

unliquidated entries of subject merchandise that are entered, or withdrawn from warehouse, for consumption on or after February 3, 2004, the date on which the Department published its notice of affirmative preliminary determination in the **Federal Register**. See *Notice of Preliminary Determination of Sales at Less Than Fair Value: Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof from the People's Republic of China*, 69 FR 5127 (February 3, 2004).

On or after the date of publication of this notice in the **Federal Register**, CBP must require, at the same time as importers would normally deposit estimated duties, cash deposits for the subject merchandise equal to the estimated weighted-average dumping margins listed above.

This notice constitutes the antidumping duty order with respect to ironing tables from the PRC. Interested parties may contact the Department's Central Records Unit, Room B-099 of the main Commerce building, for copies of an updated list of antidumping duty orders currently in effect.

This order is issued and published in accordance with section 736(a) of the Act and 19 CFR 351.211.

Dated: August 2, 2004.

Joseph A. Spetrini,

Acting Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-337-806]

Notice of Preliminary Results and Partial Rescission of Antidumping Duty Administrative Review: Individually Quick Frozen Red Raspberries From Chile

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

ACTION: Notice of preliminary results and partial rescission.

SUMMARY: In response to requests from interested parties, the Department of Commerce is conducting an administrative review of the antidumping duty order on individually quick frozen red raspberries from Chile with respect to Fruticola Olmue, S.A.; Santiago Comercio Exterior Exportaciones Limitada; and Uren Chile, S.A. We are rescinding the administrative review with respect to

Vital Berry Marketing, S.A. This review covers sales of individually quick frozen red raspberries to the United States during the period December 31, 2001, through June 30, 2003.

We preliminarily find that, during the period of review, sales of individually quick frozen red raspberries were made below normal value. If the preliminary results are adopted in the final results of this administrative review, we will instruct U.S. Customs and Border Protection to assess antidumping duties on all appropriate entries. Interested parties are invited to comment on these preliminary results.

DATES: Effective August 6, 2004.

FOR FURTHER INFORMATION CONTACT: Cole Kyle, Ryan Langan, or Blanche Ziv, Office 1, AD/CVD Enforcement, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington DC 20230; telephone (202) 482-1503, (202) 482-2613, and (202) 482-4207, respectively.

SUPPLEMENTARY INFORMATION:

Background

On July 2, 2003, the Department of Commerce ("Department") published in the **Federal Register** a notice of the opportunity to request an administrative review in the above-cited segment of the antidumping duty proceeding. See 68 FR 39511. We received a timely filed request for review of 51 companies from the Pacific Northwest Berry Association, Lynden, Washington, and each of its individual members, Curt Maberry Farm, Enfield Farms, Inc., Maberry Packing, and Rader Farms, Inc. (collectively, "petitioners"). We also received timely filed requests for review from Fruticola Olmue, S.A. ("Olmue"); Santiago Comercio Exterior Exportaciones, Ltda. ("SANCO"); and Vital Berry Marketing, S.A. ("Vital Berry").¹ On August 22, 2003, we initiated an administrative review of the 51 companies. See 68 FR 50750.

On October 16, 2003, the Department determined that it was not practicable to make individual antidumping duty findings for each of the 51 companies involved in this administrative review. Therefore, we selected the following seven companies as respondents in this review: Arlavan, S.A.; C y C Group, S.A.; Olmue; SANCO; Uren Chile, S.A. ("Uren"); Valles Andinos, S.A.; and Vital Berry. See October 16, 2003, memorandum, "Individually Quick Frozen Red Raspberries from Chile: Respondent Selection," which is on file

¹ These three companies were included in the petitioners' request for review of 51 companies.

in the Central Records Unit ("CRU") in room B-099 in the main Department building.

On October 17, 2003, the Department issued antidumping duty questionnaires to the companies listed above. We received responses from the seven companies in November and December 2003.

On January 5, 2004, we received a timely filed submission from the petitioners withdrawing their request for review for all of the companies for which they had requested an administrative review, except Uren. Because the petitioners were the only parties to request an administrative review for all companies except Olmue, SANCO, and Vital Berry, on January 15, 2004, we rescinded the administrative review with respect to all of the 51 companies mentioned above except Olmue, SANCO, Uren, and Vital Berry, in accordance with 19 CFR 351.213(d)(1) (2003). See 69 FR 2330.

On January 16, 2004, the petitioners submitted timely allegations that Olmue, SANCO, Uren, and Vital Berry made sales below the cost of production ("COP") during the period of review ("POR").

On January 21, 2004, Vital Berry withdrew its request for an administrative review. Since the petitioners had earlier withdrawn their request for review of Vital Berry and we did not receive any objections to Vital Berry's request for withdrawal, we are rescinding the administrative review with respect to Vital Berry and publishing notice of this rescission in the **Federal Register**, in accordance with 19 CFR 351.213(d)(4), at this time. See January 29, 2004, memorandum, "Partial Rescission of Administrative Review with Respect to Vital Berry Marketing, S.A.," which is on file in the CRU.

