DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–983]

Drawn Stainless Steel Sinks From the People's Republic of China: Initiation of Antidumping Duty Investigation

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

DATES: *Effective Date:* March 27, 2012.

FOR FURTHER INFORMATION CONTACT: Frances Veith or Eve Wang at (202) 482–4295 or (202) 482–6231, respectively, AD/CVD Operations, Office 8, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

The Petition

On March 1, 2012, the Department of Commerce (''Department'') received an antidumping duty (''AD'') petition (hereafter, ''Petition'') concerning imports of drawn stainless steel sinks from the People's Republic of China (''PRC'') filed in proper form on behalf of Elkay Manufacturing Company (''Petitioner'').[1] On March 6, 2012, the Department issued a request for additional information and clarification of certain areas of the Petition. On March 9, 2012, Petitioner filed a response with respect to general questions about information in the Petition (''General Issues Supplement''). On March 9, 2012, Petitioner also filed responses specific to the AD Petition (''Supplement to AD Petition''). On March 15, 2012, Petitioner also filed a revision to the proposed scope language.

In accordance with section 732(b) of the Tariff Act of 1930, as amended (the ''Act''), Petitioner alleges that imports of drawn stainless steel sinks 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, or threatening material injury to, an industry in the United States. Also, consistent with section 732(b)(1) of the Act, the Petition is accompanied by information reasonably available to Petitioner supporting its allegations.

The Department finds that the Petition was filed on behalf of the domestic industry because Petitioner is an interested party as defined in section 771(9)(C) of the Act. The Department also finds that Petitioner has demonstrated sufficient industry support with respect to the antidumping duty investigation that Petitioner is requesting that the Department initiate (*see* ''Determination of Industry Support for the Petition'' section below).

Period of Investigation

The period of investigation (''POI'') is July 1, 2011, through December 31, 2011.[2]

Scope of the Investigation

The product covered by this investigation is drawn stainless steel sinks from the PRC. For a full description of the scope of the Investigation, please *see* the ''Scope of the Investigation,'' in Appendix I of this notice.

Comments on Scope of the Investigation

During our review of the Petition, we discussed the scope with Petitioner to ensure that it is an accurate reflection of the products for which the domestic industry is seeking relief. Moreover, as discussed in the preamble to the Department's regulations (*Antidumping Duties; Countervailing Duties; Final Rule,* 62 FR 27296, 27323 (May 19, 1997)), we are setting aside a period for interested parties to raise issues regarding product coverage. The period of scope consultations is intended to provide the Department with ample opportunity to consider all comments and to consult with parties prior to the issuance of the preliminary determinations. The Department encourages all interested parties to submit such comments by April 10, 2012, twenty calendar days from the signature date of this notice. All comments must be filed on the records of both the PRC antidumping and countervailing duty investigations. Comments should be filed electronically using Import Administration's Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). An electronically filed document must be received successfully in its entirety by the Department's electronic records system, IA ACCESS. Documents excepted from the electronic submission requirements must be filed manually (*i.e.,* in paper form) with the APO/Dockets Unit in Room 1870 and stamped with the date and time of receipt by the deadline noted above.

Comments on Product Characteristics for Antidumping Questionnaires

We are requesting comments from interested parties regarding the appropriate physical characteristics of drawn stainless steel sinks to be reported in response to the Department's antidumping questionnaires. This information will be used to identify the key physical characteristics of the subject merchandise in order to more accurately report the relevant factors and costs of production, as well as to develop appropriate product comparison criteria.

Interested parties may provide any information or comments that they feel are relevant to the development of an accurate listing of physical characteristics. Specifically, they may provide comments as to which characteristics are appropriate to use as (1) general product characteristics and (2) the product comparison criteria. We note that it is not always appropriate to use all product characteristics as product comparison criteria. We base product comparison criteria on meaningful commercial differences among products. In other words, while there may be some physical product characteristics utilized by manufacturers to describe drawn stainless steel sinks, it may be that only a select few product characteristics take into account commercially meaningful physical characteristics. In addition, interested parties may comment on the order in which the physical characteristics should be used in product matching. Generally, the Department attempts to list the most important physical characteristics first and the least important characteristics last.

