and liquidate without regard to antidumping duties.

This notice also serves as the only reminder to parties subject to administrative protective order (''APO'') of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305 of the Department's regulations. Timely notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

This five-year (''sunset'') review and notice are in accordance with sections 751(c), 752, and 777(i)(1) of the Act.

Dated: December 1, 2004.

Joseph A. Spetrini,

Acting Assistant Secretary for Import Administration.

[FR Doc. E4–3528 Filed 12–6–04; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–428–830]

Stainless Steel Bar From Germany: Preliminary Results of Antidumping Duty Administrative Review

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

SUMMARY: The Department of Commerce is conducting an administrative review of the antidumping duty order on stainless steel bar from Germany. The period of review is March 1, 2003, through February 29, 2004. This review covers imports of stainless steel bar from one producer/exporter.

We have preliminarily found that sales of subject merchandise have not been made at less than normal value. If these preliminary results are adopted in our final results, we will instruct U.S. Customs and Border Protection to liquidate entries of stainless steel bar from BGH Edelstahl Freital GmbH, BGH Edelstahl Lippendorf GmbH, BGH Edelstahl Lugau GmbH, and BGH Edelstahl Siegen GmbH in accordance with the final results of review.

We invite interested parties to comment on these preliminary results. We will issue the final results not later than 120 days from the date of publication of this notice.

EFFECTIVE DATE: December 7, 2004.

FOR FURTHER INFORMATION CONTACT: Andrew Smith, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482–1276.

SUPPLEMENTARY INFORMATION:

Background

On March 7, 2002, the Department of Commerce (''the Department'') published an antidumping duty order on stainless steel bar from Germany. *See Notice of Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order: Stainless Steel Bar from Germany,* 67 FR 10382 (March 7, 2002). On October 10, 2003, the Department published an amended antidumping duty order on stainless steel bar from Germany. *See Notice of Amended Antidumping Duty Orders: Stainless Steel Bar from France, Germany, Italy, Korea, and the United Kingdom,* 68 FR 58660 (October 10, 2003). On June 14, 2004, the Department published the final results of the first administrative review of the antidumping duty order on stainless steel bar from Germany. *See Notice of Final Results of Administrative Review: Stainless Steel Bar from Germany,* 69 FR 32982 (June 14, 2004) (''*SSBar First Review*'').

On March 1, 2004, the Department published its *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review,* 69 FR 9584 (March 1, 2004). On March 30, in accordance with 19 CFR 351.213(b), the Department received a timely request for review from BGH Edelstahl Freital GmbH, BGH Edelstahl Lippendorf GmbH, BGH Edelstahl Lugau GmbH, and BGH Edelstahl Siegen GmbH (collectively ''BGH''), four affiliated German producers of the subject merchandise. On March 31, Carpenter Technology Corp., Crucible Specialty Metals Division of Crucible Materials Corp., and Electralloy Corp. requested the Department conduct an administrative review of BGH.

In accordance with 19 CFR 351.221(b)(1), we published a notice of initiation of this antidumping duty administrative review on April 28, 2004. *See Notice of Initiation of Antidumping and Countervailing Duty Administrative Reviews,* 69 FR 23170 (April 28, 2004). The period of review (''POR'') is March 1, 2003, through February 29, 2004.

An antidumping duty questionnaire was sent to BGH on May 18, 2004. We received timely responses from BGH on June 24 and July 2, 2004. We issued a supplemental questionnaire to BGH on September 14, 2004. We received a response from BGH on October 12, 2004.

On June 7, 2004, BGH requested that it be relieved from the requirement to report affiliated party resales because sales of the foreign like product to affiliated parties during the POR constituted less than five percent of total sales of the foreign like product. On June 16, 2004, we granted BGH's request in accordance with 19 CFR 351.403(d). *See* Memorandum to Susan Kuhbach, ''Reporting of BGH's Home Market Sales by an Affiliated Party,'' dated June 16, 2004, which is in the Department's Central Records Unit, located in Room B–099 of the main Department building (''CRU'').

