DEPARTMENT OF COMMERCE

Bureau of Industry and Security

[14–BIS–002]

In the Matter of: Gatewick LLC, a/k/a Gatewick Freight & Cargo Services a/k/a Gatewick Aviation Services, Mohamad Abdulla Algaz Building, Al Maktoum Street, Al Rigga, Dubai, United Arab Emirates and, G#22 Dubai Airport Free Zone, P.O. Box 393754, Dubai, United Arab Emirates and, P.O. Box 52404, Dubai, United Arab Emirates, Respondent

Order Relating to Gatewick LLC

The Bureau of Industry and Security, U.S. Department of Commerce (''BIS''), has notified Gatewick LLC, of Dubai, United Arab Emirates, a/k/a Gatewick Freight & Cargo Services, a/k/a Gatewick Aviation Services (''Gatewick''), that it has initiated an administrative proceeding against Gatewick pursuant to Section 766.3 of the Export Administration Regulations (the ''Regulations''),[1] and Section 13(c) of the Export Administration Act of 1979, as amended (the ''Act''),[2] through the issuance of a Charging Letter to Gatewick that alleges that Gatewick committed three violations of the Regulations. Specifically, the charges are:

Charge 1: 15 CFR 764.2(d)—Conspiracy

In or about February 2009, Gatewick LLC (''Gatewick'') conspired and acted in concert with others, known and unknown, to bring about an act that constitutes a violation of the Regulations. The purpose of the conspiracy was to bring about the export from the United States to Iran, via the United Arab Emirates (''UAE''), of approximately 2,300 computer motherboards, items subject to the Regulations[3] and valued at approximately $130,000, without the required U.S. Government authorization. Pursuant to Section 746.7 of the Regulations, no person may export or reexport an item subject to the EAR if such transaction is prohibited by the Iranian Transactions Regulations (''ITR''), and has not been authorized by the U.S. Department of the Treasury's Office of Foreign Assets Control (''OFAC''). Under Section 560.204 of the ITR, the exportation, reexportation, sale or supply, directly or indirectly, from the United States of any goods to Iran was prohibited by the ITR[4] at all times pertinent hereto, including the exportation, reexportation, sale or supply of items from the United States to a third country, such as the UAE, undertaken with knowledge or reason to know that the items were intended for supply, transshipment, or reexportation, directly or indirectly, to Iran.

Gatewick is a freight and cargo services company in the UAE and at all times pertinent hereto the sole booking agent for air freight forwarding and cargo services for Mahan Airways, an Iranian airline. Gatewick entered into an agreement with Seyed Mousavi Trading, an Iranian trading company, in connection with the export of the items to Iran. Gatewick agreed to receive the goods ordered by Seyed Mousavi Trading from the United States using Mahan Airways' import code and to then ship the goods from the UAE to their destination in Iran. In furtherance of the conspiracy, Seyed Mousavi Trading, which identified itself to the U.S. reseller as a UAE company, ordered the 2,300 computer motherboards from the reseller for shipment to the UAE. The motherboards were actually destined for Seyed Mousavi Trading's customer in Iran. Pursuant to Seyed Mousavi Trading's instructions, the U.S. reseller shipped the motherboards, from the United States to Gatewick's location in the UAE. Consistent with the agreed-upon scheme, Gatewick received the items on February 8, 2009. Gatewick shipped the items the following day, February 9, 2009, from the UAE to Iran via Mahan Airways. No U.S. Government authorization was received for the export of the computer motherboards to Iran.

In so doing, Gatewick committed one violation of Section 764.2(d) of the Regulations.

Charge 2: 15 CFR 764.2(b)—Causing, Aiding or Abetting an Unlicensed Export

On or about February 8 and February 9, 2009, Gatewick caused, aided, or abetted a violation of the Regulations. Specifically, Gatewick facilitated the export from the United States to Iran, via the UAE, of approximately 2,300 computer motherboards, items subject to the Regulations[5] and valued at approximately $130,000, without the required U.S. Government authorization. Gatewick received the items in the UAE from the United States, and, upon receiving the items, Gatewick shipped them from the UAE to Iran.

