

none of the factories did we note any indirect laborer whose job required special knowledge, training or skill.

### **Cli-Claque**

#### *Issue 1: Value of Silkscreen Ink*

Petitioner argues that when valuing silkscreen ink, the Department should have relied on the more detailed Purchase Order File ("PO File") provided in Cli-Claque's post-verification submission of March 23, 1995 rather than the verification exhibit prepared by Cli-Claque. According to petitioner, the PO File shows that there were more silkscreening chemicals used than the verification exhibit indicates; therefore, the Department should use the quantity in the PO File to calculate the per-unit silkscreen ink factor.

Cli-Claque explains that the verification exhibit regarding silkscreen ink is based on the PO File with the following adjustments: (1) Orders outside the period of investigation ("POI") were removed; (2) freight charges from Japan to Hong Kong were included; (3) commissions were added; and (4) a change in quantity for one sale was made based on the actual amount found on the invoice.

*DOC Position:* We relied on Cli-Claque's verification exhibit regarding silkscreen ink to calculate the cost and usage of that input. We confirmed that all the contracts in the PO File dated within the POI were included in the verification exhibit. For the one contract whose quantity in the verification exhibit was different from that in the PO File, we are relying on the quantity recorded in the verification exhibit. Since the Department confirmed the veracity of information in the PO File during examination of other purchased materials, we found the PO File and, by extension, the verification exhibit regarding silkscreen ink, to be reliable.

#### *Issue 2: Coloring Agents*

Petitioner claims that some of the contracts listed in the verification exhibit regarding silkscreen ink really pertain to pigments used to color plastic parts because they are found in the PO File under "coloring agents," separate from "silkscreen ink." Given this, petitioner argues that these contracts should properly be included in the valuation of pigment for plastic parts.

Cli-Claque explains that purchases of silkscreen ink were recorded in its PO File both as "silkscreen ink" and "coloring agents," as indicated by the identical product descriptions and unit prices found under both sections.

*DOC Position:* We disagree with petitioner's allegation that it was an

error to include the contracts pertaining to "coloring agents" in the calculation of silkscreen ink usage and cost. We examined the PO File and found that the contracts in dispute contained the same product descriptions and prices as items in the silkscreen ink section and were appropriately included with other purchases of silkscreen ink.

#### *Issue 3: Tying of Material Inputs to Production*

Since all the contracts for silkscreen ink but one listed in the PO File are dated after the dates of sale for the imprinted lighters sold to the United States, petitioner points out that these purchases of silkscreen ink could not have been used in the production of the merchandise sold to the United States. Petitioner then argues that the value for silkscreen ink should be calculated from the one contract dated before the imprinted lighters were sold to the United States.

*DOC Position:* We disagree with petitioner that it was an error to use all purchases of silkscreen ink during the entire POI to value this factor. It is the Department's practice not to tie specific market economy inputs to particular production; rather, the Department looks at the entire POI when calculating values.

#### *Issue 4: Imprinted Ordinary Lighters*

Petitioner argues that one sale of ordinary lighters should also include a factor for silkscreen ink since it is described in the U.S. sales listing as an imprinted/silkscreened lighter.

Cli-Claque agrees with petitioner that a factor for silkscreen ink should be added to the one sale of ordinary lighters listed as being imprinted.

*DOC Position:* We agree with both parties that a value for silkscreen ink should be added to lighters listed as being imprinted/silkscreened and have done so because this is a cost of silkscreening and should have been included in that cost.

#### *Issue 5: Freight Charges for Silkscreen Ink*

Petitioner maintains that freight charges from Hong Kong to the factory should be added to the cost for silkscreen ink since delivery terms were C&F Hong Kong.

Cli-Claque concurs with petitioner that freight from Hong Kong to the factory should be included in the cost of silkscreen ink.

*DOC Position:* With respect to including Hong Kong-to-factory freight expenses in the cost of silkscreen ink, we agree with both parties that a value for these expenses should have been

included in the calculation of FMV and have included a cost for this item.

#### *Issue 6: Hardener*

Petitioner maintains that the hardener used in the silkscreening process should be included as a factor in the margin calculation. Since Cli-Claque provided a listing of the price and quantity of hardener used during the POI, petitioner argues that the Department should divide the quantity of hardener used during the POI by the number of lighters silkscreened during the POI to derive the factor usage during the POI. Petitioner also claims that freight charges should be added to the factor cost of hardener.

Cli-Claque argues that this is not a ministerial error. The Department did not include a factor for hardener in its calculation; therefore, petitioner's disagreement is with the Department's methodology. Should the Department nonetheless decide to include a factor for hardener, Cli-Claque provides calculations of usage and applicable freight expenses.

*DOC Position:* We agree with petitioner that a factor for hardener should have been included in our calculations since information on the record shows that Cli-Claque used hardener in making its imprinted lighters. To calculate amounts for usage and cost, we followed the methodology proposed by Cli-Claque and petitioner which was based on purchases of hardener during the POI as found in the PO File, average available freight costs for hardener found in the verification exhibit regarding silkscreen ink, and commission rates also found in the verification exhibit.

#### *Issue 7: Tank Body Pigment*

Although the Department included a factor for pigment for tank bodies for ordinary lighters, petitioner points out that a factor for pigment was not included for electronic lighters. According to petitioner, the Department should include the same tank body pigment factor for electronic lighters as it did for ordinary lighters since there is no indication that pigment is not used for electronic lighters.

Cli-Claque agrees that a factor for tank body pigment should be included in the calculations for electronic lighters. Instead of using the amount for usage applicable to ordinary lighters, Cli-Claque says that the Department should use its reported amount.

*DOC Position:* We agree with both petitioner and respondent that a factor for tank body pigment should have been included in the calculations for electronic lighters since pigment is used