On February 18, 2004, pursuant to section 773(b) of the Tariff Act of 1930, as amended, effective January 1, 1995 by the Uruguay Round Agreements Act ("the Act"), we initiated investigations to determine whether SANCO and Uren made comparison market sales during the POR at prices below the COP, within the meaning of section 773(b) of the Act because we found that the petitioners' January 16, 2004, allegations provided a reasonable basis to believe or suspect that sales in the comparison market were made at prices below the COP. See February 18, 2004, memorandum, "Allegation of Sales Below Cost of Production for Santiago Comercio Exterior Exportaciones;" February 18, 2004, memorandum, "Allegation of Sales Below Cost of Production for Uren Chile," which are on file in the CRU.

Because we disregarded below cost sales by Olmue to the same comparison market in the original less-than-fair-value (“LTFV”) investigation (the most recently completed segment of the proceeding), we consider that this provides “reasonable grounds to believe or suspect” that Olmue made sales to France of the subject merchandise at below-cost prices during the POR. Thus, we did not analyze the petitioners’ sales-below-cost allegations with respect to Olmue. On February 19, 2004, we notified SANCO and Uren that they must respond to section D of the antidumping duty questionnaire.

We issued supplemental questionnaires to Olmue, SANCO, and Uren from February through April 2004. We received timely filed responses.

On March 9, 2004, the Department published in the **Federal Register** an extension of the time limit for the completion of the preliminary results of this review until no later than July 30, 2004, in accordance with section 751(a)(3)(A) of the Act and 19 CFR 351.213(h)(2). See 69 FR 10981.

On April 13, 2004, we sent a questionnaire to Uren’s largest supplier of purchased IQF red raspberries requesting COP information. On May 12, 2004, we received a letter from the supplier stating that it could not respond to the Department’s questionnaire. For further discussion, see the “Use of Facts Otherwise Available” section below.

We conducted verification of SANCO from May 27 through June 2, 2004.

Scope of the Order

The products covered by this order are imports of individually quick frozen (“IQF”) whole or broken red raspberries from Chile, with or without the addition of sugar or syrup, regardless of variety, grade, size or horticulture method (e.g., organic or not), the size of the container in which packed, or the method of packing. The scope of the order excludes fresh red raspberries and block frozen red raspberries (i.e., puree, straight pack, juice stock, and juice concentrate).

The merchandise subject to this order is currently classifiable under 0811.20.2020 of the Harmonized Tariff Schedule of the United States (“HTSUS”). Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the merchandise under the order is dispositive.

Fair Value Comparisons

To determine whether sales of IQF red raspberries from Chile to the United States were made at less than normal

value, we compared export price (“EP”) to the normal value (“NV”), as described in the “Export Price” and “Normal Value” sections of this notice. In accordance with 19 CFR 351.414(c)(2), we compared individual EPs to weighted-average NVs, which were calculated in accordance with section 777A(d)(2) of the Act.

Product Comparisons

In accordance with section 771(16) of the Act, we considered all products produced and sold by Olmue, SANCO, and Uren (collectively, “respondents”) in the comparison market during the POR that fit the description in the “Scope of the Order” section of this notice to be foreign like products for purposes of determining appropriate product comparisons to U.S. sales. We compared U.S. sales to sales of identical merchandise in the comparison market made in the ordinary course of trade, where possible. Where there were no sales of identical merchandise in the comparison market made in the ordinary course of trade to compare to U.S. sales, we compared U.S. sales to sales of the most similar foreign like product made in the ordinary course of trade. To determine the appropriate product comparisons, we considered the following physical characteristics of the products in order of importance: Grade, variety, form, cultivation method, and additives.

Export Price

For sales to the United States, we calculated EP in accordance with section 772(a) of the Act because the merchandise was sold to the first unaffiliated purchaser in the United States prior to importation by the exporter or producer outside the United States and because constructed export price methodology was not otherwise warranted. We based EP on packed ex-factory, CIF, C&F, FOB, and delivered prices to unaffiliated purchasers in the United States. We identified the correct starting price by adjusting the reported gross unit price, where applicable, for interest revenue and billing adjustments. We made deductions from the starting price for movement expenses in accordance with section 772(c)(2)(A) of the Act. These deductions included, where appropriate, domestic inland freight, brokerage and handling, pre-sale warehousing expenses, international freight, marine insurance, U.S. customs duties, U.S. inland freight, and other U.S. transportation expenses.

To calculate EP, we relied upon the data submitted by the respondents, except as noted below:

Olmue

For certain sales, Olmue did not report payment dates because payment is still pending. For those sales for which payment has not yet been received, we set the payment date equal to the date of the preliminary results. We recalculated Olmue’s imputed credit expenses using the revised payment dates, where applicable, and the gross unit price adjusted for pricing adjustments. For further discussion, see July 29, 2004, memorandum, “Calculations for the Preliminary Results for Fruticola Olmue, S.A.” (“*Olmue Calculation Memorandum*”), which is on file in the CRU.

