

each company by the total net value for that company's sales during the review period.

Further, the following deposit requirements will be effective for all shipments of SSB from India, entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided for by section 751(a)(2)(C) of the Act: (1) The cash deposit rates for the reviewed companies will be the rates established in the final results of this review, except if the rate is less than 0.50 percent and, therefore, *de minimis* within the meaning of 19 CFR 351.106, the cash deposit will be zero; (2) for previously investigated companies not listed above, 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, or the less than fair value (LTFV) 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 or exporters will continue to be 12.45 percent, the "All Others" rate established in the LTFV investigation. *See Notice of Final Determination of Sales at Less Than Fair Value: Stainless Steel Bar from India*, 59 FR 66915, 66921 (Dec. 28, 1994). These deposit requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) 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 of review in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: February 28, 2005.

**Joseph A. Spetrini,**

*Acting Assistant Secretary, Import Administration.*

[FR Doc. E5-924 Filed 3-4-05; 8:45 am]

**BILLING CODE 3510-DS-P**

## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-580-813]

#### **Stainless Steel Butt Weld Pipe Fittings From Korea: Preliminary Results of Antidumping Duty Administrative Review**

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

**SUMMARY:** In response to a request by Sungkwang Bend Company Ltd., (SKBC), the Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order of certain stainless steel butt weld pipe fittings from Korea. The review covers one firm, SKBC. The period of review (POR) is February 1, 2003, through January 31, 2004.

We preliminarily determine that sales of stainless steel butt weld pipe fittings from Korea have been made below the normal value (NV) for SKBC. If these preliminary results are adopted in our final results of administrative review, we will instruct Customs and Border Protection (CBP) to assess antidumping duties based on the difference between the export price (EP) or constructed export price (CEP) and NV. Interested parties are invited to comment on these preliminary results. Parties who submit argument in these proceedings are requested to submit with the argument: (1) A statement of the issues, (2) a brief summary of the argument, and (3) a table of authorities.

**DATES:** *Effective Date:* March 7, 2005.

**FOR FURTHER INFORMATION CONTACT:** Michael J. Heaney, or Robert James, AD/CVD Operations, Office 7, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Room 3520, Washington, DC 20230; telephone (202) 482-4475 or (202) 482-0649.

#### **SUPPLEMENTARY INFORMATION:**

##### **Background**

On February 23, 1993, the Department published the antidumping duty order on stainless steel butt weld pipe fittings from Korea. *See Antidumping Duty Order: Certain Stainless Steel Butt Weld Pipe Fittings from Korea*, 58 FR 11029. On February 27, 2004, SKBC requested an administrative review of the antidumping duty order on stainless steel butt weld pipe fittings from Korea in response to the Department's notice of opportunity to request a review published in the **Federal Register**. The

Department initiated the review for SKBC on March 26, 2004. *See Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part*, 69 FR 15788 (March 26, 2004).

On April 7, 2004, the Department issued sections A, B, and C of the antidumping questionnaire to SKBC. SKBC filed its response to section A of our questionnaire on May 12, 2004. On May 23, 2004, SKBC filed its response to sections B and C of our questionnaire.

The Department issued an additional supplemental questionnaire to SKBC on August 7, 2004. SKBC filed its response to our August 7, 2004, questionnaire on September 2, 2004.

On August 3, 2004, the Department extended the time limit for issuance of the preliminary results of the administrative review to February 28, 2005. *See Stainless Steel Butt Weld Pipe Fittings from Korea; Extension of Time Limit for Preliminary Results of Administrative Review*, 69 FR 46516 (August 3, 2004).