Scope of the Order

For the purposes of this order, the term ''stainless steel bar'' includes articles of stainless steel in straight lengths that have been either hot-rolled, forged, turned, cold-drawn, cold-rolled or otherwise cold-finished, or ground, having a uniform solid cross section along their whole length in the shape of circles, segments of circles, ovals, rectangles (including squares), triangles, hexagons, octagons, or other convex polygons. Stainless steel bar includes cold-finished stainless steel bars that are turned or ground in straight lengths, whether produced from hot-rolled bar or from straightened and cut rod or wire, and reinforcing bars that have indentations, ribs, grooves, or other deformations produced during the rolling process.

Except as specified above, the term does not include stainless steel semi-finished products, cut length flat-rolled products (*i.e.*, cut length rolled products which if less than 4.75 mm in thickness have a width measuring at least 10 times the thickness, or if 4.75 mm or more in thickness having a width which exceeds 150 mm and measures at least twice the thickness), products that have been cut from stainless steel sheet, strip or plate, wire (*i.e.*, cold-formed products in coils, of any uniform solid cross section along their whole length, which do not conform to the definition of flat-rolled products), and angles, shapes and sections.

The stainless steel bar subject to this review is currently classifiable under subheadings 7222.11.00.05, 7222.11.00.50, 7222.19.00.05, 7222.19.00.50, 7222.20.00.05, 7222.20.00.45, 7222.20.00.75, and 7222.30.00.00 of the *Harmonized Tariff Schedule of the United States* (''HTSUS''). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the order is dispositive.

Fair Value Comparisons

To determine whether sales of stainless steel bar by BGH to the United States were made at less than normal value (''NV''), we compared the export price (''EP'') to NV, as described in the ''Export Price'' and ''Normal Value'' sections of this notice, below.

Pursuant to section 777A(d)(2) of the Tariff Act of 1930, as amended (''the Act''), we compared the EPs of individual U.S. transactions to the weighted-average NV of the foreign like product, where there were sales made in the ordinary course of trade, as discussed in the ''Normal Value'' section of this notice.

Product Comparisons

In accordance with section 771(16) of the Act, we considered all products produced by BGH covered by the description in the ''Scope of the Order'' section, above, to be foreign like products for purposes of determining appropriate product comparisons to U.S. sales. In accordance with section 773(a)(1)(C)(ii) of the Act, 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 BGH's volume of home market sales of the foreign like product to the volume of its U.S. sales of the subject merchandise. (For further details, *see* the ''Normal Value'' section of this notice.)

We compared U.S. sales to sales made in the comparison market within the contemporaneous window period, which extends from three months prior to the POR until two months after the POR. 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. In making product comparisons, consistent with the *Notice of Final Determination of Sales at Less Than Fair Value: Stainless Steel Bar from Germany,* 67 FR 3159 (January 23, 2002) and *Notice of Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order: Stainless Steel Bar from Germany,* 67 FR 10382 (March 7, 2002) (collectively ''*LTFV Final*''), we matched foreign like products based on the physical characteristics reported by BGH in the following order: general type of finish; grade; remelting process; type of final finishing operation; shape; and size.

Export Price

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 the packed ex-works or delivered price to unaffiliated purchasers in the United States. We identified the correct starting price by accounting for billing adjustments and early payment discounts. We also made deductions from the starting price for movement expenses in accordance with section 772(c)(2)(A) of the Act. These deductions included foreign inland freight, international freight, U.S. other transportation expense, marine insurance, U.S. customs duties (including harbor maintenance fees and merchandise processing fees), and U.S. inland freight.

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 (*i.e.*, whether the aggregate volume of home market sales of the foreign like product is equal to or greater than five percent of the aggregate volume of U.S. sales), we compared BGH's volume of home market sales of the foreign like product to the volume of its U.S. sales of the subject merchandise, in accordance with 19 CFR 351.404(b)(2) of the Department's regulations. Because BGH's aggregate volume of home market sales of the foreign like product was greater than five percent of its aggregate volume of U.S. sales for the subject merchandise, we determined that the home market was viable.