SANCO

For certain sales, we revised SANCO’s reported date of sale, gross unit price, warehousing expenses, and direct selling expenses based on information obtained at verification. We also revised SANCO’s indirect selling expenses ratio and, accordingly, recalculated indirect selling expenses. In addition, we recalculated imputed credit expenses because SANCO revised its date of sale but did not revise its reported credit expenses. See July 19, 2004, “Antidumping Duty Administrative Review of IQF Red Raspberries from Chile: Verification Report-SANCO” (“*SANCO Verification Report*”) at 2, 11–13, and 15–17, which is on file in the CRU. For further discussion, see July 29, 2004, memorandum, “Calculations for the Preliminary Results for Santiago Comercio Exterior Exportaciones Limitada” (“*SANCO Calculation Memorandum*”), which is on file in the CRU.

Normal Value

A. Home Market Viability

In order to determine whether there was a sufficient volume of sales in the home market to serve as a viable basis for calculating NV, we compared each respondent’s volume of home market sales of the foreign like product to its volume of U.S. sales of the subject merchandise, in accordance with section 773(a)(1)(C) of the Act.

Olmue, SANCO, and Uren reported that their home market sales of IQF red raspberries during the POR were less than five percent of their sales of IQF red raspberries in the United States. Therefore, none of the respondents had a viable home market for purposes of calculating normal value. SANCO and Uren reported that the United Kingdom was their largest viable third country market, and Olmue reported that France was its largest viable third country market. Accordingly, SANCO and Uren

reported their sales to the United Kingdom, and Olmue reported its sales to France for purposes of calculating NV.

B. Cost of Production

1. Calculation of COP

In accordance with section 773(b)(3) of the Act, we calculated the COP based on the sum of the cost of materials and fabrication for the foreign like product, plus amounts for general and administrative (“G&A”) expenses, financial expenses, and comparison market packing costs, where appropriate. *See infra* “Test of Comparison Market Sales Prices” for a discussion of the treatment of comparison market selling expenses.

We relied on the COP data submitted by the respondents, except where noted below:

Olmue

We used Olmue’s G&A expenses for fiscal year 2002, the fiscal year which most closely corresponds to the POR. We also used the fiscal year 2002 financial expenses for the financial expense ratio. In addition, we revised Olmue’s reported financial expenses to include the full portion of the monetary correction reported in Olmue’s financial statements and disallowed the portion of the reported financial expenses offset related to interest earned on receivables. For further discussion, *see Olmue Calculation Memorandum*.

Olmue claimed a start-up adjustment for its new IQF tunnel and various updates to its existing plant. Section 773(f)(1)(C)(ii) of the Act sets forth the criteria that a respondent must meet in order for the Department to grant an adjustment for startup operations: (I) “a producer is using new production facilities or producing a new product that requires substantial additional investment, and (II) production levels are limited by technical factors associated with the initial phase of commercial production.” For purposes of the first criterion, when a new facility is not constructed, the Department may consider a “new production facility” to exist when there has been “substantially complete retooling of an existing plant” which “involves the replacement of nearly all production machinery or the equivalent rebuilding of existing machinery.” *See Uruguay Round Agreements Act, Statement of Administrative Action, H.R. Doc No. 103–316, vol. 1, at 870 (1994) (“SAA”) at 836.*

Olmue stated in its questionnaire response that its facility is not new; rather, Olmue expanded the size and

capacity of its existing facility. Olmue explained that it added a new IQF tunnel, “reinstalled” the same tunnel from the previous season, and increased its storage and processing capacity. Olmue claims that these additions and improvements to its existing facility were a major undertaking tantamount to the construction of a new facility. Thus, Olmue claims that it is entitled to a start-up adjustment.

We agree that Olmue added a new IQF tunnel and some new storage and processing equipment during the POR. However, Olmue has not shown that the existing facilities (e.g., “reinstalled” IQF tunnel) underwent a “substantially complete retooling,” which, as defined by the SAA, “involves the replacement of nearly all production machinery or the equivalent rebuilding of existing machinery.” *See SAA* at 836. Olmue has provided no information which would indicate that its existing processing and storage areas were replaced or completely rebuilt. Rather, when asked in a supplemental questionnaire, Olmue simply described the new processing and storage equipment installed to accommodate the increased capacity expected from the new IQF tunnel. In addition, concerning the existing IQF tunnel, Olmue merely stated that it was “experimenting” with the tunnel which was the “same tunnel” that was “reinstalled from the previous season.” *See Olmue’s April 5, 2004, supplemental section D questionnaire response at 11 {emphasis added}*. Thus, the information on the record indicates that Olmue did not completely retool or rebuild its existing machinery and facilities.

