

**A-570-874**

**ANTIFRICTION BEARINGS, COUNTRY OF ORIGIN: CHINA**

**SCOPE: Description of the Merchandise**

67 FR 63609, October 15, 2002 Extract

DEPARTMENT OF COMMERCE  
International Trade Administration

Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Certain Ball Bearings and Parts Thereof from the People's Republic of China

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

ACTION: Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination.

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EFFECTIVE DATE: October 15, 2002.

FOR FURTHER INFORMATION CONTACT: James Terpstra or Cindy Lai Robinson,  
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International Trade Administration, U.S. Department of Commerce,  
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**SUPPLEMENTARY INFORMATION:**

The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department of Commerce's (the Department) regulations are to the regulations codified at 19 CFR part 351 (2001).

**Preliminary Determination**

We preliminarily determine that ball bearings and parts thereof (ball bearings) from the People's Republic of China (PRC) are being sold, or are likely to be sold, in the United States at less than fair value (LTFV), as provided in section 733 of the Act. The estimated margins of sales at LTFV are shown in the "Suspension of Liquidation" section of this notice.

**Scope of Investigation**

The scope of the investigation includes all antifriction bearings, regardless of size, precision grade or use, that employ balls as the rolling element (whether ground or unground) and parts thereof (inner ring, outer ring, cage, balls, seals, shields, etc.) that are produced in China. Imports of these products are classified under the following categories: antifriction balls, ball bearings with integral shafts and parts thereof, ball bearings (including thrust, angular contact, and radial ball bearings) and parts thereof, and housed or mounted ball bearing units and parts thereof. The scope includes ball bearing type pillow blocks and parts thereof; and wheel hub units

incorporating balls as the rolling element. With regard to finished parts, all such parts are included in the scope of the petition. With regard to unfinished parts, such parts are included if (1) they have been heat-treated, or (2) heat treatment is not required to be performed on the part. Thus, the only unfinished parts that are not covered by the petition are those that will be subject to heat treatment after importation.

Imports of these products are classified under the following Harmonized Tariff Schedules of the United States (HTSUS) subheadings:

3926.90.45, 4016.93.00, 4016.93.10, 4016.93.50, 6909.19.5010, 8431.20.00, 8431.39.0010, 8482.10.10, 8482.10.50, 8482.80.00, 8482.91.00, 8482.99.05, 8482.99.2580, 8482.99.35, 8482.99.6595, 8483.20.40, 8483.20.80, 8483.30.40, 8483.30.80, 8483.50.90, 8483.90.20, 8483.90.30, 8483.90.70, 8708.50.50, 8708.60.50, 8708.60.80, 8708.70.6060, 8708.93.30, 8708.93.6000, 8708.93.75, 8708.99.06, 8708.99.31, 8708.99.4000, 8708.99.4960, 8708.99.5800, 8708.99.8080, 8803.10.00, 8803.20.00, 8803.30.00, 8803.90.30, and 8803.90.90.

Specifically excluded from the scope are unfinished parts that are subject to heat treatment after importation. Also excluded from the scope are cylindrical roller bearings, mounted or unmounted, and parts thereof (CRB) and spherical plain bearings, mounted and unmounted, and parts thereof (SPB). CRB products include all antifriction bearings that employ cylindrical rollers as the rolling element. SPB products include all spherical plain bearings that employ a spherically shaped sliding element and include spherical plain rod ends. Although the HTSUS subheadings are provided for convenience and U.S. Customs Service (Customs) purposes, the written description of the merchandise under investigation is dispositive.

#### Scope Clarification

On April 22, 2002, Caterpillar Inc. requested that XLS (English) series ball bearings and pin-lock slot XLS (English) series ball bearings having an inside diameter of between 1 3/4 inches and 5 1/2 inches be excluded from the scope of the investigation. Caterpillar Inc. also claimed that there is an insufficient domestic supply of XLS series ball bearings and parts. On May 6, 2002, the petitioner responded that these bearings are within the scope. Petitioner also contends that at least four domestic producers manufacture and sell XLS series ball bearings in the U.S. market, and, therefore, there is not an insufficient domestic supply of XLS series ball bearings.

