

CVD Enforcement, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230.

SUPPLEMENTARY INFORMATION: Because it is not practicable to complete this administrative review within the time limits mandated by section 751(a)(3)(A) of Tariff Act of 1930 (the Act), as amended by the Uruguay Round Agreements Act, the Department is extending the time limit for completion of the preliminary results. In this review, the respondents will not have their audited financial statements ready until after the scheduled date for the preliminary results. Because the Department intends to incorporate the auditors' adjustments into its calculations, we have extended the deadline until October 31, 2001.

This extension is in accordance with section 751(a)(3)(A) of the Act (19 U.S.C. 1675(a)(3)(A)) and 19 CFR 351.213(h)(2).

Dated: March 12, 2001.

Richard W. Moreland,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 01-6758 Filed 3-16-01; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-866]

Initiation of Antidumping Duty Investigation: Certain Folding Gift Boxes From the People's Republic of China

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

EFFECTIVE DATE: March 19, 2001.

FOR FURTHER INFORMATION CONTACT: Thomas Schauer or Richard Rimlinger, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, DC 20230; telephone: (202) 482-0410 or (202) 482-4477, respectively.

SUPPLEMENTARY INFORMATION:

The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 (the Act) by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the

Department of Commerce's (the Department's) regulations are to the provisions codified at 19 CFR Part 351 (2000).

The Petition

On February 20, 2001, the Department received a petition on imports of certain folding gift boxes from the People's Republic of China (PRC) filed in proper form by Harvard Folding Box Company, Inc., and Field Container Company, L.P., hereinafter referred to as "the petitioners." On February 26, 2001, the Department requested clarification of certain areas of the petition and received responses on March 1, 2001, and March 5, 2001.

In accordance with section 732(b) of the Act, the petitioners allege that imports of certain folding gift boxes from the PRC are being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Act and that such imports are materially injuring and threaten to injure an industry in the United States.

The Department finds that the petitioners filed this petition on behalf of the domestic industry because they are interested parties as defined in section 771(9)(C) and (D) of the Act and they have demonstrated sufficient industry support with respect to the antidumping duty investigation they are requesting the Department to initiate (see "Determination of Industry Support for the Petition" below).

Scope of the Petition

The merchandise subject to this petition is certain folding gift boxes. Folding gift boxes are a type of folding or knock-down carton manufactured from paper or paperboard. Folding gift boxes are produced from a variety of recycled and virgin paper or paperboard materials, including, but not limited to, clay-coated paper or paperboard and kraft (bleached or unbleached) paper or paperboard. The scope of the petition excludes gift boxes manufactured from paper or paperboard of a thickness of more than 0.8 millimeters, corrugated paperboard, or paper mache.

Folding gift boxes are typically decorated with a holiday motif using various processes, including printing, embossing, debossing, and foil stamping, but may also be plain white or printed with a single color. The subject merchandise includes folding gift boxes, with or without handles, whether finished or unfinished, and whether in one-piece or multi-piece configuration. One-piece gift boxes are die-cut or otherwise formed so that the top, bottom, and sides form a single, contiguous unit. Two-piece gift boxes

are those with a folded bottom and a folded top as separate pieces. Folding gift boxes are generally packaged in shrink-wrap, cellophane, or other packaging materials, in single or multi-box packs for sale to the retail customer. The scope of the petition excludes folding cartons that have a retailer's name, logo, trademark or similar company information printed prominently on the folding carton's top exterior (such folding cartons may be known as "not-for-resale" gift boxes or "give-away" gift boxes and may be provided by department and specialty stores at no charge to their retail customers). Imports of the subject merchandise are classified under U.S. Harmonized Tariff Schedule subheadings 4819.20.00.40 and 4819.50.40.60. These subheadings also cover products that are outside the scope of this petition. Furthermore, although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of this investigation is dispositive.

During our review of the petition, we discussed the scope with the petitioners to ensure that it accurately reflects the product for which the domestic industry is seeking relief. Moreover, as discussed in the preamble to the Department's regulations (62 FR 27296, 27323), we are setting aside a period for interested parties to raise issues regarding product coverage. The Department encourages all interested parties to submit such comments within 20 calendar days of publication of this notice. Comments should be addressed to Import Administration's Central Records Unit at Room 1870, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230. The period of scope consultations is intended to provide the Department with ample opportunity to consider all comments and consult with interested parties prior to the issuance of the preliminary determination.

