handbook on Electronic Filing Procedures, 67 FR 68168, 68173 (November 8, 2002).

In accordance with sections 201.16(c) and 207.3 of the rules, each document filed by a party to the review must be served on all other parties to the review (as identified by either the public or BPI service list), and a certificate of service must be timely filed. The Secretary will not accept a document for filing without a certificate of service.

Authority: This review is being conducted under authority of title VII of the Tariff Act of 1930; this notice is published pursuant to section 207.62 of the Commission's rules.

By order of the Commission.

Issued: March 11, 2010.

Marilyn R. Abbott,

Secretary to the Commission.

[FR Doc. 2010–6296 Filed 3–22–10; 8:45 am]

BILLING CODE 7020–02–P

¹ A record of the Commissioners' votes, the Commission's statement on adequacy, and any individual Commissioner's statements will be available from the Office of the Secretary and at the Commission's Web site.

² The Commission has found the response submitted by Seaman Paper Company of Massachusetts, Inc., to be individually adequate. Comments from other interested parties will not be accepted (*see* 19 CFR 207.62(d)(2)).

DEPARTMENT OF COMMERCE**International Trade Administration**

[A-570-895]

Certain Crepe Paper Products From the People's Republic of China: Final Results of Expedited Sunset Review of Antidumping Duty Order

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

DATES: *Effective Date:* March 29, 2010.

SUMMARY: On December 1, 2009, the Department of Commerce ("Department") initiated a sunset review of the antidumping duty order on certain crepe paper products from the People's Republic of China ("PRC"). On the basis of a timely notice of intent to participate, and an adequate substantive response filed on behalf of the domestic interested party, as well as a lack of response from respondent interested parties, the Department conducted an expedited sunset review. As a result of the sunset review, the Department finds that revocation of the antidumping duty order would be likely to lead to continuation or recurrence of dumping. The dumping margins are identified in the *Final Results of Review* section of this notice.

FOR FURTHER INFORMATION CONTACT: Alexis Polovina, AD/CVD Operations, Office 9, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; *telephone:* (202) 482-3927.

SUPPLEMENTARY INFORMATION:

Background

On December 1, 2009, the Department published the notice of initiation of the sunset review of the antidumping duty order on crepe paper products from the PRC pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"). See *Initiation of Five-Year ("Sunset") Review*, 74 FR 62748 (December 1, 2009). On December 3, 2009, the Department received a notice of intent to participate from a domestic producer, Seaman Paper Company of Massachusetts ("Seaman Paper," "domestic interested party," or "Petitioner"). Submission of the notice of intent to participate filed by Petitioner was within the deadline specified in section 351.218(d)(1)(i) of the Department's regulations. The domestic interested party claimed interested party status under section 771(9)(C) of the Act, as Seaman Paper is a domestic manufacturer of crepe paper products in the United States. On December 31, 2009, the Department received a substantive response from the domestic interested party within the deadline specified in section 351.218(d)(3)(i) of the Department's regulations. We did not receive responses from any respondent interested parties to this proceeding. As a result, pursuant to section 751(c)(3)(B) of the Act and section 351.218(e)(1)(ii)(C)(2) of the Department's regulations, the Department determined to conduct an expedited review of the order.

As explained in the memorandum from the Deputy Assistant Secretary for Import Administration, the Department has exercised its discretion to toll deadlines for the duration of the closure of the Federal Government from February 5, through February 12, 2010. Thus, all deadlines in this segment of the proceeding have been extended by seven days. The revised deadline for the final of this expedited review is now April 7, 2010. See Memorandum to the Record from Ronald Lorentzen, DAS for Import Administration, regarding "Tolling of Administrative Deadlines As a Result of the Government Closure During the Recent Snowstorm," dated February 12, 2010.