##### **Scope of the Antidumping Duty Order**

The products covered by this order are certain welded stainless steel butt-weld pipe fittings (pipe fittings), whether finished or unfinished, under 14 inches in inside diameter. Pipe fittings are used to connect pipe sections in piping systems where conditions require welded connections. The subject merchandise can be used where one or more of the following conditions is a factor in designing the piping system: (1) Corrosion of the piping system will occur if material other than stainless steel is used; (2) contamination of the material in the system by the system itself must be prevented; (3) high temperatures are present; (4) extreme low temperatures are present; (5) high pressures are contained within the system.

Pipe fittings come in a variety of shapes, and the following five are the most basic: "elbows," "tees," "reducers," "stub ends," and "caps." The edges of finished fittings are beveled. Threaded, grooved, and bolted fittings are excluded from this review. The pipe fittings subject to this review are classifiable under subheading 7307.23.00 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheading is provided for convenience and customs purposes, our written description of the scope of this order is dispositive.

##### **Verification**

As provided in section 782(i) of the Tariff Act of 1930, as amended (the Act), we verified sales information provided

by SKBC, using standard verification procedures such as the examination of relevant sales and financial records. Our verification results are outlined in the public and proprietary versions of our verification report, which is on file in the Central Records Unit (CRU) in room B-099 of the main Department building. See SKBC Sales Verification Report, dated February 7, 2005 (Verification Report).

### Product Comparison

In accordance with section 771(16) of the Act, we considered all stainless steel butt-weld pipe fittings covered by the "Scope of the Antidumping Duty Order" section of this notice, *supra*, which were produced and sold by SKBC in the home market during the POR to be foreign like products for the purpose of determining appropriate product comparisons to U.S. sales of stainless steel butt-weld pipe fittings.

We relied on five characteristics to match U.S. sales of subject merchandise to comparison sales of the foreign like product: type, grade, seam, size, and schedule. Where there were no sales of identical merchandise in the home market to compare to the U.S. sales, we compared U.S. sales to the next most similar foreign like product on the basis of the physical characteristics and reporting instructions listed in the antidumping questionnaire. We performed a difference in merchandise (DIFMER) test to ensure that all comparison matches had no more than a 20% difference in variable cost of manufacture to the merchandise sold in the United States.

### Level of Trade

In accordance with section 773(a)(1)(B)(i) of the Act, to the extent practicable, we determine NV based on sales in the home market at the same level of trade (LOT) as EP or the CEP. The NV LOT is that of the starting-price sales in the home market or, when NV is based on constructed value (CV), that of the sales from which we derive selling, general and administrative (SG&A) expenses and profit. For CEP, it is the level of the constructed sale from the exporter to an affiliated importer after the deductions required under section 772(d) of the Act.

To determine whether NV sales are at a different LOT than CEP, we examine stages in the marketing process and selling functions along the chain of distribution between the producer and the unaffiliated customer. If the comparison-market sales are at a different LOT and the difference affects price comparability, as manifested in a pattern of consistent price differences

between the sales on which NV is based and comparison-market sales at the LOT of the export transaction, we make an LOT adjustment under section 773(a)(7)(A) of the Act. Finally, for CEP sales, if the NV level is more remote from the factory than the CEP level and there is no basis for determining whether the difference in the levels between NV and CEP affects price comparability, we adjust NV under section 773(a)(7)(B) of the Act (the CEP-offset provision). See *Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate from South Africa*, 62 FR 61731, 61732-33 (November 19, 1997).

SKBC reported one LOT in the home market, explaining that home market sales to distributors and end-users were made at the same level of trade. SKBC further submitted that it provided substantially the same level of customer support on its EP sales as it provided on its home market sales to distributors and end-users. We found that the selling functions (which included customer correspondence, order review and approval, post sale service and warranties, technical advice and services, advertising, freight and delivery arrangement, and ascertaining credit worthiness) to be virtually identical for home market sales to distributors and end-users. We also found that SKBC provided virtually the same level of customer support services on its U.S. EP sales as it did on its home market sales. (See Appendix S-2 of SKBC September 2, 2004 Response to the Department's Supplemental Questionnaire.) Therefore, we determine that there is only one LOT for SKBC's EP sales.