B. Affiliated-Party Transactions and Arm's-Length Test

The Department's practice with respect to the use of home market sales to affiliated parties for NV is to determine whether such sales are at arm's-length prices. BGH made sales in the home market to affiliated and unaffiliated customers. To test whether the sales to affiliates were made at arm's-length prices, we compared the starting prices of sales to affiliated and unaffiliated customers net of all movement charges, direct selling expenses, discounts, and packing. Where the price to the affiliated party was, on average, within a range of 98 to 102 percent of the price of the same or comparable merchandise to the unaffiliated parties, we determined that the sales made to the affiliated party were at arm's length. *See Antidumping Proceedings: Affiliated Party Sales in the Ordinary Course of Trade,* 67 FR 69186 (November 15, 2002). In accordance with the Department's practice, we only included in our margin analysis those sales to affiliated parties that were made at arm's length.

C. Cost of Production

Because we disregarded sales below the cost of production (''COP'') in the last completed review for BGH (*see SSBar First Review*), we had reasonable grounds to believe or suspect that sales of the foreign like product under consideration for the determination of NV in this review may have been made at prices below the COP, as provided by section 773(b)(2)(A)(ii) of the Act. Therefore, pursuant to section 773(b)(1) of the Act, we requested that BGH respond to section D, the cost of production/constructed value section of the questionnaire.

We conducted the COP analysis described below.

1. Calculation of COP

In accordance with section 773(b)(3) of the Act, we calculated COP based on the sum of BGH's cost of materials and fabrication for the foreign like product, plus amounts for general and administrative expenses (''G&A''), interest expenses, and home market packing costs. We relied on the COP information provided by BGH, except in the following instances.

BGH calculated its G&A expense ratio by dividing the total company-wide G&A expenses, which included BGH's operating companies' and parent companies' G&A expenses, by the total company-wide cost of manufacture (''COM''), which included BGH's operating companies' COM and its parent companies' COM using its parent companies' cost of goods sold. Consistent with the *LTFV Final* and *SSBar First Review,* we recalculated BGH's G&A ratio by excluding its parent companies' cost of goods sold from the calculation of the G&A expense ratio.

We also recalculated BGH's interest expense ratio by including all of BGH's consolidated exchange gains and losses on foreign currency in the calculation of the interest expense ratio. *See Stainless Steel Bar from India; Final Results of Antidumping Duty Administrative Review,* 68 FR 47543 (August 11, 2003) and accompanying Issues and Decision Memorandum at Comment 19.

For further explanation about these adjustments, *see* Memorandum from

Case Analyst to File, ''Preliminary Results Calculation Memorandum for BGH Group, Inc.,'' dated December 1, 2004, located in the Department's CRU.

2. Test of Home Market Sales Prices

On a product-specific basis, we compared the adjusted weighted-average COP to the home market sales of the foreign like product during the POR, as required under section 773(b) of the Act, in order to determine whether the sales prices were below the COP. The prices were exclusive of any applicable movement charges, billing adjustments, commissions, discounts, rebates, interest revenue and indirect selling expenses. In determining whether to disregard home market sales made at prices below the COP, we examined, in accordance with sections 773(b)(1)(A) 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 all costs within a reasonable period of time.

3. Results of the COP Test

Pursuant to section 773(b)(1) of the Act, where less than 20 percent of the respondent's sales of a given product are made at prices below 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 in such instances 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 are 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 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 as the basis for determining NV, in accordance with section 773(b)(1).

D. Level of Trade

Section 773(a)(1)(B)(i) 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''),[1] including selling functions,[2] class of customer (''customer category''), and the level of selling expenses for each 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 home market or third country prices),[3] 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 practical, we make a LOT adjustment under section 773(a)(7)(A) of the Act.