Period of Investigation

Section 351.204(b) of the Department's regulations states that, in the case of a nonmarket-economy (NME) country, in an investigation, the Department normally will examine merchandise sold during the two most recently completed fiscal quarters as of the month preceding the month in which the petition was filed. The regulations further state that the Department may examine merchandise sold during any additional or alternate period it concludes is appropriate.

Following the above-noted guidelines from section 351.204(b) of the Department's regulations, the two most

recently completed fiscal quarters as of the month preceding the month in which the petition was filed would be the third and fourth fiscal quarters of 2000, July through December 2000.

For this investigation, the petitioners have requested that the Department expand the period of investigation (POI) to include the first two fiscal quarters of 2000, January through June 2000. According to the petitioners, the subject merchandise is sold using long-term contracts that require delivery to be made six to nine months after the contract is signed. The petitioners also contend that the folding gift box industry is highly seasonal and that the volume of folding gift box shipments is linked to the Christmas and Hanukkah holidays. The petitioners argue that, because of these two facts, most sales of folding gift boxes are made during January through April. Therefore, the petitioners claim that the normal POI would only capture a few non-representative sales that will greatly distort the Department's conclusions.

The Department is considering the petitioners' arguments on this matter and will make a determination on whether to expand the normal POI as established by section 351.204(b)(1) of the Department's regulations, July 1 through December 31, 2000, as the investigation proceeds.

Determination of Industry Support for the Petitions

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (1) at least 25 percent of the total production of the domestic like product; and (2) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition.

Section 732(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, the administering agency shall: (i) Poll the industry or rely on other information in order to determine if there is support for the petition as required by subparagraph (A), or (ii) determine industry support using a statistically valid sampling method.

Section 771(4)(A) of the Act defines the "industry" as the producers as a whole of a domestic like product. Thus, to determine whether the petition has

the requisite industry support, the statute directs the Department to look to producers and workers who produce the domestic like product. The International Trade Commission (ITC), which is responsible for determining whether "the domestic industry" has been injured, must also determine what constitutes a domestic like product in order to define the industry. While the Department and the ITC must apply the same statutory definition regarding the domestic like product (see section 771(10) of the Act), they do so for different purposes and pursuant to separate and distinct authority. In addition, the Department's determination is subject to limitations of time and information. Although this may result in different definitions of the domestic like product, such differences do not render the decision of either agency contrary to law.¹

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

In this case, we have adopted the definition of the domestic like product defined in the "Scope of Investigation" section, above. That definition was developed in consultation with the petitioners.

The petitioners established industry support representing over 50 percent of total production of the domestic like product. Therefore, the domestic producers or workers who support the petition account for at least 25 percent of the total production of the domestic like product, and the requirements of section 732(c)(4)(A)(i) are met. Furthermore, because the Department received no opposition to the petition, the domestic producers or workers who support the petition account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for or opposition to the petition. Thus, the requirements of section 732(c)(4)(A)(ii) are also met.

Accordingly, the Department determines that the petition was filed on behalf of the domestic industry within

the meaning of section 732(b)(1) of the Act. See Industry Support Attachment to the Initiation Checklist.

Export Price and Normal Value

The following is a description of the allegation of sales at less than fair value upon which the Department based its decision to initiate this investigation. The sources of data for the deductions and adjustments relating to U.S. price and factors of production are also discussed in the Initiation Checklist. Should the need arise to use any of this information as facts available under section 776 of the Act in our preliminary or final determination, we may reexamine the information and revise the margin calculations, if appropriate.