In order to consider the suggestions of interested parties in developing and issuing the antidumping questionnaires, we must receive comments by April 10, 2012. Additionally, rebuttal comments must be received by April 17, 2012. All comments and submissions to the Department must be filed electronically using IA ACCESS, as referenced above.

Determination of Industry Support for the Petition

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: (i) At least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the

[1] *See* ''Petitions for the Imposition of Antidumping Duties And Countervailing Duties Against Drawn Stainless Steel Sinks From The People's Republic of China,'' filed on March 1, 2012 (''Petition'').

[2] *See* 19 CFR 351.204(b)(1).

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

Section 771(4)(A) of the Act defines the ''industry'' as the 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. Thus, to determine whether a 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 both the Department and the ITC must apply the same statutory definition regarding the domestic like product,[3] they do so for different purposes and pursuant to a separate and distinct authority. In addition, the Department's determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to law.[4]

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).

With regard to the domestic like product, Petitioner does not offer a definition of the domestic like product distinct from the scope of the investigation. Based on our analysis of the information submitted on the record, we have determined that drawn stainless steel sinks constitute a single domestic like product and we have analyzed industry support in terms of that domestic like product. For a discussion of the domestic like product analysis in this case, *see* Antidumping Duty Investigation Initiation Checklist: Drawn Stainless Steel Sinks from the PRC (''AD Initiation Checklist'') at Attachment II dated concurrently with this notice and on file electronically via IA ACCESS. Access to documents filed via IA ACCESS is also available in the Central Records Unit (CRU), Room 7046 of the main Department of Commerce building.

In determining whether Petitioner has standing under section 732(c)(4)(A) of the Act, we considered the industry support data contained in the Petition with reference to the domestic like product as defined in the ''Scope of the Investigation,'' in Appendix I of this notice. To establish industry support, Petitioner provided its own 2011 production of the domestic like product, and compared this to the total production of the domestic like product for the entire domestic industry.[5]

Our review of the data provided in the Petition, supplemental submissions, and other information readily available to the Department indicates that Petitioner has established industry support.[6] First, the Petition established support from domestic producers (or workers) accounting for more than 50 percent of the total production of the domestic like product and, as such, the Department is not required to take further action in order to evaluate industry support (*e.g.,* polling).[7] Second, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(i) of the Act because the domestic producers (or workers) who support the Petition account for at least 25 percent of the total production of the domestic like product.[8] Finally, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(ii) of the Act because 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.[9] 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.

The Department finds that Petitioner filed the Petition on behalf of the domestic industry because it is an interested party as defined in section 771(9)(C) of the Act and it has demonstrated sufficient industry support with respect to the antidumping duty investigation that it is requesting the Department initiate.[10]

Allegations and Evidence of Material Injury and Causation

Petitioner alleges that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the imports of the subject merchandise sold at less than normal value (''NV''). In addition, Petitioner alleges that subject imports exceed the negligibility threshold provided for under section 771(24)(A) of the Act. Petitioner contends that the industry's injured condition is illustrated by reduced market share; underselling and price depression or suppression; decline in financial performance; lost sales and revenue; and production, capacity, capacity utilization, shipment, and employment data.[11] We have assessed the allegations and supporting evidence regarding material injury, threat of material injury, and causation, and we have determined that these allegations are properly supported by adequate evidence and meet the statutory requirements for initiation.[12]

Allegations of Sales at Less Than Fair Value

The following is a description of the allegations of sales at less than fair value upon which the Department based its decision to initiate this investigation of imports of drawn stainless steel sinks from the PRC. The sources of data for the deductions and adjustments relating to the U.S. price and the factors of production (''FOPs'') are also discussed in the initiation checklists.[13]

Export Price

Petitioner calculated export price (''EP'') based on price quotes of certain drawn stainless steel sinks obtained from Chinese producers, as identified in affidavits regarding price offers and U.S.

[3] *See* section 771(10) of the Act.