Scope of the Order

For purposes of the order, the term "certain crepe paper" includes crepe paper products that have a basis weight not exceeding 29 grams per square meter prior to being creped and, if appropriate, flame-proofed. Crepe paper has a finely wrinkled surface texture and typically but not exclusively is treated to be flame-retardant. Crepe

paper is typically but not exclusively produced as streamers in roll form and packaged in plastic bags. Crepe paper may or may not be bleached, dye colored, surface-colored, surface decorated or printed, glazed, sequined, embossed, die-cut, and/or flame retardant. Subject crepe paper may be rolled, flat or folded, and may be packaged by banding or wrapping with paper, by placing in plastic bags, and/or by placing in boxes for distribution and use by the ultimate consumer. Packages of crepe paper subject to the order may consist solely of crepe paper of one color and/or style, or may contain multiple colors and/or styles. The merchandise subject to the order does not have specific classification numbers assigned to them under the Harmonized Tariff Schedule of the United States ("HTSUS"). Subject merchandise may be under one or more of several different HTSUS subheadings, including: 4802.30; 4802.54; 4802.61; 4802.62; 4802.69; 4804.39; 4806.40; 4808.30; 4808.90; 4811.90; 4818.90; 4823.90; 9505.90.40. The tariff classifications are provided for convenience and customs purposes; however, the written description of the scope of the order is dispositive.

Analysis of Comments Received

All issues raised in this review are addressed in the "Issues and Decision Memorandum" ("Decision Memorandum") from John M. Andersen, Acting Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Ronald K. Lorentzen, Deputy Assistant Secretary for Import Administration, dated March 23, 2010, which is hereby adopted by this notice. The issues discussed in the Decision Memorandum include the likelihood of continuation or recurrence of dumping and the magnitude of the margins likely to prevail if the order were revoked. Parties can find a complete discussion of all issues raised in this review and the corresponding recommendations in this public memorandum, which is on file in the Central Records Unit in room 1117 of the main Commerce building.

In addition, a complete version of the Decision Memorandum can be accessed directly on the web at <http://ia.ita.doc.gov/frn>. The paper copy and electronic version of the Decision Memorandum are identical in content.

Final Results of Review

Pursuant to sections 752(c)(1) and (3) of the Act, we determine that revocation of the antidumping duty order on crepe paper from the PRC would be likely to lead to continuation or recurrence of

dumping at the following percentage margins:

Manufacturers/exporters/producers	Margin (percent)
Fuzhou Light Industry Import and Export Co., Ltd.	266.83
Fuzhou Magicpro Gifts Co., Ltd. ..	266.83
Everlasting Business and Industry Co. Ltd.	266.83
Fujian Nanping Investment and Enterprise Co., Ltd.	266.83
Ningbo Spring Stationary Co., Ltd.	266.83
PRC-Wide	266.83

This notice also serves as the only reminder to parties subject to administrative protective orders ("APO") of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with section 351.305 of the Department's regulations. Timely notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

We are issuing and publishing the results and notice in accordance with sections 751(c), 752(c), and 777(i)(1) of the Act.

Dated: March 23, 2010.

Ronald K. Lorentzen,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 2010-6892 Filed 3-26-10; 8:45 am]

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APPENDIX B
COMMISSION'S STATEMENT ON ADEQUACY

EXPLANATION OF COMMISSION DETERMINATION ON ADEQUACY
in
Crepe Paper Products From China,
Inv. No. 731-TA-1070A (Review)

On March 8, 2010, the Commission determined that it should conduct an expedited review in the subject five-year review pursuant to section 751(c)(3)(B) of the Tariff Act of 1930 (19 U.S.C. § 1675(c)(3)(B)).

The Commission received a single response filed by Seaman Paper Company of Massachusetts, Inc. (“Seaman”), a domestic producer of crepe paper. Seaman is a major producer of crepe paper. The Commission found the individual response of Seaman to be adequate. The Commission also determined that the domestic interested party group response to its notice of institution was adequate.

No responses were received from any respondent interested parties. Consequently, the Commission determined that the respondent interested party group response was inadequate.

The Commission did not find any circumstances that would warrant conducting a full review of the order. The Commission, therefore, determined to conduct an expedited review of the order.

A record of the Commissioners’ votes is available from the Office of the Secretary and on the Commission’s website (<http://www.usitc.gov>).