Based on their knowledge and experience in the market place and on their examination of publicly available ship manifest data, the petitioners identified the following PRC companies as producers of certain folding gift boxes in the PRC: Bigfield Goldenford Holdings, Ltd., Century Distributing, Inc., China Arts Huajia Import & Export, Chung Tai Printing Company, Ltd., Dexon Workshop Company, Fanyuan International Economy and Trade Co., Gold Mile Enterprise, Ltd., Homa Paper Products Company, Ltd., Hong Kong Dasan Paper Products Co., Ltd., Hung Hing Off-Set Printing Company, Ltd., K.C. (Hong Kong), Ltd., Leo Paper Products, Ltd., Luk Ka Printing Company, Ltd., Man Sang Envelope Manufacturing Co., Ltd., Max Fortune Industrial, Ltd., Ningbo Jude Trading Company, Ltd., Rank Sharp Investments, Ltd., and Red Point Paper Products Company, Ltd. Of these 18 companies the petitioners identified Bigfield Goldenford Holdings, Ltd., Luk Ka Printing Company, Ltd., Max Fortune Industrial, Ltd., and Red Point Paper Products Company, Ltd., as the producers of a large quantity of certain folding gift boxes exported to the United States.

The petitioners based export price on the price of Chinese-manufactured folding gift boxes from a Chinese exporter. In order to obtain ex-factory prices, the petitioners deducted foreign inland freight and foreign port charges from the sales value. According to an affidavit from a person familiar with the folding gift box industry in the PRC, folding gift boxes are transported to the port by truck. To calculate foreign inland freight, the petitioners used a surrogate value based on information developed by the Department in prior cases and inflated this value to current prices using the Department's normal methodology. To calculate foreign port

¹ See *Algoma Steel Corp. Ltd., v. United States*, 688 F. Supp. 639, 642-44 (CIT 1988); *High Information Content Flat Panel Displays and Display Glass from Japan: Final Determination; Rescission of Investigation and Partial Dismissal of Petition*, 56 FR 32376, 32380-81 (July 16, 1991).

charges, the petitioners used a price quote from a shipping company for port charges from Hong Kong. We reviewed the information provided regarding export price and have determined that it represents information reasonably available to the petitioners and have reviewed it for adequacy and accuracy. See Initiation Checklist.

The petitioners assert that the Department considers the PRC to be an NME country and, therefore, constructed normal value based on the factors-of-production methodology pursuant to section 773(c) of the Act. In previous cases, the Department has determined that the PRC is an NME country. See *e.g.*, *Final Determination of Sales at Less Than Fair Value: Certain Cold-Rolled Flat-Rolled Carbon-Quality Steel Products from the People's Republic of China (Cold-Rolled Steel from China)*, 65 FR 34660 (May 31, 2000). In accordance with section 771(18)(c)(i) of the Act, the NME status remains in effect until revoked by the Department. The NME status of the PRC has not been revoked by the Department and, therefore, remains in effect for purposes of the initiation of this investigation. Accordingly, the normal value of the product appropriately is based on factors of production valued in a surrogate market-economy country in accordance with section 773(c) of the Act. In the course of this investigation, all parties will have the opportunity to provide relevant information related to the issues of the PRC's NME status and the granting of separate rates to individual exporters.

As required by 19 CFR 351.202(b)(7)(i)(C), the petitioners provided a dumping margin calculation using the Department's NME methodology described in 19 CFR 351.408. For the normal value calculation, the petitioners based the factors of production, as defined by section 773(c)(3) of the Act (raw materials, labor, and overhead), for certain folding gift boxes on the quantities of inputs used by a U.S. producer of certain folding gift boxes. Based on our analysis of the data in the petition, we believe that the petitioners' normal value calculations to be reasonable and accurate. See Initiation Checklist.

The petitioners selected Indonesia as their surrogate country. The petitioners stated that Indonesia is comparable to the PRC in its level of economic development and is the only producer of certain folding gift boxes among the ten countries most comparable to the PRC. Based on the information provided by the petitioners, we believe that the petitioners' use of Indonesia as a

surrogate country is appropriate for purposes of initiation of this investigation. See Initiation Checklist.

In accordance with section 773(c)(4) of the Act, the petitioners valued factors of production for certain folding gift boxes, where possible, on reasonably available, public surrogate-country data. To value paperboard, the petitioners used the value for exports as reported in the World Trade Atlas, Indonesian Export Statistics published by the Government of Indonesia. To value ink, glue, shrinkwrap, corrugated boxes, and casing tape, the petitioners used the value for imports as reported in the World Trade Atlas, Indonesian Export Statistics published by the Government of Indonesia. To value labels, the petitioners used the value for exports as reported in the World Trade Atlas, Indonesian Export Statistics published by the Government of Indonesia. The petitioners valued labor using the regression-based wage rate for the PRC, in accordance with 19 CFR 351.408(c)(3). For factory overhead expenses, the petitioners used a rate derived from the experience of the producer of certain folding gift boxes used for the factors of production. Based on information provided in exhibit 13 of the petition, we have found that this is a conservative estimate for purposes of this initiation. For selling, general and administrative expenses and profit, the petitioners applied rates derived from the publicly available annual report of an Indonesian producer of comparable merchandise, PT Pabrik Kertas Tjiwi Kimia Tbk.