[4] *See USEC, Inc.* v. *United States,* 132 F. Supp. 2d 1, 8 (CIT 2001) (citing *Algoma Steel Corp., Ltd.* v. *United States,* 688 F. Supp. 639, 644 (CIT 1988)), *aff'd* 865 F.2d 240 (Fed. Cir. 1989), *cert. denied* 492 U.S. 919 (1989).

[5] *See* Volume I of the Petition at 3 and Exhibit I–1, and General Issues Supplement at 4; *see also* AD Initiation Checklist at Attachment II.

[6] *See* AD Initiation Checklist at Attachment II.

[7] *See* section 732(c)(4)(D) of the Act; *see also* AD Initiation Checklist at Attachment II.

[8] *See* AD Initiation Checklist at Attachment II.

[9] *See id.*

[10] *See id.*

[11] *See* Volume I of the Petition, at 8–25 and Exhibits I–4 through I–32, and General Issues Supplement, at 4.

[12] *See* AD Initiation Checklist, at Attachment III.

[13] *See* AD Initiation Checklist at 5.

price.[14] Based on the price quotes and delivery terms, Petitioner deducted from these prices the charges and expenses associated with exporting and delivering the product to the U.S. customer (brokerage and handling and domestic inland freight).[15] Petitioner made no other adjustments.[16]

Normal Value

Petitioner states that the Department has long treated the PRC as a non-market economy (''NME'') country and this designation remains in effect today.[17] In accordance with section 771(18)(C)(i) of the Act, the presumption of NME status remains in effect until revoked by the Department. The presumption of NME status for the PRC has not been revoked by the Department and, therefore, remains in effect for purposes of the initiation of the PRC investigation. Accordingly, the NV of the product for the PRC investigation is appropriately based on FOPs valued in a surrogate market-economy (''ME'') country in accordance with section 773(c) of the Act. In the course of the investigation, all parties will have the opportunity to provide relevant information related to the issue of the PRC's NME status and the granting of separate rates to individual exporters.

Petitioner claims that Thailand is an appropriate surrogate country under 19 CFR 351.408(a) because it is an ME country that is at a comparable level of economic development to the PRC and surrogate values data from Thailand are available and reliable. Petitioner also believes that Thailand is a significant producer of comparable merchandise. Based on the information provided by Petitioner, we believe that it is appropriate to use Thailand as a surrogate country for initiation purposes. In the course of the investigation, interested parties will have the opportunity to submit comments regarding surrogate country selection and, pursuant to 19 CFR 351.301(c)(3)(i), will be provided an opportunity to submit publicly available information to value FOPs within 40 days after the date of publication of the preliminary determination.

Petitioner calculated the NV and dumping margins for the U.S. price, as discussed above, using the Department's NME methodology as required by section 773(c) of the Act, 19 CFR 351.202(b)(7)(i)(C) and 19 CFR 351.408. Petitioner calculated NV based on its own consumption rates.[18] Petitioner asserts that, to the best of Petitioner's knowledge, these consumption rates are very similar to the consumption rates of the PRC producers.[19]

Petitioner valued by-products and most FOPs based on reasonably available, public surrogate country data, specifically, Thai import statistics from the Global Trade Atlas (''GTA'').[20] Petitioner excluded from these import statistics values from countries previously determined by the Department to be NME countries, and from India, Indonesia, and the Republic of Korea, as the Department has previously excluded prices from these countries because they maintain broadly available, non-industry-specific export subsidies. Finally, the import statistics average unit value excludes imports that were labeled as originating from an ''unspecified'' country, because the Department could not be certain that they were not from either an NME country or a country with generally available export subsidies.[21] For valuing other FOPs, Petitioner used sources selected by the Department in recent proceedings involving the PRC or publicly available sources from Thailand.[22] In addition, Petitioner made Thai Baht/U.S. dollar (''USD'') currency conversions. The Department recalculated average exchange rates for the POI, based on Federal Reserve exchange rates, to use data for all months of the POI.[23]

Petitioner determined labor costs using the labor consumption rates derived from a U.S. producer.[24] Petitioner valued labor costs using Thai wage rates for manufacturing industries, as reported by the International Labor Organization (''ILO'') in Table 6A of its *Yearbook of Labor Statistics.*[25] Petitioner inflated the wage rate to be contemporaneous with the POI using the International Financial Statistics' consumer price index inflators, consistent with the Department's practice.[26]