Pursuant to Section 746.7 of the Regulations, no person may export or reexport an item subject to the EAR if such transaction is prohibited by the Iranian Transactions Regulations (''ITR''), and has not been authorized by the U.S. Department of the Treasury's Office of Foreign Assets Control (''OFAC''). Under Section 560.204 of the ITR,[6] the exportation, reexportation, sale or supply, directly or indirectly, from the United States of any goods to Iran was prohibited by the ITR at all times pertinent hereto, including the exportation, reexportation, sale or supply of items from the United States to a third country, such as the UAE, undertaken with knowledge or reason to know that the items were intended for supply, transshipment, or reexportation, directly or indirectly, to Iran. No OFAC authorization was sought or obtained for the export of the computer motherboards to Iran.

In so doing, Gatewick committed one violation of Section 764.2(b) of the Regulations.

Charge 3: 15 CFR 764.2(k)—Acting Contrary to the Terms of a Denial Order

On or about February 8 and February 9, 2009, Gatewick took actions prohibited by a BIS denial order. Specifically, Gatewick took actions that, contrary to the terms of a BIS denial order, facilitated the acquisition by Mahan Airways, an Iranian airline and a denied person since March 21, 2008, of the ownership, possession or control of approximately 2,300 computer

[1] The Regulations are currently codified in the Code of Federal Regulations at 15 CFR Parts 730–774 (2014). The charged violations occurred in 2009. The Regulations governing the violations at issue are found in the 2009 version of the Code of Federal Regulations (15 CFR Parts 730–774) (2009). The 2014 Regulations set forth the procedures that apply to this matter.

[2] 50 U.S.C. app. §§ 2401–2420 (2000). Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 CFR, 2001 Comp. 783 (2002)), which has been extended by successive Presidential Notices, the most recent being that of August 7, 2014 (79 FR 46959 (Aug. 11, 2014)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. 1701, et seq. (2006 & Supp. IV 2010)).

[3] The items are designated as EAR99, which is the designation for items subject to the Regulations but not included on the Commerce Control List. *See* 15 CFR 774.1 (2009).

[4] 31 CFR Part 560 (2009). Administered by the Treasury Department's Office of Foreign Assets Control (''OFAC''), the ITR were renamed the Iranian Transactions and Sanctions Regulations (''ITSR'') and reissued in their entirety by OFAC on October 22, 2012. *See* 77 Fed.Reg. 64,664 (Oct. 22, 2012). Section 560.204 remains unchanged in pertinent part. *See* 31 CFR 560.204 (2009 and 2014).

[5] The items are designated as EAR99, which is the designation for items subject to the Regulations but not included on the Commerce Control List. *See* 15 CFR 774.1 (2009).

[6] 31 CFR Part 560 (2009). Administered by the Treasury Department's Office of Foreign Assets Control (''OFAC''), the ITR were renamed the Iranian Transactions and Sanctions. Regulations (''ITSR'') and reissued in their entirety by OFAC on October 22, 2012. *See* 77 Fed.Reg. 64,664 (Oct. 22, 2012). Section 560.204 remains unchanged in pertinent part. *See* 31 CFR 560.204 (2009 and 2014).

motherboards, items subject to the Regulations [7] and valued at approximately $130,000. The items were exported from the United States to Gatewick's location in the UAE. Gatewick used Mahan Airways import code to receive the items in the UAE and then shipped the items from the UAE to Iran via Mahan Airways.

Mahan Airways was named as a Denied Person in a temporary denial order (''TDO'') issued by BIS effective on March 21, 2008, and was subsequently renewed by BIS and in force and effect at all pertinent times hereto.[8] Under the TDO, all persons, including Gatewick, were prohibited from ''taking any action that facilitates the acquisition or attempted acquisition by the Denied Person [Mahan Airways] of the ownership, possession, or control of any item subject to the EAR that has been or will be exported from the United States. . . .''