Instead, the record indicates that Olmue merely increased its capacity by adding new machinery for another production line within its existing production facility. The SAA states that the Department “will not consider an expansion of the capacity of an existing production line to be a startup operation unless the expansion of the capacity constitutes such a major undertaking that it requires the construction of a new facility* * *” *See SAA* at 836. As discussed above, Olmue did not build a new facility and has not provided evidence that its current facility has been substantially retooled or rebuilt. We find that the changes Olmue made to its existing production facility do not meet the first criterion of the statutory requirement of section 773(f)(1)(C)(ii) of the Act for a start-up adjustment. Therefore, the Department did not make a start-up adjustment when calculating Olmue’s COP.

SANCO

We revised direct materials, direct labor, variable overhead, and fixed overhead based on information obtained at verification. *See SANCO Verification Report* at 19–23. We also recalculated SANCO’s G&A and financial expenses using the revised total cost of manufacture. For further discussion, *see SANCO Calculation Memorandum*.

Uren

Uren was a producer of IQF red raspberries through a tolling arrangement and also a reseller of the subject merchandise. For merchandise produced through Uren’s tolling arrangement, we based the COP on the price Uren paid for the fresh berries from its unaffiliated supplier and the price Uren paid for the processing, plus amounts for G&A expenses and financial expenses. For IQF raspberries not produced by Uren, we requested COP data from the largest of Uren’s finished product suppliers. Uren’s supplier did not provide the COP information requested. For IQF raspberries obtained from the unresponsive supplier, we based the COP on the highest cost reported by Uren for purchases of finished product, plus amounts for G&A expenses and financial expenses. For the remaining IQF raspberries not produced by Uren, we based the COP on Uren’s production cost (i.e., Uren’s tolling costs). For further discussion, *see the “Use of Facts Otherwise Available” section below*.

We reallocated certain reported indirect selling expenses to Uren’s reported G&A expenses. For further discussion, *see July 29, 2004, memorandum, “Preliminary Results Calculation Memorandum for Uren Chile S.A.” (“Uren Calculation Memorandum”)*, which is on file in the CRU.

Use of Facts Otherwise Available

Section 776(a)(2) of the Act provides that the Department shall apply “facts otherwise available” if, *inter alia*, an interested party or any other person (A) withholds information that has been requested; (B) fails to provide information within the deadlines established, or in the form or manner requested by the Department, subject to subsections (c)(1) and (e) of section 782; (C) significantly impedes a proceeding; or (D) provides information that cannot be verified as provided in section 782(i) of the Act, the Department shall, subject to section 782(d) of the Act, use the facts otherwise available in reaching the applicable determination under this

title.² Section 776(b) of the Act further provides that adverse inferences may be used when a party has failed to cooperate by not acting to the best of its ability to comply with a request for information.

As noted in the background section above, on February 18, 2004, the Department initiated an investigation to determine whether Uren made comparison market sales during the POR at prices below the COP, within the meaning of section 773(b) of the Act. We received a response from Uren to section D of the Department's antidumping duty questionnaire on April 5, 2004. In its response, Uren reported two different scenarios depicting its costs: (1) Its acquisition cost for finished subject merchandise (*i.e.*, Uren acted as a reseller of the subject merchandise); and (2) its cost for purchases of fresh fruit from unaffiliated parties and its cost for having an unaffiliated subcontractor process the fruit. In the second scenario, Uren is the producer of the tolled merchandise pursuant to 19 CFR 351.401(h).

Where the sale to an exporter or reseller is finished subject merchandise, the Department's practice is to rely on the COP of the producer. *See Notice of Final Determination of Sales at Less Than Fair Value; Honey From Argentina*, 66 FR 50611 (October 4, 2001) and accompanying *Decision Memorandum*, at Comment 1. Consistent with our practice regarding resales of subject merchandise, we requested COP data from Uren's largest supplier on April 13, 2004.³ On May 12, 2004, we received a letter from the supplier stating, among other things, that it does not export subject merchandise and that it did not have the

resources to respond to the Department's questionnaire.

In accordance with section 776(b) of the Act, if the Department finds that "an interested party failed to cooperate by not acting to the best of its ability to comply with a request for information," an adverse inference may be used in determining the facts otherwise available. Because Uren's supplier, which, as a producer of subject merchandise, is an interested party in this proceeding, did not act to the best of its ability by failing to provide the COP information requested by the Department, we preliminarily find that it is appropriate to make an adverse inference pursuant to section 776(b) of the Act with respect to the finished berries purchased from that supplier. As adverse facts available for purchases of finished berries from Uren's largest supplier, because we did not have any COP information from any producer of finished berries supplying Uren, we used the highest of any cost reported by Uren, plus amounts for G&A expenses and financial expenses, in accordance with section 776(a) of the Act. In this case, the highest cost reported on the record was a purchase price by Uren for finished berries. As noted above, when calculating COP, the Department's practice is to disregard acquisition costs in favor of the COP of the producer. However, based on our comparison of the available cost information in this review, we found that Uren's highest reported acquisition cost for purchases of finished berries was the highest cost on the record of this proceeding and, therefore, appropriate as an adverse surrogate for the actual cost of production.