BGH reported 4 channels of distribution in the home market. Channels 1 and 2 were made-to-order sales to distributors and end-users, respectively. Channels 3 and 4 were sales from inventory to distributors and end-users, respectively. We examined the selling functions reported by BGH for each of these channels and found that made-to-order sales in channels 1 and 2 were similar with respect to sales process, freight services, inventory maintenance, and warranty service. We also found that because channel 3 sales were made from inventory, they differed from channel 1 and 2 made-to-order sales with respect to inventory services, but that they were otherwise similar to channels 1 and 2 with respect to sales process, freight services, and warranty service. While inventory maintenance function for channel 3 sales was distinguishable from channels 1 and 2, this selling function difference was not significant in that sales reported in channel 3 were made in large lot sizes similar to those in channels 1 and 2, indicating that inventory handling on these sales was minimal. As such, we find that this selling function difference alone was not sufficient to distinguish channel 3 sales from channels 1 and 2. Therefore, we found that channels of distribution 1, 2 and 3 were sufficiently similar to constitute a distinct level of trade (LOTH 1).

BGH included in distribution channel 4 any sale with a length of under 3 meters or having ''other revenue'' reported on the invoice. BGH considered these channel 4 sales to be a separate LOT because of service center selling functions provided for bar sold through this channel. ''Other revenue'' is a separate charge appearing on the invoice for special services performed by the inventory warehouse, such as cutting, grinding, special finishing and additional testing. Because BGH claims that ''other revenue'' is sometimes not listed separately on the invoice when service center functions have been performed, but instead is included as part of the selling price, BGH used length of the bars sold as an alternate indicator of when service center functions were performed. Specifically, BGH claims that because the minimum production length for rolled or forged bars is 3 meters, any sale from inventory having a length of less than 3 meters, whether or not ''other revenue'' is included on the invoice, must undergo sawing in the company's warehouse/service center. We agree with BGH that the ''other revenue'' charged on certain sales is indicative of service center functions and that these sales are distinct from LOTH 1 with respect to sales process and inventory maintenance, and as such constitute a separate level of trade, LOTH 2. However, we disagree with BGH that any sale with a reported length of less than 3 meters, and for which no ''other revenue'' has been reported separately on the invoice, has been subject to service center functions. First, while BGH may, as claimed, have standard production lengths of greater than 3 meters in length, BGH has not supported this position on the record.

[1] The marketing process in the United States and comparison markets begins with the producer and extends to the sale to the final user or consumer. The chain of distribution between the two may have many or few links, and the respondent's sales occur somewhere along this chain.

[2] 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.

[3] Where NV is based on Constructed Value (''CV''), we determine the NV LOT based on the LOT of the sales from which we derive selling expenses, G&A and profit for CV, where possible.

Second, BGH's methodology for identifying sales of less than 3 meters does not reflect the length of each bar sold. In order to obtain bar length, BGH applied a formula to the total weight of all bars for each sales transaction and used this total length to establish whether a sale was above or below 3 meters in length. Therefore, if one sale was comprised of 5 bars of 2 meters each, the reported length would be 10 meters. While this methodology may understate the actual length of each bar sold, we find it to be an imprecise methodology for establishing bar length. Third, using the home market sales database provided by BGH, we compared sales transactions on specific invoices and found instances where, for transactions on the same invoice of the same bar above and below 3 meters, the same invoice price was charged, indicating that ''other revenue'' had not been added to the invoice price for bars less than 3 meters. Therefore, for distribution channel 4 sales with no ''other revenue'' separately reported on the invoice, we preliminarily determine that these sales are similar to LOTH 1 sales with respect to sales process, freight service and warranty service.

BGH reported EP sales through two channels of distribution, made-to-order sales to distributors (channel 1) and warehouse inventory sales to distributors (channel 3). We examined the chain of distribution and the selling activities associated with sales through these channels and found them to be similar with respect to sales process, freight services, and warranty service. Therefore, we determine that the two EP channels of distribution constitute a single LOT (LOTU 1).

The EP LOT differed considerably from LOTH 2 with respect to sales process and warehousing/inventory maintenance. However, the EP LOT is similar to LOTH 1 with respect to sales process, freight services, warehouse/inventory maintenance and warranty service. Consequently, we matched the EP sales to sales at the same LOT in the home market (LOTH 1). Where no matches at the same LOT were possible, we matched to sales in LOTH 2 and we made a 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 the ex-works or delivered price to unaffiliated customers or prices to affiliated customers that we determined to be at arm's length. We identified the correct starting price by accounting for billing adjustments, early payment discounts, other discounts, and rebates. In accordance with section 773(a)(6)(B)(ii) of the Act, we made deductions for inland freight and inland insurance. We also made adjustments, in accordance with 19 CFR 351.410(e), for indirect selling expenses incurred in the home market or on U.S. sales where commissions were granted on sales in one market but not in the other (the commission offset).