In acting contrary to the terms of a BIS denial order, as alleged above, Gatewick committed one violation of Section 764.2(k) of the Regulations.

Whereas, BIS and Gatewick have entered into a Settlement Agreement pursuant to Section 766.18(b) of the Regulations, whereby they agreed to settle this matter in accordance with the terms and conditions set forth therein; [9] and

Whereas, I have approved of the terms of such Settlement Agreement;

It is therefore ordered:

First, Gatewick shall be assessed a civil penalty in the amount of $40,000. Gatewick shall pay the U.S. Department of Commerce in two installments of: $20,000 not later than September 1, 2014; and $20,000 not later than December 1, 2014. If either of the two installment payments is not fully and timely made, any remaining scheduled installment payments may become due and owing immediately.

Second, that, pursuant to the Debt Collection Act of 1982, as amended (31 U.S.C. 3701–3720E (2000)), the civil penalty owed under this Order accrues interest as more fully described in the attached Notice, and if payment is not made by the due date specified herein, Gatewick will be assessed, in addition to the full amount of the civil penalty and interest, a penalty charge and an administrative charge, as more fully described in the attached Notice.

Third, that for a period of seven (7) years from the date of this Order, Gatewick LLC, also known as Gatewick Freight & Cargo Services, also known as Gatewick Aviation Services, with last known addresses of Mohamad Abdulla Algaz Building, Al Maktoum Street, Al Rigga, Dubai, United Arab Emirates and G#22 Dubai Airport Free Zone, P.O. Box 393754, Dubai, United Arab Emirates and P.O. Box 52404, Dubai, United Arab Emirates, and when acting for or on its behalf, its successors, assigns, representatives, directors, officers, employees, or agents (hereinafter collectively referred to as ''Denied Person''), may not, directly or indirectly, participate in any way in any transaction involving any commodity, software or technology (hereinafter collectively referred to as ''item'') exported or to be exported from the United States that is subject to the Regulations, or in any other activity subject to the Regulations, including, but not limited to:

A. Applying for, obtaining, or using any license, License Exception, or export control document;

B. Carrying on negotiations concerning, or ordering, buying, receiving, using, selling, delivering, storing, disposing of, forwarding, transporting, financing, or otherwise servicing in any way, any transaction involving any item exported or to be exported from the United States that is subject to the Regulations, or in any other activity subject to the Regulations; or

C. Benefitting in any way from any transaction involving any item exported or to be exported from the United States that is subject to the Regulations, or in any other activity subject to the Regulations.

Fourth, that no person may, directly or indirectly, do any of the following:

A. Export or reexport to or on behalf of the Denied Person any item subject to the Regulations;

B. Take any action that facilitates the acquisition or attempted acquisition by the Denied Person of the ownership, possession, or control of any item subject to the Regulations that has been or will be exported from the United States, including financing or other support activities related to a transaction whereby the Denied Person acquires or attempts to acquire such ownership, possession or control;

C. Take any action to acquire from or to facilitate the acquisition or attempted acquisition from the Denied Person of any item subject to the Regulations that has been exported from the United States;

D. Obtain from the Denied Person in the United States any item subject to the Regulations with knowledge or reason to know that the item will be, or is intended to be, exported from the United States; or

E. Engage in any transaction to service any item subject to the Regulations that has been or will be exported from the United States and which is owned, possessed or controlled by the Denied Person, or service any item, of whatever origin, that is owned, possessed or controlled by the Denied Person if such service involves the use of any item subject to the Regulations that has been or will be exported from the United States. For purposes of this paragraph, servicing means installation, maintenance, repair, modification or testing.