Petitioner used information published by the ''Board of Investment of Thailand'' (''BOI''), available on the Government of Thailand's official Web site, to value electricity and water.[27] Since the water rates are not contemporaneous with the POI, Petitioner used Thai CPI as the inflating factor. However, Petitioner inadvertently calculated a deflator when they meant to calculate an inflator. We recalculated the inflator for water and revised the margin calculation, where appropriate.[28]

Petitioner determined natural gas costs using Indian gas prices from the Indian Gas Utility Gail and substantiated these prices by Chemical Weekly in February 2005.[29]

Petitioner based factory overhead, selling, general and administrative expenses (''SG&A''), and profit on data from the financial statements of Siam Stainless Steel Co., Ltd. (''Siam'') and Green Power Engineering Co., Ltd. (''Green Power''), both of which Petitioner asserts are Thai producers of comparable merchandise.[30] We determined that Siam's statements best reflect the U.S. producer's production experience. In our examination of Green Power's financial statements, we found no indication that Green Power produced merchandise comparable to the merchandise under investigation.[31] Therefore, for purposes of initiation, we have relied solely on the financial statements of Siam to calculate factory overhead, selling, SG&A, and profit.[32]

Petitioner determined packing material costs using the consumption

[14] *See* AD Initiation Checklist at 6; *see also* Supplement to AD Petition at 7–8 and Exhibit II–S9.

[15] *See* AD Initiation Checklist at 5–6; *see also* Volume II of the Petition at 10 and Exhibits II–4; *see also* Supplement to AD Petition at 4–6 and Exhibits II–S1, II–S2, II–S3, II–S5 and II–S6.

[16] *See* AD Initiation Checklist at 6 for additional details.

[17] *See* Volume II of the Petition at I–2; *see also Utility Scale Wind Towers From the People's Republic of China and the Socialist Republic of Vietnam: Initiation of Antidumping Duty Investigations,* 77 FR 3440 (January 24, 2012).

[18] *See* Volume II of the Petition at 4.

[19] *See id.*

[20] *See* Volume II of the Petition at 6–8 and Exhibit II–5; *see also* Supplement to AD Petition at 2–3.

[21] *See, e.g., Polyethylene Terephthalate Film, Sheet, and Strip from the People's Republic of China: Preliminary Determination of Sales at Less Than Fair Value,* 73 FR 24552, 24559 (May 5, 2008), unchanged in *Polyethylene Terephthalate Film, Sheet, and Strip from the People's Republic of China: Final Determination of Sales at Less Than Fair Value,* 73 FR 55039 (September 24, 2008); *see also* Volume II of the Petition at Exhibit II–5.

[22] *See* Volume II of the Petition at 5–8 and Exhibits II–4, II–6–7, II–10–12, II–15 and II–17; *see also* Supplement to AD Petition at Exhibit II–S6.

[23] *See* Volume II of the Petition at Exhibit II–9; *see also* AD Initiation Checklist at Attachment V.

[24] *See* Volume II of the Petition at 6 and Exhibit II–2 and II–6; *see also* Supplement to AD Petition at Exhibit II–S8.

[25] *See* AD Initiation Checklist at 7.

[26] *See id.*

[27] *See* AD Initiation Checklist at 8.

[28] *See* Supplement to the PRC AD Petition at 7 and Exhibit II–S3. *See* also AD Initiation Checklist at 8.

[29] For purposes of this Petition, the Petitioner conservatively relied on the Gail India rate because it is not aware of any case where the Department specified a Thai industrial natural gas rate for surrogate value purposes. *See* Volume II of the Petition at 7 and Exhibit II–12. *See* also AD Initiation Checklist at 8

[30] *See* Volume II of the Petition at II–13 and Supplement to AD Petition at 3–4; see also AD Initiation Checklist at Attachment V.

[31] See Supplement to the PRC AD Petition at 4.