The petitioners provided two sets of calculations of CV: one calculation includes packing expenses in the cost of manufacture of the folding gift boxes and the other follows our normal practice of not including packing expenses in the cost of manufacture. The petitioners argued that, unlike other manufactured products where the packaging material is simply an addition to the finished product, folding gift boxes are sold in units of "retail packs" which incorporate the packaging materials as an integral part of the product. For purposes of this initiation, however, we have used the calculation that follows our normal methodology. As noted above, should the need arise to use any of this information as facts available under section 776 of the Act in our preliminary or final determination, we may reexamine this issue and revise the margin calculations accordingly.

Based on comparisons of export price to normal value, calculated in accordance with section 773(c) of the Act, the estimated dumping margins for

certain folding gift boxes from the PRC range from 65.00 percent to 87.68 percent.

Fair Value Comparisons

Based on the data provided by the petitioners, there is reason to believe that imports of certain folding gift boxes from the PRC are being, or are likely to be, sold in the United States at less than fair value.

Allegations and Evidence of Material Injury and Causation

The petition alleges that the U.S. industry producing the domestic like product is being materially injured and is threatened with material injury, by reason of the imports of the subject merchandise sold at less than normal value. The petitioners contend that the industry's injured condition is evident in the declining trends in the following: (1) U.S. market share, (2) domestic production, (3) shipments, (4) capacity utilization, (5) employment, and (6) profit margins.

The allegations of injury and causation are supported by relevant evidence including ITC section 332 import data, lost sales, and pricing information. The Department assessed the allegations and supporting evidence regarding material injury and causation and determined that these allegations are supported by accurate and adequate evidence and meet the statutory requirements for initiation (see Attachments to Initiation Checklist, Re: Material Injury).

Initiation of Antidumping Investigation

Based upon our examination of the petition on certain folding gift boxes from the PRC, we find that the petition meets the requirements of section 732 of the Act. Therefore, we are initiating an antidumping duty investigation to determine whether imports of certain folding gift boxes from the PRC are being, or are likely to be, sold in the United States at less than fair value. Unless postponed, we will make our preliminary determination no later than 140 days after the date of this initiation.

Distribution of Copies of the Petition

In accordance with section 732(b)(3)(A) of the Act, a copy of the public version of the petition has been provided to the representatives of the PRC. We will attempt to provide a copy of the public version of the petition to each exporter named in the petition, as appropriate.

International Trade Commission Notification

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

Preliminary Determination by the ITC

The ITC will preliminarily determine, no later than April 6, 2001, whether there is a reasonable indication that imports of certain folding gift boxes from the PRC are causing material injury, or threatening to cause material injury, to a U.S. industry. A negative ITC determination will result in this investigation being terminated; otherwise, this investigation will proceed according to statutory and regulatory time limits.

This notice is published pursuant to section 777(i) of the Act. Effective January 20, 2001, Bernard T. Carreau is fulfilling the duties the Assistant Secretary for Import Administration.

Dated: March 12, 2001.

Bernard T. Carreau,
Deputy Assistant Secretary, AD/CVD
Enforcement II.

[FR Doc. 01-6756 Filed 3-16-01; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

University of Texas at Austin, et al.; Notice of Consolidated Decision on Applications for Duty-Free Entry of Electron Microscopes

This is a decision consolidated pursuant to Section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Pub. L. 89-651, 80 Stat. 897; 15 CFR part 301). Related records can be viewed between 8:30 a.m. and 5:00 p.m. in Room 4211, U.S. Department of Commerce, 14th and Constitution Avenue, N.W., Washington, D.C.