As noted above, the Department only requested COP information from Uren's largest supplier of finished berries. The remaining suppliers of finished berries were not asked to provide cost data for the POR and, thus, cannot be found to have been non-cooperative. Therefore, for IQF berries purchased from the remaining suppliers, we applied neutral facts available for the preliminary results, pursuant to sections 776(a)(2)(A) and (B) of the Act. As neutral facts available, we have used Uren's reported average COP from its tolled merchandise, plus amounts for G&A expenses and financial expenses.

a. Test of Comparison Market Prices.

On a product-specific basis, we compared the adjusted weighted-average COP to the comparison market sales of the foreign like product during the POR, as required under section 773(b) of the Act, in order to determine whether sales had been made at prices below the COP. The prices were

exclusive of any applicable billing adjustments, movement expenses, direct selling expenses, commissions, indirect selling expenses, and packing expenses. In determining whether to disregard comparison market sales made at prices below the COP, we examined, in accordance with sections 773(b)(1)(A) and (B) of the Act, whether such sales were made (1) within an extended period of time in substantial quantities and (2) at prices which did not permit the recovery of costs within a reasonable period of time.

b. Results of the COP Test. Pursuant to section 773(b)(1) of the Act, where less than 20 percent of a respondent's sales of a given product during the POR were at prices less than the COP, we do not disregard any below-cost sales of that product because we determine that in such instances the below-cost sales were not made in "substantial quantities." Where 20 percent or more of a respondent's sales of a given product are at prices less than the COP, we determine that the below-cost sales represent "substantial quantities" within an extended period of time, in accordance with section 773(b)(1)(A) of the Act. In such cases, we also determine whether such sales were made at prices which would not permit recovery of all costs within a reasonable period of time, in accordance with section 773(b)(1)(B) of the Act.

We found that, for Olmue, SANCO and Uren, for certain specific products, more than 20 percent of the comparison market sales were at prices less than the COP and, thus, the below-cost sales were made within an extended period of time in substantial quantities. In addition, these sales were made at prices that did not provide for the recovery of costs within a reasonable period of time. We therefore excluded these sales and used the remaining sales, if any, as the basis for determining NV, in accordance with section 773(b)(1) of the Act.

For U.S. sales of subject merchandise for which there were no comparable comparison market sales in the ordinary course of trade (*e.g.*, sales that passed the cost test), we compared those sales to constructed value ("CV"), in accordance with section 773(a)(4) of the Act.

C. Calculation of Constructed Value

Section 773(a)(4) of the Act provides that where NV cannot be based on comparison-market sales, NV may be based on CV. Accordingly, when sales of comparison products could not be found, either because there were no sales of a comparable product or all

² Where the Department determines that a response to a request for information does not comply with the request, section 782(d) of the Act provides that the Department will so inform the party submitting the response and will, to the extent practicable, provide that party the opportunity to remedy or explain the deficiency. If the party fails to remedy the deficiency within the applicable time limits, the Department may, subject to section 782(e) of the Act, disregard all or part of the original and subsequent responses, as appropriate. Section 782(e) of the Act provides that the Department "shall not decline to consider information that is submitted by an interested party and is necessary to the determination but does not meet all the applicable requirements established by the administering authority" if the information is timely, can be verified, and is not so incomplete that it cannot be used, and if the interested party acted to the best of its ability in providing the information. Where all of these conditions are met, the statute requires the Department to use the information, if it can do so without undue difficulties.

³ Uren had multiple suppliers of IQF raspberries during the POR. We requested COP information from Uren's largest supplier only.

sales of the comparable products failed the COP test, we based NV on CV.

In accordance with sections 773(e)(1) and (e)(2)(A) of the Act, we calculated CV based on the sum of the cost of materials and fabrication for the subject merchandise, plus amounts for selling expenses, G&A expenses, financial expenses, profit, and U.S. packing costs. We made the same adjustments to the CV costs as described in the "Calculation of COP" section of this notice. In accordance with section 773(e)(2)(A) of the Act, we based selling expenses, G&A expenses, and profit on the amounts incurred and realized by the respondent in connection with the production and sale of the foreign like product in the ordinary course of trade for consumption in the foreign country.

D. Level of Trade

Section 773(a)(1)(B)(ii) of the Act states that, to the extent practicable, the Department will calculate NV based on sales at the same level of trade ("LOT") as the EP. Sales are made at different LOTs if they are made at different marketing stages (or their equivalent). See 19 CFR 351.412(c)(2). Substantial differences in selling activities are a necessary, but not sufficient, condition for determining that there is a difference in the stages of marketing. *Id.*; see also *Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate From South Africa*, 62 FR 61731, 61732 (November 19, 1997). In order to determine whether the comparison sales were at different stages in the marketing process than the U.S. sales, we reviewed the distribution system in each market (*i.e.*, the "chain of distribution"),⁴ including selling functions,⁵ class of customer ("customer category"), and the level of selling expenses for each type of sale.