[32] *See* 19 CFR 351.408(4).

rates derived from U.S. producer's experience, adjusted to reflect certain differences between U.S. and Chinese packing structures.[33] Petitioner valued packing materials using GTA Thai import statistics.[34]

Fair Value Comparisons

Based on the data provided by Petitioner, there is reason to believe that imports of drawn stainless steel sinks from the PRC are being, or are likely to be, sold in the United States at less than fair value. Based on a comparison of EPs and NV calculated, in accordance with section 773(c) of the Act, the estimated dumping margins for drawn stainless steel sinks from the PRC range from 22.81 percent to 76.53 percent.[35]

Initiation of Antidumping Investigation

Based upon the examination of the Petition on drawn stainless steel sinks from the PRC, the Department finds that the Petition meets the requirements of section 732 of the Act. Therefore, we are initiating an antidumping investigation to determine whether imports of drawn stainless steel sinks from the PRC are being, or are likely to be, sold in the United States at less than fair value. In accordance with section 733(b)(1)(A) of the Act and 19 CFR 351.205(b)(1), unless postponed, we will make our preliminary determinations no later than 140 days after the date of this initiation.

Targeted Dumping Allegations

On December 10, 2008, the Department issued an interim final rule for the purpose of withdrawing 19 CFR 351.414(f) and (g), the regulatory provisions governing the targeted dumping analysis in antidumping duty investigations, and the corresponding regulation governing the deadline for targeted dumping allegations, 19 CFR 351.301(d)(5).[36] The Department stated that ''{w}ithdrawal will allow the Department to exercise the discretion intended by the statute and, thereby, develop a practice that will allow interested parties to pursue all statutory avenues of relief in this area.'' [37]

In order to accomplish this objective, if any interested party wishes to make a targeted dumping allegation in either of these investigations pursuant to section 777A(d)(1)(B) of the Act, such allegations are due no later than 45 days before the scheduled date of the preliminary determination.

Respondent Selection and Quantity and Value Questionnaire

The Department will request quantity and value information from all known exporters and producers identified with complete contact information in the Petition.[38] The quantity and value data received from Chinese exporters/producers will be used as the basis for selecting the mandatory respondents. The Department requires that the respondents submit a response to both the quantity and value questionnaire and the separate-rate application by the respective deadlines, as discussed below and in the Separate Rate section, in order to receive consideration for separate-rate status.[39]

In addition, the Department will post the quantity and value questionnaire along with the filing instructions on the Import Administration Web site (*http://ia.ita.doc.gov/ia-highlights-and-news.html*). Exporters and producers of drawn stainless steel sinks that do not receive quantity and value questionnaires but intend to submit a response can obtain a copy from the Import Administration Web site. The quantity and value questionnaire must be submitted by all Chinese exporters/producers no later than April 11, 2012, 21 days after the signature date of this **Federal Register** notice.

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305. Instructions for filing such applications may be found on the Department's Web site at *http://ia.ita.doc.gov/apo*.

Separate Rates

In order to obtain separate-rate status in an NME investigation, exporters and producers must submit a separate-rate status application.[40] The specific requirements for submitting the separate-rate application in this investigation are outlined in detail in the application itself, which will be available on the Department's Web site at *http://trade.gov/ia/ia-highlights-and-news.html* on the date of publication of this initiation notice in the **Federal Register**. The separate-rate application will be due 60 days after publication of this initiation notice. For exporters and producers who submit a separate-rate status application and subsequently are selected as mandatory respondents, these exporters and producers will no longer be eligible for consideration for separate rate status unless they respond to all parts of the questionnaire as mandatory respondents. As noted in the ''Respondent Selection'' section above, the Department requires that the PRC respondents submit a response to both the quantity and value questionnaire and the separate-rate application by the respective deadlines in order to receive consideration for separate-rate status. The quantity and value questionnaire will be available on the Department's Web site at *http://trade.gov/ia-highlights-and-news.html* on the date of the publication of this initiation notice in the **Federal Register**.