Furthermore, we made adjustments for differences in costs attributable to differences in the physical characteristics of the merchandise in accordance with section 773(a)(6)(C)(ii) of the Act and 19 CFR 351.411. In addition, where appropriate, we made adjustments for differences in circumstances of sale (''COS'') in accordance with section 773(a)(6)(C)(iii) of the Act and 19 CFR 351.410 by deducting direct selling expenses incurred on comparison market sales (credit expenses less interest revenue), and adding U.S. direct selling expenses (credit expenses and commissions). Where payment dates were unreported, we recalculated the credit expenses using the last date of new information received in place of actual date of payment. We deducted home market packing costs and added U.S. packing costs in accordance with section 773(a)(6)(A) and (B) of the Act.

Finally, where appropriate, we made an adjustment for differences in LOT under section 773(a)(7)(A) of the Act and 19 CFR 351.412(b)–(e).

Preliminary Results of the Review

We preliminarily find that the following dumping margin exists for the period March 1, 2003, through February 29, 2004.

Manufacturer/exporter	Margin
BGH	0.01 *de minimis*

Assessment Rates

Upon completion of this administrative review, the Department will determine, and U.S. Customs and Border Protection (''CBP'') shall assess, antidumping duties on all appropriate entries. Pursuant to 19 CFR 351.212(b), the Department calculates an assessment rate for each importer of the subject merchandise. Upon issuance of the final results of this administrative review, if any importer (or customer)-specific assessment rates calculated in the final results are above *de minimis* (*i.e.*, at or above 0.5 percent), the Department will issue appraisement instructions directly to CBP 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), we calculated 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 entered value of the sales to that importer (or customer). Where an importer (customer)-specific *ad valorem* rate is greater than *de minimis* and the entered value is available, we apply the assessment rate to the entered value of the importer's/customer's entries during the POR. Where an importer (or customer)-specific *ad valorem* rate is greater than *de minimis*, and the entered value is not available, we calculated a per unit assessment rate by aggregating the dumping margins calculated for U.S. sales to that 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 CBP within 15 days of publication of the final results of this review.

Cash Deposit Rates

The following deposit requirements will be effective upon completion of the final results of this administrative review for all shipments of stainless steel bar from Germany entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(1) of the Act: (1) The cash deposit rates for the reviewed company will be the rate established in the final results of this administrative review (except no cash deposit will be required if its weighted-average margin is *de minimis*, *i.e.*, less than 0.5 percent); (2) for merchandise exported by manufacturers or exporters not covered in this review but covered in the *LTFV Final* investigation, the cash deposit will continue to be the most recent rate

published in the final determination for which the manufacturer or exporter received an individual rate; (3) if the exporter is not a firm covered in this 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) if neither the exporter nor the manufacturer is a firm covered in this review, the cash deposit rate will be 16.96 percent, the ''all others'' rate established in the *LTFV Final.*

Public Comment

Any interested party may request a hearing within 30 days of publication of this notice. A hearing, if requested, will be 37 days after the publication of this notice, or the first business day thereafter. Issues raised in the hearing will be limited to those raised in the case and rebuttal briefs. 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. Parties who submit case briefs or rebuttal briefs in this proceeding are requested to submit with each argument (1) a statement of the issue and (2) a brief summary of the argument with an electronic version included.

The Department will issue the final results of this administrative review, including the results of its analysis of issues raised in any such written briefs or hearing, within 120 days of publication of these 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.

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: December 1, 2004.

Joseph A. Spetrini,

Acting Assistant Secretary for Import Administration.