Pursuant to section 773(a)(1)(B)(I) of the Act, in identifying levels of trade for EP and comparison market sales (*i.e.*, NV based on either comparison market or third country prices⁶), we consider

the starting prices before any adjustments. When the Department is unable to match U.S. sales to sales of the foreign like product in the comparison market at the same LOT as the EP, the Department may compare the U.S. sale to sales at a different LOT in the comparison market. In comparing EP sales at a different LOT in the comparison market, where available data make it practicable, we make an LOT adjustment under section 773(a)(7)(A) of the Act.

Olmue

Olmue reported a single channel of distribution and a single LOT in each market and claimed that its sales in both markets were at the same LOT. Therefore, Olmue did not request an LOT adjustment.

We examined the information reported by Olmue regarding its marketing processes for its comparison market and U.S. sales, including customer categories and the type and level of selling activities performed. Olmue reported that it sold to distributors and end-users in the third country and to traders, distributors, end-users, and retailers in the United States. In both markets, Olmue reported similar selling activities regardless of the customer category. Thus, we preliminarily determine that Olmue sold to a single LOT in the comparison and U.S. markets. Moreover, there was only a minor difference in the selling activities between the two markets. In the U.S. market, Olmue received interest revenue on several sales to one customer. Otherwise, sales in both markets were direct shipments to customers from the plant. Olmue also did not grant rebates or discounts, provide technical services or post-sale warehousing, or incur advertising expenses in either the third country or U.S. market. Therefore, the Department preliminarily determines that Olmue's sales in the comparison and U.S. markets were made at the same LOT.

SANCO

SANCO reported that it had a single LOT in the comparison and U.S. markets and that the LOT in each of these markets was the same. Therefore, SANCO has not requested an LOT adjustment.

We examined the information reported by SANCO regarding its marketing processes for its comparison market and U.S. sales, including customer categories and the type and level of selling activities performed.

derive selling expenses, G&A and profit for CV, where possible.

SANCO reported two channels of distribution in each market. In channel one in the U.S. market, the customer is the importer of record and arranges for customs entry and pays the customs duties. In channel two in the U.S. market, SANCO is the importer of record and arranges for customs entry and pays the customs duties. SANCO sells to the same type of customer in both channels of trade. Except for the differences regarding the entry of the merchandise, there are no differences in the selling activities for these two channels of distribution. Therefore, we preliminarily determine that there is a single LOT in the U.S. market.

Similarly, in channel one in the third country market, SANCO ships raspberries directly from the plant to the customer. In channel two in the third country market, SANCO warehouses the raspberries before they are shipped to the customer. SANCO sells to the same type of customer in both channels of distribution. Although these two channels of distribution differ slightly in terms of processing activity (*i.e.*, warehousing), the selling activities undertaken by SANCO are otherwise identical. Therefore, we find a single LOT in SANCO's third country market.

Comparing sales in SANCO's two markets, there is no indication that there were significantly different selling activities or sales process activities. SANCO also did not grant rebates or discounts, provide technical services or post-sale warehousing, or incur advertising expenses on either U.S. or third country sales.

Therefore, the Department finds that a single LOT exists in both the U.S. and third country markets, and that SANCO's sales in the U.S. and third country markets are made at the same LOT.

Uren

Uren reported selling to a single customer category through two channels of distribution in the comparison market: (1) Direct delivery sales from Chile to the customer (channel 1); and (2) sales out of inventory in the United Kingdom (channel 2). We examined these channels reported by Uren and found that they were similar with respect to freight services and warranty service. However, we found that they varied significantly with respect to sales process (*e.g.*, customer visits, forecasting services, re-sorting, etc.), and warehousing/inventory maintenance. Based on our overall analysis of the comparison market, we preliminarily find that channel 1 and channel 2 constitute distinct LOTs, LOTH 1 and LOTH 2, respectively.

⁴ The marketing process in the United States and comparison market begins with the producer and extends to the sale to the final user or customer. The chain of distribution between the two may have many or few links, and the respondents' sales occur somewhere along this chain. In performing this evaluation, we considered each respondent's narrative response to properly determine where in the chain of distribution the sale occurs.

⁵ Selling functions associated with a particular chain of distribution help us to evaluate the level(s) of trade in a particular market. For purposes of these preliminary results, we have organized the common selling functions into four major categories: sales process and marketing support, freight and delivery, inventory and warehousing, and quality assurance/warranty services.

⁶ Where NV is based on CV, we determine the NV LOT based on the LOT of the sales from which we

In the U.S. market, Uren reported sales to processors and trading companies/resellers through a single channel of distribution, direct sales. Sales to these two customer categories through this channel of distribution were similar with respect to sales process, warehouse/inventory maintenance and warranty service, and differed only slightly with respect to freight services. Therefore, we preliminarily find that Uren had a single LOT for its U.S. sales.