Fifth, that, after notice and opportunity for comment as provided in Section 766.23 of the Regulations, any person, firm, corporation, or business organization related to the Denied Person by affiliation, ownership, control, or position of responsibility in the conduct of trade or related services may also be made subject to the provisions of the Order.

Sixth, that the seven-year denial period set forth above shall be active for a period of two years from the date of this Order. As authorized by Section 766.18(c) of the Regulations, the remaining five years of the denial period shall be suspended during a probationary period of five years under this Order, and shall thereafter be waived, provided that Gatewick has made full and timely payment as set forth above and has committed no other violation of the Act or the Regulations or any order, license or authorization issued thereunder. If Gatewick does not make full and timely payment as set forth above, or commits another violation of the Act or the Regulations or any order, license or authorization issued thereunder during the seven-year denial period under this Order, the five-year suspended portion of this Order may be modified or revoked by BIS. If the suspension is modified or revoked, BIS may extend the active denial period up to seven years from the date of this Order if the failure to pay or other violation and the activation occur during the first two years from the date of this Order, or otherwise until up to five years from the date of the activation if the violation occurs or BIS discovers

[7] The items are designated as EAR99, which is the designation for items subject to the Regulations but not included on the Commerce Control List. *See* 15 CFR 774.l (2009).

[8] The initial TDO was issued by BIS on March 17, 2008, and effective upon publication in the **Federal Register** on March 21, 2008. 73 FR 15,130. The TDO was renewed for 180 days on September 17, 2008, by order effective upon issuance on that date. 73 FR 57,051 (Oct. 1, 2008). The TDO remains in effect today against Mahan Airways, having been renewed most recently on July 22, 2014. 79 FR 44,002 (Jul. 29, 2014).

[9] The citation dates in footnotes 1, 2, 4, 6 and 8 of the Charging Letter have been updated, as applicable, from 2013 to 2014 for purposes of the Settlement Agreement and this Order.

the violation more than two years from the date of this Order.

Seventh, Gatewick shall not take any action or make or permit to be made any public statement, directly or indirectly, denying the allegations in the Charging Letter or this Order. The foregoing does not affect Gatewick's testimonial obligations in any proceeding, nor does it affect its right to take legal or factual positions in civil litigation or other civil proceedings in which the U.S. Department of Commerce is not a party.

Eighth, that the Charging Letter, the Settlement Agreement, and this Order shall be made available to the public.

Ninth, that this Order shall be served on Gatewick, and shall be published in the **Federal Register**.

This Order, which constitutes the final agency action in this matter, is effective immediately.

Issued this 13th day of August 2014.

David W. Mills,

Assistant Secretary of Commerce for Export Enforcement.

[FR Doc. 2014–19714 Filed 8–19–14; 8:45 am]

BILLING CODE P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–580–839]

Certain Polyester Staple Fiber From the Republic of Korea: Initiation of Changed Circumstances Review

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (the Department) received information sufficient to warrant initiation of a changed circumstances review of the antidumping duty order on certain polyester staple fiber (PSF) from the Republic of Korea. Based upon a request filed by Toray Chemical Korea Inc. (Toray), the Department intends to determine in this review whether Toray is the successor-in-interest of Woongjin Chemical Co., Ltd. (Woongjin), a producer/exporter examined in prior administrative reviews of the order.[1]

DATES: *Effective Date:* August 20, 2014.

FOR FURTHER INFORMATION CONTACT: Austin Redington at (202) 482–1664 or Nancy Decker at (202) 482–0196, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

Background

On May 25, 2000, the Department published notice of the *Order* in the **Federal Register**.[2] On July 2, 2014, Toray requested that the Department conduct a changed circumstances review pursuant to section 751(b)(1) of the Tariff Act of 1930, as amended (the Act) and 19 CFR 351.216(b) to determine that it is the successor-in-interest to Woongjin for purposes of the antidumping duty order. We received no comments from other interested parties.

