International Trade Administration

[A-588-880]

Thermal Paper from Japan: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures

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

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that thermal paper from Japan is being, or is likely to be, sold in the United States at less than fair value (LTFV). The period of investigation is October 1, 2019, through September 30, 2020. Interested parties are invited to comment on this preliminary determination.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].


SUPPLEMENTARY INFORMATION:

Background

This preliminary determination is made in accordance with section 733(b) of the Tariff Act of 1930, as amended (the Act). Commerce published the notice of initiation of this investigation on November 3, 2020. On February 25, 2021, Commerce postponed the preliminary determination of this investigation; the revised deadline is now May 5, 2021. For a

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complete description of the events that followed the initiation of this investigation, see the Preliminary Decision Memorandum. A list of topics discussed in the Preliminary Decision Memorandum is included in Appendix II to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance’s Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at https://access.trade.gov. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at http://enforcement.trade.gov/frn/.

Scope of the Investigation

The products covered by this investigation are thermal paper from Japan. For a complete description of the scope of this investigation, see Appendix I.

Scope Comments

In accordance with the preamble to Commerce’s regulations, the Initiation Notice set aside a period of time for parties to raise issues regarding product coverage (i.e., scope). Certain interested parties commented on the scope of the investigation as it appeared in the Initiation Notice. For a summary of the product coverage comments and rebuttal responses submitted on the record for this investigation, and accompanying discussion and analysis of all comments timely received, see the Preliminary Scope Decision Memorandum. Commerce is not preliminarily modifying the scope language as it appeared in the Initiation Notice.

Methodology

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3 See Memorandum, “Decision Memorandum for the Preliminary Determination in the Less-Than-Fair-Value Investigation of Thermal Paper from Japan,” dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

4 See Antidumping Duties; Countervailing Duties, Final Rule, 62 FR 27296, 27323 (May 19, 1997).

5 See Initiation Notice.

6 See Memorandum, “Thermal Paper from Germany, Japan, the Republic of Korea, and Spain: Scope Comments Decision Memorandum for the Preliminary Determinations,” dated concurrently with this notice (Preliminary Scope Decision Memorandum).
Commerce is conducting this investigation in accordance with section 731 of the Act. Commerce has calculated export prices in accordance with section 772(a) of the Act. Constructed export prices have been calculated in accordance with section 772(b) of the Act. Normal value is calculated in accordance with section 773 of the Act. In addition, Commerce has relied on partial facts available under section 776(a)(1) of the Act. For a full description of the methodology underlying the preliminary determination, see the Preliminary Decision Memorandum.

**All-Others Rate**

Sections 733(d)(1)(ii) and 735(c)(5)(A) of the Act provide that, in the preliminary determination, Commerce shall determine an estimated all-others rate for all exporters and producers not individually examined. This rate shall be an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding any zero and *de minimis* margins, and any margins determined entirely under section 776 of the Act.

Commerce calculated an individual estimated weighted-average dumping margin for Nippon Paper Industries Co., Ltd. (NPI), the only individually examined exporter/producer in this investigation. Because the only individually calculated dumping margin is not zero, *de minimis*, or based entirely on facts otherwise available, the estimated weighted-average dumping margin calculated for NPI is the margin assigned to all other producers and exporters, pursuant to section 735(c)(5)(A) of the Act.

**Preliminary Determination**

Commerce preliminarily determines that the following estimated weighted-average dumping margins exist:

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<thead>
<tr>
<th>Exporter/Producer</th>
<th>Estimated Weighted-Average Dumping Margin (percent)</th>
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Suspension of Liquidation

In accordance with section 733(d)(2) of the Act, Commerce will direct U.S. Customs and Border Protection (CBP) to suspend liquidation of entries of subject merchandise, as described in Appendix I, entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the Federal Register. Further, pursuant to section 733(d)(1)(B) of the Act and 19 CFR 351.205(d), Commerce will instruct CBP to require a cash deposit equal to the estimated weighted-average dumping margin or the estimated all-others rate, as follows: (1) the cash deposit rate for the respondent listed above will be equal to the company-specific estimated weighted-average dumping margin determined in this preliminary determination; (2) if the exporter is not a respondent identified above, but the producer is, then the cash deposit rate will be equal to the company-specific estimated weighted-average dumping margin established for that producer of the subject merchandise; and (3) the cash deposit rate for all other producers and exporters will be equal to the all-others estimated weighted-average dumping margin.

Disclosure

Commerce intends to disclose its calculations and analysis performed to interested parties in this preliminary determination within five days of any public announcement or, if there is no public announcement, within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b).

Verification

As provided in section 782(i)(1) of the Act, Commerce intends to verify the information relied upon in making its final determination. Normally, Commerce verifies information using

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7 Commerce preliminarily determines that Nippon Paper Industries Co., Ltd. and Nippon Paper Papylia Co., Ltd. are a single entity. See Preliminary Decision Memorandum.
standard procedures, including an on-site examination of original accounting, financial, and sales documentation. However, due to current travel restrictions in response to the global COVID-19 pandemic, Commerce is unable to conduct on-site verification in this investigation. Accordingly, we intend to verify the information relied upon in making the final determination through alternative means in lieu of an on-site verification.