Docket Number: 01-002. *Applicant:* University of Texas at Austin, Austin, TX 78712. *Instrument:* Electron Microscope, Model JEM-2010F. *Manufacturer:* JEOL Ltd., Japan. *Intended Use:* See notice at 66 FR 9557, February 8, 2001. *Order Date:* November 20, 2000.

Docket Number: 01-003. *Applicant:* Children's Medical Center of Dallas, Dallas, TX 75235. *Instrument:* Electron Microscope, Model H-7500-1. *Manufacturer:* Hitachi, Japan. *Intended Use:* See notice at 66 FR 9557, February 8, 2001. *Order Date:* September 18, 2000.

Comments: None received. *Decision:* Approved. No instrument of equivalent

scientific value to the foreign instrument, for such purposes as these instruments are intended to be used, was being manufactured in the United States at the time the instruments were ordered. *Reasons:* Each foreign instrument is a conventional transmission electron microscope (CTEM) and is intended for research or scientific educational uses requiring a CTEM. We know of no CTEM, or any other instrument suited to these purposes, which was being manufactured in the United States at the time of order of each instrument.

Gerald A. Zerdy,

Program Manager, Statutory Import Programs Staff.

[FR Doc. 01-6759 Filed 3-16-01; 8:45 am]

BILLING CODE 3510-DS-U

DEPARTMENT OF COMMERCE

International Trade Administration

North American Free-Trade Agreement, Article 1904 NAFTA Panel Reviews; Request for Panel Review

AGENCY: NAFTA Secretariat, United States Section, International Trade Administration, Department of Commerce.

ACTION: Notice of first request for panel review.

SUMMARY: On March 9, 2001, Cinsa, S.A. de C.V. ("CINSA") and Esmaltaciones de Norte America, S.A. de C.V. ("ENASA") filed a First Request for Panel Review with the United States Section of the NAFTA Secretariat pursuant to Article 1904 of the North American Free Trade Agreement. Panel review was requested of the final antidumping duty 13th administrative review determination made by the International Trade Administration, respecting Porcelain-on-Steel Cookware from Mexico. This determination was published in the **Federal Register** (66 FR 12926) on March 1, 2001. The NAFTA Secretariat has assigned Case Number USA-MEX-2001-1904-02 to this request.

FOR FURTHER INFORMATION CONTACT:

Caratina L. Alston, United States Secretary, NAFTA Secretariat, Suite 2061, 14th and Constitution Avenue, Washington, DC 20230, (202) 482-5438.

SUPPLEMENTARY INFORMATION: Chapter 19 of the North American Free-Trade Agreement ("Agreement") establishes a mechanism to replace domestic judicial review of final determinations in antidumping and countervailing duty cases involving imports from a NAFTA country with review by independent

binational panels. When a Request for Panel Review is filed, a panel is established to act in place of national courts to review expeditiously the final determination to determine whether it conforms with the antidumping or countervailing duty law of the country that made the determination.

Under Article 1904 of the Agreement, which came into force on January 1, 1994, the Government of the United States, the Government of Canada and the Government of Mexico established *Rules of Procedure for Article 1904 Binational Panel Reviews* ("Rules"). These Rules were published in the **Federal Register** on February 23, 1994 (59 FR 8686).

A first Request for Panel Review was filed with the United States Section of the NAFTA Secretariat, pursuant to Article 1904 of the Agreement, on June 8, 2000, requesting panel review of the final antidumping duty administrative review described above.

The Rules provide that:

(a) A Party or interested person may challenge the final determination in whole or in part by filing a Complaint in accordance with Rule 39 within 30 days after the filing of the first Request for Panel Review (the deadline for filing a Complaint is April 9, 2001);

(b) A Party, investigating authority or interested person that does not file a Complaint but that intends to appear in support of any reviewable portion of the final determination may participate in the panel review by filing a Notice of Appearance in accordance with Rule 40 within 45 days after the filing of the first Request for Panel Review (the deadline for filing a Notice of Appearance is April 23, 2001); and

(c) The panel review shall be limited to the allegations of error of fact or law, including the jurisdiction of the investigating authority, that are set out in the Complaints filed in the panel review and the procedural and substantive defenses raised in the panel review.

Dated: March 13, 2001.

Caratina L. Alston,

United States Secretary, NAFTA Secretariat.
[FR Doc. 01-6694 Filed 3-16-01; 8:45 am]

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