When we compare Uren's U.S. LOT to the comparison market LOTs, we find that the LOT in the United States was similar to the comparison market LOTH 1 but differed considerably from the comparison market LOTH 2 with respect to sales process and warehouse/inventory maintenance. Consequently, we matched Uren's U.S. sales to sales LOTH 1 in the comparison market. Where no matches at the same LOT were possible, we matched to sales in LOTH 2 and, where appropriate because there was a pattern of consistent price differences between different LOTs, made an LOT adjustment. See section 773(a)(7)(A) of the Act.

E. Calculation of Normal Value Based on Comparison Market Prices

We calculated NV based on ex-factory, FOB, C&F, and delivered prices to unaffiliated customers in the comparison market. We identified the starting price and made adjustments for billing adjustments, where appropriate. In accordance with section 773(a)(6)(B)(ii) of the Act, we made deductions for movement expenses, including domestic inland freight, pre-sale warehousing expenses, international freight, marine insurance, third country duties, and third country inland freight, where applicable. In addition, we made adjustments under section 773(a)(6)(C)(iii) of the Act and 19 CFR 351.410 for differences in circumstances of sale for imputed credit expenses, and other direct selling expenses, where appropriate. For Olmue, we also made adjustments, where appropriate, for indirect selling expenses incurred in the comparison market or the United States where commissions were granted on sales in one market but not in the other (the commission offset), in accordance with 19 CFR 351.410(e).

Furthermore, we made adjustments for differences in costs attributable to differences in the physical characteristics of the merchandise (the "DIFMER" adjustment), where applicable, in accordance with section 773(a)(6)(C)(ii) of the Act and 19 CFR 351.411. We also deducted comparison

market packing costs and added U.S. packing costs in accordance with section 773(a)(6)(A) and (B) of the Act.

To calculate NV, we relied upon the data submitted by the respondents, except as noted below:

Olmue

We recalculated Olmue's imputed credit expenses using the gross unit price adjusted for pricing adjustments. For further discussion, see *Olmue Calculation Memorandum*.

SANCO

For certain sales, we revised SANCO's reported date of sale, warehousing expenses, and international freight expenses based on information obtained at verification. We also revised SANCO's indirect selling expense ratio and, accordingly, recalculated indirect selling expenses. In addition, we recalculated imputed credit expenses because SANCO revised its date of sale but did not revise its reported credit expenses. See *SANCO Verification Report* at 2, 11-13, and 15-17. For further discussion, see *SANCO Calculation Memorandum*.

Uren

We reallocated certain indirect selling expenses to G&A expenses. For further discussion, see *Uren Calculation Memorandum*.

F. Calculation of Normal Value Based on Constructed Value

For price-to-CV comparisons, we made adjustments to CV in accordance with section 773(a)(8) of the Act. We made adjustments to CV for differences in circumstances of sale in accordance with section 773(a)(6)(C)(iii) of the Act and 19 CFR 351.410. In addition, we added U.S. packing costs.

Currency Conversion

We made currency conversions in accordance with section 773A(a) of the Act based on the exchange rates in effect on the date of the U.S. sale as reported by the Federal Reserve Bank.

Preliminary Results of Review

We preliminarily find the following weighted-average dumping margins:

Exporter/manufacturer	Weighted-average margin percentage
Fruticola Olmue, S.A. Santiago Comercio Exterior Exportaciones, Ltda. Uren Chile, S.A.	1.46 0.25 (<i>de minimis</i>) 13.41

Assessment Rates

Pursuant to 19 CFR 351.212(b), the Department calculates an assessment rate for each importer of the subject merchandise for each respondent. Upon issuance of the final results of this administrative review, if any importer-specific assessment rates calculated in the final results are above *de minimis* (i.e., at or above 0.5 percent), the Department will issue appraisal instructions directly to U.S. Customs and Border Protection to assess antidumping duties on appropriate entries.

To determine whether the duty assessment rates covering the period were *de minimis*, in accordance with the requirement set forth in 19 CFR 351.106(c)(2), for each respondent we calculate importer (or customer)-specific *ad valorem* rates by aggregating the dumping margins calculated for all U.S. sales to that importer (or customer) and dividing this amount by the total value of the sales to that importer (or customer). Where an importer (or customer)-specific *ad valorem* rate is greater than *de minimis* and the respondent has reported reliable entered values, we apply the assessment rate to the entered value of the importer's/customer's entries during the review period. Where an importer (or customer)-specific *ad valorem* rate is greater than *de minimis* and we do not have entered values, we calculate a per-unit assessment rate by aggregating the dumping duties due for all U.S. sales to each importer (or customer) and dividing this amount by the total quantity sold to that importer (or customer).

The Department will issue appropriate assessment instructions directly to U.S. Customs and Border Protection within 15 days of publication of the final results of this review.