Public Comment

Case briefs or other written comments on non-scope issues may be submitted to the Assistant Secretary for Enforcement and Compliance. Interested parties will be notified of the timeline for the submission of case briefs and written comments at a later date. Rebuttal briefs, limited to issues raised in case briefs on non-scope issues, may be submitted no later than seven days after the deadline date for case briefs. The deadlines for submitting case and rebuttal briefs on scope issues are identified in the Preliminary Scope Decision Memorandum. Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until further notice. Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit case briefs or rebuttal briefs in this investigation are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, within 30 days after the date of publication of this notice. Requests should contain the party’s name, address, and telephone number, the number of participants, and a list of the issues to be discussed. Oral

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8 See 19 CFR 351.309; see also 19 CFR 351.303 (for general filing requirements).
9 See Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19, 85 FR 17006 (March 26, 2020); and Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period, 85 FR 41363 (July 10, 2020).
presentations at the hearing will be limited to issues raised in the briefs. If a request for a hearing is made, parties will be notified of the time and date for the hearing.\textsuperscript{10}

**Postponement of Final Determination and Extension of Provisional Measures**

Section 735(a)(2) of the Act provides that a final determination may be postponed until not later than 135 days after the date of the publication of the preliminary determination if, in the event of an affirmative preliminary determination, a request for such postponement is made by exporters who account for a significant proportion of exports of the subject merchandise, or in the event of a negative preliminary determination, a request for such postponement is made by the petitioners.\textsuperscript{11} Pursuant to 19 CFR 351.210(e)(2), Commerce requires that requests by respondents for postponement of a final AD determination be accompanied by a request for extension of provisional measures from a four-month period to a period not more than six months in duration.

On April 19, 2021, NPI requested that Commerce postpone the final determination and that provisional measures be extended to a period not to exceed six months.\textsuperscript{12} In accordance with section 735(a)(2)(A) of the Act and 19 CFR 351.210(b)(2)(ii), because: (1) the preliminary determination is affirmative; (2) the requesting exporter accounts for a significant proportion of exports of the subject merchandise; and (3) no compelling reasons for denial exist, Commerce is postponing the final determination and extending the provisional measures from a four-month period to a period not greater than six months. Accordingly, Commerce will make its final determination no later than 135 days after the date of publication of this preliminary determination.

**International Trade Commission Notification**

In accordance with section 733(f) of the Act, Commerce will notify the International Trade Commission (ITC) of its preliminary determination. If the final determination is

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\textsuperscript{10} See 19 CFR 351.310(d).

\textsuperscript{11} The petitioners are Appvion Operations, Inc., and Domtar Corporation.

\textsuperscript{12} See NPI’s Letter, “NPI’s Request to Postpone the Final Determination,” dated April 19, 2021.
affirmative, the ITC will determine before the later of 120 days after the date of this preliminary determination or 45 days after the final determination whether these imports are materially injuring, or threaten material injury to, the U.S. industry.

Notification to Interested Parties

This determination is issued and published in accordance with sections 733(f) and 777(i)(1) of the Act and 19 CFR 351.205(c).


Christian Marsh,

Acting Assistant Secretary

for Enforcement and Compliance.
Appendix I

Scope of the Investigation

The scope of this investigation covers thermal paper in the form of “jumbo rolls” and certain “converted rolls.” The scope covers jumbo rolls and converted rolls of thermal paper with or without a base coat (typically made of clay, latex, and/or plastic pigments, and/or like materials) on one or both sides; with thermal active coating(s) (typically made of sensitizer, dye, and co-reactant, and/or like materials) on one or both sides; with or without a top coat (typically made of pigments, polyvinyl alcohol, and/or like materials), and without an adhesive backing. Jumbo rolls are defined as rolls with an actual width of 4.5 inches or more, an actual weight of 65 pounds or more, and an actual diameter of 20 inches or more (jumbo rolls). All jumbo rolls are included in the scope regardless of the basis weight of the paper. Also included in the scope are “converted rolls” with an actual width of less than 4.5 inches, and with an actual basis weight of 70 grams per square meter (gsm) or less.

The scope of this investigation covers thermal paper that is converted into rolls with an actual width of less than 4.5 inches and with an actual basis weight of 70 gsm or less in third countries from jumbo rolls produced in the subject countries.

The merchandise subject to this investigation may be classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 4811.90.8030 and 4811.90.9030. Although HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.
Appendix II

List of Topics Discussed in the Preliminary Decision Memorandum

I. Summary
II. Background
III. Period of Investigation
IV. Scope Comments
V. Scope of the Investigation
VI. Discussion of the Methodology
VII. Application of Facts Available
VIII. Date of Sale
IX. Product Comparisons
X. Export Price andConstructed Export Price
XI. Normal Value
XII. Currency Conversion
XIII. Recommendation

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