

March 27, 2006

Mr. David Spooner
Assistant Secretary for Import Administration
U.S. Department of Commerce,
Central Records Unit, Room 1870
Pennsylvania Avenue and 14th Street, NW.
Washington, DC 20230

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DEPT. OF COMMERCE
ITA
IMPORT ADMINISTRATION

Attention: Weighted Average Dumping Margin

Re: Comments on Federal Register Notice of March 6, 2006
Antidumping Proceedings: Calculation of the Weighted Average
Dumping Margin During an Antidumping Duty Investigation.

Dear Sirs:

We are writing in response to the above Federal Register Notice. The notice solicits comments from the trade on a proposed response to a WTO dispute settlement panel determination. The WTO held that the U.S. "zeroing" practice used in determining margins in antidumping investigations is inconsistent with Article 2.4.2 of the WTO Antidumping Agreement, and that the "zeroing" methodology, as it relates to original investigations, "is a norm" which is inconsistent with Article 2.4.2 of the WTO Antidumping Agreement. This determination came in response to a challenge to the "zeroing" practice, which was filed by the EU, and was supported by a number of "third party" countries, including Japan, India, South Korea, Argentina, Hong Kong, Mexico, Turkey and Norway.

AAEI has been a national voice for the international trade community in the United States since 1921. Our unique role in representing the trade community is driven by our broad base of members, including manufacturers, importers, exporters, retailers and service providers. While our members have a wide range of interests in trade matters, AAEI has always stood strongly behind the U.S. government's commitment to the establishment and support of broad and comprehensive trade rules based on international agreements. Therefore, AAEI supports this proposed change in antidumping margin "zeroing" calculation methodology, because this proposed change will

bring U.S. rules and regulations into compliance with dispute settlement rulings issued by WTO. The fact that the U.S. is foregoing its right to challenge this determination before the WTO Appellate Body, suggests that the U.S. accepts that the antidumping margin calculation methodology in question is in need of revision.

The Federal Register Notice requests "comment on the alternative approach(es) that may be appropriate in future investigations". AAEI will not address the technical aspects of this matter. However, we urge the Department to adopt "alternative approaches" that are consistent with the letter, and the spirit, of the dispute settlement panel determination (i.e. negative margins are credited in margin calculations). The Department must be mindful that the "alternative approaches" it adopts should not invite further challenges to U.S. antidumping margin determination methodology. Ongoing uncertainty in this, and other trade areas, is not consistent with the predictable rules based system that has long been AAEI's goal. Furthermore, we urge that the Department consider revising its margin determination methodology in administrative reviews so that that methodology is consistent with its margin methodology utilized in investigations.

Finally, AAEI notes that the subject Federal Register Notice states that any change in antidumping margin calculation methodology that is adopted will be applied prospectively only. We believe that, wherever practicable, the Department should elect to apply its new methodology to all pending antidumping investigations.

If you have any questions regarding these comments, or wish to discuss our position in further detail, please do not hesitate to contact us.

Sincerely,



Hallock Northcott
President & CEO