Use of Combination Rates

The Department will calculate combination rates for certain respondents that are eligible for a separate rate in this investigation. The Separate Rates and Combination Rates Bulletin states:

> {w}hile continuing the practice of assigning separate rates only to exporters, all separate rates that the Department will now assign in its NME Investigation will be specific to those producers that supplied the exporter during the period of investigation. Note, however, that one rate is calculated for the exporter and all of the producers which supplied subject merchandise to it during the period of investigation. This practice applies both to mandatory respondents receiving an individually calculated separate rate as well as the pool of non-investigated firms receiving the weighted-average of the individually calculated rates. This practice is referred to as the application of ''combination rates'' because such rates apply to specific combinations of exporters and one or more producers. The cash-deposit rate assigned to an exporter will apply only to merchandise both exported by the firm in question *and* produced by a firm that supplied the exporter during the period of investigation.[41]

Distribution of Copies of the Petition

In accordance with section 732(b)(3)(A) of the Act and 19 CFR 351.202(f), a copy of the public version of the Petition has been provided to the representatives of the Chinese Government. Because of the particularly large number of producers/exporters identified in the Petition, the

[33] *See* Volume II of the Petition at 8 and Exhibit II–2; *see also* Supplement to AD Petition at Exhibit II–S8.

[34] *See* Volume II of the Petition at Exhibit II–5.

[35] *See* AD Initiation Checklist at 9 and Attachment V.

[36] *See Withdrawal of the Regulatory Provisions Governing Targeted Dumping in Antidumping Duty Investigation,* 73 FR 74930 (December 10, 2008).

[37] *See id.,* 73 FR at 74931.

[38] *See* General Issues Supplement.

[39] *See, e.g., Circular Welded Austenitic Stainless Pressure Pipe from the People's Republic of China: Initiation of Antidumping Duty Investigation,* 73 FR 10221, 10225 (February 26, 2008); *see also Initiation of Antidumping Duty Investigation: Certain Artist Canvas From the People's Republic of China,* 70 FR 21996, 21999 (April 28, 2005).

[40] *See* Policy Bulletin 05.1: Separate-Rates Practice and Application of Combination Rates in Antidumping Investigation involving Non-Market Economy Countries (April 5, 2005) (''Separate Rates and Combination Rates Bulletin''), available on the Department's Web site at *http://trade.gov/ia/policy/bull05-1.pdf.*

[41] *See* Separate Rates and Combination Rates Bulletin, at 6 (emphasis added).

Department considers the service of the public version of the Petition to the foreign producers/exporters satisfied by the delivery of the public version of the Petition to the PRC Government, consistent with 19 CFR 351.203(c)(2).

ITC Notification

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

Preliminary Determination by the ITC

The ITC will preliminarily determine, no later than April 16, 2012, whether there is a reasonable indication that imports of drawn stainless steel sinks from the PRC are materially injuring, or threatening material injury to a U.S. industry. A negative ITC determination with respect to any country will result in the investigation being terminated for that country; otherwise, this investigation will proceed according to statutory and regulatory time limits.

Notification to Interested Parties

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305(b). On January 22, 2008, the Department published *Antidumping and Countervailing Duty Proceedings: Documents Submission Procedures; APO Procedures,* 73 FR 3634 (January 22, 2008). Parties wishing to participate in this investigation should ensure that they meet the requirements of these procedures (*e.g.,* the filing of letters of appearance as discussed at 19 CFR 351.103(d)).

Any party submitting factual information in an AD/CVD proceeding must certify to the accuracy and completeness of that information.[42] Parties are hereby reminded that revised certification requirements are in effect for company/government officials as well as their representatives in all segments of any AD/CVD proceeding initiated on or after March 14, 2011.[43] The formats for the revised certifications are provided at the end of the *Interim Final Rule* and the *Supplemental Interim Final Rule.* The Department intends to reject factual submissions in any proceeding segments initiated on or after March 14, 2011, if the submitting party does not comply with the revised certification requirements.

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

Dated: March 21, 2012.

Paul Piquado,

Assistant Secretary for Import Administration.