On April 23, 2002, NPBS requested that the Department clarify whether split pillow block housings and non-split pillow block housings, which are imported separately from ball bearings, are excluded from the scope of the investigation. On May 6, 2002, petitioner stated that non-split pillow blocks, even when imported separately, are used primarily as a housing for ball bearings, and are rightly included in the scope. On May 28, 2002, Wanxiang, one of the three mandatory respondents, requested guidance as to whether the language in the scope stating that the investigation covers "wheel hub units incorporating balls as the rolling element" also includes wheel hub units that do not contain ball bearings or any other type of rolling element at the time of importation. Wanxiang pointed out that every HTSUS subheading in the scope as applicable to subject wheel hub units describes articles either directly as "bearings" or indirectly as "incorporating ball bearings." In addition, Wanxiang claimed that the empty wheel hub units that it produces are designed to be used with either ball bearings or tapered roller bearings. On May 29 and May 30, 2002, petitioner stated that both complete wheel hub units incorporating balls as the rolling element and empty wheel hub units capable of incorporating balls as the rolling elements are covered by the investigation.

The scope of the investigation includes all antifriction bearings, regardless of size, precision grade or use. Therefore, XLS (English) series ball bearings and pin-lock slot XLS (English) series ball bearings are clearly within the scope.

With respect to NPBS's request for clarification of whether split pillow block housings and non-split pillow block housings that are imported separately from ball bearings are excluded from the

scope of this investigation, the Department previously determined in Final Determinations of Sales at Less Than Fair Value: Antifriction Bearings (Other Than Tapered Roller Bearings) and Parts Thereof from the Republic of Germany, 54 FR 18992, 19015 (May 3, 1989) (Antifriction Bearings). to exclude split pillow block housings (not containing antifriction bearings) from the order. The Department stated that pillow block housings were not mentioned in the petition, and based on the factual information available, determined that pillow block housings are not bearings, do not contain bearings, and are not parts or subassemblies of bearings. See *id.* Therefore, consistent with that determination and the facts of this investigation, we find that split pillow block housings (not containing antifriction bearings) are excluded from the scope of this investigation. However, the scope of the current investigation includes ball bearing type pillow blocks and parts thereof. Thus, non-split pillow blocks, even when imported separately, are included in the scope.

The scope covers all antifriction bearings that employ balls as the rolling element (whether ground or unground) and parts thereof. Wheel hub units are designed to use either ball bearings or tapered roller bearings. Empty wheel units that are designed to employ balls as the rolling elements have characteristic raceways that are dedicated to ball bearings. Therefore, for purposes of the preliminary determination, empty wheel hub units are included in the scope. However, we will address this issue further to determine whether the empty wheel hub units produced by Wanxiang use balls or tapered roller bearings interchangeably.

#### Period of Investigation

The POI is July 1, 2001, through December 31, 2001. This period corresponds to the two most recent fiscal quarters prior to the month of the filing of the petition (i.e., February 2002). See 19 CFR 351.204(b)(1).

#### Respondent Selection

The Department determined that the resources available to it for this investigation limited its ability to analyze any more than the responses of the three largest exporters/producers of the subject merchandise in this investigation. Based on mini-section A questionnaire responses, the Department originally selected the two largest exporters, Peer and Wanxiang, to be the mandatory respondents in this proceeding. (See the respondent selection memo.) On May 7, May 13, and May 14, 2002, we received comments from respondents and petitioner urging the Department to select additional mandatory respondents. Subsequently, based on these comments, on May 15, 2002, the Department added a third mandatory respondent, Cixing. (See May 15, 2002, Letter to Cixing from James Terpstra on file in the CRU.)