Scope of the Order

The product covered by the order is certain PSF. Certain PSF is defined as synthetic staple fibers, not carded, combed or otherwise processed for spinning, of polyesters measuring 3.3 decitex (3 denier, inclusive) or more in diameter. This merchandise is cut to lengths varying from one inch (25 mm) to five inches (127 mm). The merchandise subject to the order may be coated, usually with a silicon or other finish, or not coated. PSF is generally used as stuffing in sleeping bags, mattresses, ski jackets, comforters, cushions, pillows, and furniture.

Merchandise of less than 3.3 decitex (less than 3 denier) currently classifiable in the Harmonized Tariff Schedule of the United States (HTSUS) at subheading 5503.20.00.20 is specifically excluded from the order. Also specifically excluded from the order are PSF of 10 to 18 denier that are cut to lengths of 6 to 8 inches (fibers used in the manufacture of carpeting). In addition, low-melt PSF is excluded from the order. Low-melt PSF is defined as a bi-component fiber with an outer sheath that melts at a significantly lower temperature than its inner core.

The merchandise subject to this order is classified in the HTSUS at subheadings 5503.20.00.40 and 5503.20.00.60. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of these orders is dispositive.

Initiation of Changed Circumstances Review

Pursuant to section 751(b)(1) of the Act, the Department will conduct a changed circumstances review upon receipt of information concerning, or a request from, an interested party for a review of an antidumping duty order which shows changed circumstances sufficient to warrant a review of the order. In accordance with 19 CFR 351.216(d), the Department determines that the information submitted by Toray constitutes sufficient evidence to conduct a changed circumstances review of the *Order.*

In a changed circumstances review involving a successor-in-interest determination, the Department typically examines several factors including, but not limited to, changes in: (1) Management; (2) production facilities; (3) supplier relationships; and (4) customer base.[3] While no single factor or combination of factors will necessarily be dispositive, the Department generally will consider the new company to be the successor to the predecessor if the resulting operations are essentially the same as those of the predecessor company.[4] Thus, if the record demonstrates that, with respect to the production and sale of the subject merchandise, the new company operates as the same business entity as the predecessor company, the Department may assign the new company the cash deposit rate of its predecessor.[5]

Based on the information provided in its submission, Toray provided sufficient evidence to warrant a review to determine if it is the successor-in-interest to Woongjin. Therefore, pursuant to section 751(b)(1) of the Act and 19 CFR 351.216(d), we are initiating a changed circumstances review. However, the Department finds it is necessary to issue a questionnaire requesting additional information regarding changes in management and information regarding the company's customer base, as provided for by 19 CFR 351.221(b)(2). For that reason, the Department is not conducting this review on an expedited basis by publishing preliminary results in conjunction with this notice of initiation. The Department will publish in the **Federal Register** a notice of the preliminary results of the changed circumstances review in accordance with 19 CFR 351.221(b)(4) and 19 CFR 351.221(c)(3)(i). That notice will set forth the factual and legal conclusions

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[1] *See Notice of Amended Final Determination of Sales at Less Than Fair Value: Certain Polyester Staple Fiber From the Republic of Korea and Antidumping Duty Orders: Certain Polyester Staple Fiber From the Republic of Korea and Taiwan,* 65 FR 33807 (May 25, 2000) (*Order*).

[2] *See id.*

[3] *See, e.g., Certain Activated Carbon From the People's Republic of China: Notice of Initiation of Changed Circumstances Review,* 74 FR 19934, 19935 (April 30, 2009).

[4] *See, e.g., Notice of Initiation of Antidumping Duty Changed Circumstances Review: Certain Forged Stainless Steel Flanges from India,* 71 FR 327 (January 4, 2006).

[5] *See, e.g., Fresh and Chilled Atlantic Salmon From Norway; Final Results of Changed Circumstances Antidumping Duty Administrative Review,* 64 FR 9979, 9980 (March 1, 1999).