Cash Deposit Rates

The following deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of IQF red raspberries from Chile entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(1) of the Act: (1) The cash deposit rates for the reviewed companies will be the rate established in the final results of this review, except if a rate is less than 0.50 percent, and therefore, *de minimis* within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rate will be zero; (2) if the exporter is not a firm covered in this review, but was covered in a previous

review or the original LTFV investigation, the cash deposit rate will continue to be the company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in this review, the previous review, or the original investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; and (4) the cash deposit rate for all other manufacturers and/or exporters of this merchandise, shall be 6.33 percent, the "all others" rate established in the LTFV investigation (*see* 67 FR 45460, July 9, 2002).

These requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

Public Comment

Any interested party may request a hearing within 30 days of publication of this notice. A hearing, if requested, will be held 37 days after the publication of this notice, or the first business day thereafter. Interested parties may submit case briefs within 30 days of the date of publication of this notice. Rebuttal briefs, which must be limited to issues raised in the case briefs, may be filed not later than 35 days after the date of publication of this notice. The Department will issue the final results of this administrative review, which will include the results of its analysis of issues raised in any such comments, within 120 days of publication of the preliminary results.

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

This administrative review and notice are in accordance with sections 751(a)(1) and 777(I)(1) of the Act.

Dated: July 29, 2004.

Jeffrey May,

Acting Assistant Secretary for Import Administration.

[FR Doc. 04-17938 Filed 8-5-04; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-875]

Non-Malleable Cast Iron Pipe Fittings From the People's Republic of China: Notice of Rescission of Antidumping Duty Administrative Review

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

ACTION: Notice of rescission of antidumping duty administrative review.

SUMMARY: In response to a request from Anvil International, Inc. (Anvil) and Ward Manufacturing, Inc. (Ward), domestic producers of subject merchandise and interested parties in this proceeding, the Department of Commerce (the Department) initiated an administrative review of the antidumping duty order on non-malleable cast iron pipe fittings (pipe fittings) from the People's Republic of China (PRC). The period of review (POR) is April 1, 2003, through March 31, 2004. For the reason discussed below, we are rescinding this administrative review.

EFFECTIVE DATE: August 6, 2004.

FOR FURTHER INFORMATION CONTACT: Sam Zengotibengoa or Mark Manning, Office 4, Office of AD/CVD Enforcement, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone (202) 482-4195 or (202) 482-5253, respectively.

SUPPLEMENTARY INFORMATION:

Scope of the Order

For purposes of this review, the products covered are finished and unfinished non-malleable cast iron pipe fittings with an inside diameter ranging from ¼ inch to 6 inches, whether threaded or un-threaded, regardless of industry or proprietary specifications. The subject fittings include elbows, ells, tees, crosses, and reducers as well as flanged fittings. These pipe fittings are also known as "cast iron pipe fittings" or "gray iron pipe fittings." These cast iron pipe fittings are normally produced to ASTM A-126 and ASME B.16.4 specifications and are threaded to ASME B1.20.1 specifications. Most building codes require that these products are Underwriters Laboratories (UL) certified. The scope does not include cast iron soil pipe fittings or grooved fittings or grooved couplings.

Fittings that are made out of ductile iron that have the same physical characteristics as the gray or cast iron fittings subject to the scope above or which have the same physical characteristics and are produced to ASME B.16.3, ASME B.16.4, or ASTM A-395 specifications, threaded to ASME B1.20.1 specifications and UL certified, regardless of metallurgical differences between gray and ductile iron, are also included in the scope of this petition. These ductile fittings do not include grooved fittings or grooved couplings. Ductile cast iron fittings with mechanical joint ends (MJ), or push on ends (PO), or flanged ends and produced to the American Water Works Association (AWWA) specifications AWWA C110 or AWWA C153 are not included.

Imports of covered merchandise are currently classifiable in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers 7307.11.00.30, 7307.11.00.60, 7307.19.30.60 and 7307.19.30.85. HTSUS subheadings are provided for convenience and customs purposes. The written description of the scope of this proceeding is dispositive.

Background

On April 1, 2004, the Department published a notice of opportunity to request an administrative review of the antidumping order on pipe fittings from the PRC. *See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity To Request Administrative Review*, 69 FR 17129 (April 1, 2004). On May 27, 2004, pursuant to a request made by Anvil and Ward, the Department initiated an administrative review of the antidumping duty order on pipe fittings from the PRC. *See Initiation of Antidumping and Countervailing Duty Administrative Reviews and Requests for Revocation in Part*, 69 FR 30282 (May 27, 2004). On July 27, 2004, Anvil and Ward timely withdrew their request for an administrative review of pipe fittings from the PRC.

Rescission of Review

If a party that requested a review withdraws the request within 90 days of the date of publication of notice of initiation of the requested review, the Secretary will rescind the review pursuant to 19 CFR 351.213(d)(1). In this case, Anvil and Ward withdrew their request for an administrative review within 90 days from the date of initiation. No other interested party requested a review and we have received no comments regarding Anvil and Ward's withdrawal of their request