[FR Doc. E4–3529 Filed 12–6–04; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[C–351–829]

Hot-Rolled Flat-Rolled Carbon-Quality Steel From Brazil; Final Results of the Expedited Sunset Review of the Countervailing Duty Order

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

SUMMARY: On May 3, 2004, the Department of Commerce (''the Department'') initiated a sunset review of the countervailing duty (''CVD'') order on hot-rolled flat-rolled carbon-quality steel (''hot-rolled steel'') from Brazil pursuant to section 751(c) of the Tariff Act of 1930, as amended (''the Act''). *See Initiation of Five-Year (Sunset) Reviews,* 69 FR 24118 (May 3, 2004). On the basis of a notice of intent to participate and adequate substantive responses filed on behalf of domestic interested parties and inadequate response from respondent interested parties (in this case, no response), the Department conducted an expedited (120-day) sunset review. As a result of this review, the Department finds that revocation of the CVD order would likely lead to continuation or recurrence of subsidies at the levels indicated in the ''Final Results of Review'' section of this notice.

EFFECTIVE DATES: December 7, 2004.

FOR FURTHER INFORMATION CONTACT: Hilary Sadler, Esq., Office of Policy for Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482–4340.

SUPPLEMENTARY INFORMATION:

Background

On May 3, 2004, the Department initiated a sunset review of the CVD order on hot-rolled steel from Brazil pursuant to section 751(c) of the Act. *See* Initiation of Five-Year (Sunset) Reviews, 69 FR 24118 (May 3, 2004). The Department received notices of intent to participate and substantive responses from Nucor Corp. (''Nucor''); Ispat Inland, Inc., and its division Ispat Inland Flat Products (''Ispat Inland''); International Steel Group, Inc. (''International Steel Group''); Gallatin Steel Co. (''Gallatin Steel''); IPSCO Steel Inc. (''IPSCO''); Steel Dynamics, Inc. (''Steel Dynamics''); and United States Steel Corp. (''United States Steel'') (collectively, ''domestic interested parties'') within the applicable deadline specified in section 351.218(d)(1)(i) of the *Sunset Regulations. See* Notice of Gallatin Steel, IPSCO and Steel Dynamics, May 13, 2004; Notice of Nucor, May 6, 2004; Notice of United States Steel, May 18, 2004; Notice of International Steel Group, May 18, 2004; Notice of Ispat Inland, May 14, 2004. All domestic interested parties claimed interested-party status, under section 771(9)(C) of the Act, as U.S. producers of the domestic like product. See Domestic Response of the Domestic Interested Parties (June 2, 2004). Ispat Inland, Gallatin Steel, IPSCO, Steel Dynamics and United States Steel were petitioners in the investigation and have been involved in this proceeding since its inception. *Id.* at 3. According to the domestic interested parties in this review, International Steel Group formed in 2002 and is the successor to the original petitioners that no longer exist: LTV Steel Company, Bethlehem Steel Corporation, and Weirton Steel Corporation. *Id.*

As a result of the lack of respondent participation in this sunset review, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), the Department conducted an expedited (120-day) sunset review of this order.

Scope of Review

For purposes of this order, the products covered are certain hot-rolled flat-rolled carbon-quality steel products of a rectangular shape, of a width of 0.5 inch or greater, neither clad, plated, nor coated with metal and whether or not painted, varnished, or coated with plastics or other non-metallic substances, in coils (whether or not in successively superimposed layers) regardless of thickness, and in straight lengths, of a thickness less than 4.75 mm and of a width measuring at least 10 times the thickness. Universal mill plate (*i.e.,* flat-rolled products rolled on four faces or in a closed box pass, of a width exceeding 150 mm, but not exceeding 1250 mm and of a thickness of not less than 4 mm, not in coils and without patterns in relief) of a thickness not less than 4.0 mm is not included within the scope of these investigations.

Specifically included in this scope are vacuum degassed, fully stabilized (commonly referred to as interstitial-free (''IF'')) steels, high strength low alloy (''HSLA'') steels, and the substrate for motor lamination steels. IF steels are recognized as low carbon steels with micro-alloying levels of elements such as titanium and/or niobium added to stabilize carbon and nitrogen elements. HSLA steels are recognized as steels with micro-alloying levels of elements such as chromium, copper, niobium, titanium, vanadium, and molybdenum.