Appendix I

Scope of the Investigation

The products covered by the scope of these investigations are stainless steel sinks with single or multiple drawn bowls, with or without drain boards, whether finished or unfinished, regardless of type of finish, gauge, or grade of stainless steel (''Drawn Stainless Steel Sinks''). Mounting clips, fasteners, seals, and sound-deadening pads are also covered by the scope of these investigations if they are included within the sales price of the Drawn Stainless Steel Sinks.[44] For purposes of this scope definition, the term ''drawn'' refers to a manufacturing process using metal forming technology to produce a smooth basin with seamless, smooth, and rounded corners. Drawn Stainless Steel Sinks are available in various shapes and configurations and may be described in a number of ways including flush mount, top mount, or undermount (to indicate the attachment relative to the countertop). Stainless steel sinks with multiple drawn bowls that are joined through a welding operation to form one unit are covered by the scope of the investigations. Drawn Stainless Steel Sinks are covered by the scope of the investigations whether or not they are sold in conjunction with non-subject accessories such as faucets (whether attached or unattached), strainers, strainer sets, rinsing baskets, bottom grids, or other accessories.

Excluded from the scope of the investigations are stainless steel sinks with fabricated bowls. Fabricated bowls do not have seamless corners, but rather are made by notching and bending the stainless steel, and then welding and finishing the vertical corners to form the bowls. Stainless steel sinks with fabricated bowls may sometimes be referred to as ''zero radius'' or ''near zero radius'' sinks.

The products covered by these investigations are currently classified in the Harmonized Tariff Schedule of the United States (''HTSUS'') under statistical reporting number 7324.10.0000. Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the products under investigation is dispositive of its inclusion as subject merchandise.

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[42] *See* section 782(b) of the Act.

[43] *See Certification of Factual Information to Import Administration During Antidumping and Countervailing Duty Proceedings: Interim Final Rule,* 76 FR 7491 (February 10, 2011) (''*Interim Final Rule*'') (amending 19 CFR 351.303(g)(1) & (2)), as supplemented by *Certification of Factual Information to Import Administration During Antidumping and Countervailing Duty Proceedings: Supplemental Interim Final Rule,* 76 FR 54697 (September 2, 2011) (''*Supplemental Interim Final Rule*'').

[44] Mounting clips, fasteners, seals, and sound-deadening pads are not covered by the scope of these investigations if they are not included within the sales price of the Drawn Stainless Steel Sinks, regardless of whether they are shipped with or entered with Drawn Stainless Steel Sinks.

DEPARTMENT OF COMMERCE

International Trade Administration

[C–570–984]

Drawn Stainless Steel Sinks From the People's Republic of China: Initiation of Countervailing Duty Investigation

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

DATES: *Effective Date:* March 27, 2012.

FOR FURTHER INFORMATION CONTACT: Shane Subler and Hermes Pinilla, AD/CVD Operations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone: (202) 482–0189 and (202) 482–3477, respectively.

SUPPLEMENTARY INFORMATION:

The Petition

On March 1, 2012, the Department of Commerce (''Department'') received a countervailing duty (''CVD'') petition concerning imports of drawn stainless steel sinks from the People's Republic of China (''PRC'') filed in proper form by Elkay Manufacturing Company (''Petitioner''). *See* Petition for the Imposition of Antidumping and Countervailing Duties Against Drawn Stainless Steel Sinks from the People's Republic of China, dated March 1, 2012 (''the Petition''). On March 6 and 7, 2012, the Department issued requests to Petitioner for additional information and for clarification of certain areas of the CVD Petition. Based on the Department's requests, Petitioner filed a supplement to the Petition on March 9, 2012.

In accordance with section 702(b)(1) of the Tariff Act of 1930, as amended (''Act''), Petitioner alleges that producers/exporters of drawn stainless steel sinks from the PRC received countervailable subsidies within the meaning of sections 701 and 771(5) of the Act, and that imports from these producers/exporters materially injure, or threaten material injury to, an industry in the United States.

The Department finds that Petitioner filed the Petition on behalf of the domestic industry because Petitioner is an interested party, as defined in section 771(9)(C) of the Act, and has demonstrated sufficient industry support with respect to the investigation that it requests the Department to initiate (*see* ''Determination of Industry Support for the Petition'' below).