Manufacturer/exporter	Weighted-Average [chyph]Margin (percent)
Xinchang Peer Bearing Company Ltd.....	2.39
Wanxiang Group Corporation.....	39.93
CW Bearings USA, Inc. and Ningbo Cixing Group Corp.....	32.69
B&R Bearing Co.....	22.99
Changshan Import & Export Company, Ltd.....	22.99
Changzhou Daya Import and Export Corporation Limited.....	22.99
China Huanchi Bearing Group Corp. AND Ningbo Huanchi Import & Export Co. Ltd.....	22.99
China National Automobile Industry Guizhou Import & Export Corp.....	22.99
China National Machinery & Equipment Import &	22.99

Export Wuxi Co., Ltd.....	
Chongqing Changjiang Bearing Industrial Corporation.....	22.99
CSC Bearing Company Limited.....	22.99
Dongguan TR Bearing Corporation, Ltd.....	22.99
Fujian Nanan Fushan Hardware Machinery Electric Co., Ltd.....	22.99
Guangdong Agricultural Machinery Import & Export Company.....	22.99
Harbin Bearing Group AND Heilongjiang Machinery and Equipment Import and Export Corporation...	22.99
Jiangsu CTD Imports & Exports Co., Ltd.....	22.99
Jiangsu General Ball & Roller Co., Ltd.....	22.99
Jiangsu Hongye Intl. Group Industrial Development Co., Ltd.....	22.99
Jinrun Group Ltd. Haining.....	22.99
Ningbo Cixi Import Export Co.....	22.99
Ningbo Economic and Technological Development Zone AND Tiansheng Bearing Co. Ltd AND TSB Group USA Inc. AND TSB Bearing Group America, Co. (TSB Group).....	22.99
Ningbo General Bearing Co., Ltd.....	22.99
Ningbo Jinpeng Bearing Co., Ltd. AND Ningbo Mikasa Bearing Co. Ltd. AND Ningbo Cizhuang Bearing Co. Tahsleh Development Zone.....	22.99
Ningbo MOS Group Corporation, Ltd.....	22.99
Norin Optech Co., Ltd.....	22.99
Premier Bearing & Equipment, Ltd.....	22.99
Sapporo Precision Inc./Shanghai Precision Bearing Co., Ltd.....	22.99
Shaanxi Machinery & Equipment Import & Export Corp.....	22.99
Shandong Machinery Import & Export Group Corp..	22.99
Shanghai Bearing (Group) Company Limited.....	22.99
Shanghai Foreign Service and Economic Cooperation Co. Ltd.....	22.99
Shanghai General Pudong Bearing Co., Ltd.....	22.99
Shanghai Hydraulics & Pneumatics Corp.....	22.99
Shanghai Nanshi Foreign Economic Cooperation & Trading Co., Ltd.....	22.99
Shanghai SNZ Bearings Co., Ltd.....	22.99
Shanghai Zhong Ding I/E Trading Co., Ltd. AND Shanghai Li Chen Bearings.....	22.99
Shaoguan Southeast Bearing Co. Ltd.....	22.99
Sin NanHwa Bearings Co. Ltd. AND Sin NanHwa Co. Ltd.....	22.99
TC Bearing Manufacturing Co. Ltd.....	22.99
Wafangdian Bearing Company Ltd.....	22.99
Wholelucks Industrial Limited.....	22.99
Wuxi New-way Machinery Co., Ltd.....	22.99
Zhejiang Rolling Bearing Co. Ltd.....	22.99
Zhejiang Shenlong Bearing Co. Ltd.....	22.99
Zhejiang Wanbang Industrial Co., Ltd.....	22.99
Zhejiang Xinchang Xinzhou Industrial Co. Ltd...	22.99
Zhejiang Xinchun Bearing Co. Ltd.....	22.99
Zhejiang ZITIC Import & Export Co. Ltd.....	22.99

PRC-Wide Rate.....	59.30
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