



UNITED STATES DEPARTMENT OF COMMERCE
International Trade Administration
Washington, D.C. 20230

C-122-584
Investigation
Public Document

July 29, 2015

MEMORANDUM TO: The File

RE: Countervailing Duty Investigation of Supercalendered Paper from Canada

SUBJECT: *Ex Parte* Phone Call with Senator King

On July 15, 2015, Secretary of Commerce Penny Pritzker spoke by telephone with Senator Angus King of Maine. During the telephone call, Senator King raised the issue of the Department's ongoing countervailing duty investigation of imports of supercalendered (SC) paper from Canada. Senator King questioned the Department's determination to select two respondents for individual examination in this matter (rather than four) given that he understood that four producers/exporters of SC paper were identified in the underlying petition. Senator King inquired as to whether two additional Canadian firms could be selected as respondents in the proceeding, and indicated that he understood that doing so would impose little burden on the Department. Senator King also questioned the appropriateness of applying an all-others CVD rate to producers/exporters that had not been selected for individual examination.

Secretary Pritzker thanked Senator King for his thoughts, and briefly summarized the process and analysis the Department followed to select the mandatory respondents in the SC paper case. Secretary Pritzker noted that, although the petition identified four Canadian producers and exporters of supercalendered paper, the confidential import data from Customs and Border Protection on which the Department relied to identify all potential respondent companies indicated that more Canadian companies than those identified in the petition produced/exported supercalendered paper during the period of investigation. Based on these data, Secretary Pritzker explained that the Department, following its normal process, determined that it was not practicable to review all producers or exporters, and thus selected the two largest producers/exporters for examination as identified by Customs and Border Protection. Secretary Pritzker indicated that, in making this determination, the Department also considered a number of other factors, including the requirement to examine multiple additional companies that are affiliated with/owned by the two mandatory respondents, the requirement to examine information concerning alleged subsidy programs provided by the federal government of Canada and provincial governments, the compressed statutory timeframe for this proceeding, and the Department's other ongoing activities.



On the subject of the all-others rate, the Secretary stated that it was her understanding that if subsidization were to be established in a proceeding, the law did not provide the Department discretion to decline to calculate and apply an all others rate.

Participants

Penny Pritzker, Secretary of Commerce

Angus King, Senator (I-ME)