In its May 26, 2004, response, SKBC indicated that its U.S. subsidiary (Sungkwang Bend America (SKBA)) performed many of the same selling functions on SKBC's CEP sales that SKBC performed on its home market sales. SKBC also indicated that there was one LOT for CEP and that the CEP LOT was different than the home market LOT. We compared CEP sales (after deductions made pursuant to section 772(d) of the Act) to home market sales. We determined there were fewer services such as customer correspondence, order review and approval, post sales service/warranties, technical advice, advertising, freight delivery arrangement, credit services and import document clearance, performed by SKBC on its CEP sales than on SKBC's home market sales. See *id.* In addition, the differences in selling functions performed for home market and CEP transactions indicate home

market sales involved a more advanced stage of distribution than CEP sales. See *id.* In the home market, SKBC provided marketing further down the chain of distribution by providing certain downstream selling functions that are normally performed by service centers in the U.S. market (*e.g.*, technical advice, credit and collection, *etc.*). See *id.*

Based on our analysis of the record evidence on selling functions performed for the CEP LOT and the home market LOT, we determined the CEP and the starting price of home market sales represent different stages in the marketing process, and are thus at different LOTs within the meaning of 19 CFR 351.412. Therefore, when we compared CEP sales to home market sales, we examined whether an LOT adjustment may be appropriate. In this case, SKBC sold at one LOT in the home market; thus, there is no basis upon which to determine whether there is a pattern of consistent price differences between LOTs. Further, we do not have the information which would allow us to examine pricing patterns of SKBC's sales of other similar products, and there are no other respondents or other record evidence on which such an analysis could be based.

Because the data available do not provide an appropriate basis for making an LOT adjustment and the LOT of home market sales is at a more advanced stage than the LOT of the CEP sales, a CEP offset is appropriate in accordance with section 773(a)(7)(B) of the Act, as claimed by SKBC. We based the amount of the CEP offset on the amount of home market indirect selling expenses, and limited the deduction for home market indirect selling expenses to the amount of indirect selling expenses deducted from CEP in accordance with section 772(d)(1)(D) of the Act. We applied the CEP offset to NV, whether based on home market prices or CV.

### Comparisons

To determine whether sales of subject merchandise made by SKBC were made at less than fair value, we compared the EP or CEP, to the NV, as described below. Pursuant to section 777A(d)(2) of the Act, we compared the EP or CEP of individual U.S. transactions to the monthly weight-averaged NV of the foreign like product.

### Transactions Investigated

Section 351.401(i) of the Department's regulations states that the Department normally will use date of invoice, as recorded in the exporter's or producer's records kept in the ordinary course of

business, as the date of sale, but may use a date other than the date of invoice if it better reflects the date on which material terms of sale are established. For SKBC, the Department, consistent with its practice, used the invoice date since the invoice date represented the first point at which the home market and U.S. terms of sale were set. (See *e.g.*, *Stainless Steel Sheet and Strip in Coils from Mexico, Preliminary Results of Antidumping Duty Administrative Review*, August 6, 2004 (69 FR 47905, 47908). See also Verification Report at pages 5–6.)

#### *Export Price and Constructed Export Price*

Section 772(a) of the Act defines EP as “the price at which the subject merchandise is first sold (or agreed to be sold) before the date of importation by the producer or exporter of subject merchandise outside of the United States to an unaffiliated purchaser in the United States or to an unaffiliated purchaser for exportation to the United States \* \* \*,” as adjusted under subsection (c). Section 772(b) of the Act defines CEP as “the price at which the subject merchandise is first sold (or agreed to be sold) in the United States before or after the date of importation by or for the account of the producer or exporter of such merchandise or by a seller affiliated with the producer or exporter, to a purchaser not affiliated with the producer or exporter \* \* \*,” as adjusted under subsections (c) and (d). For purposes of this administrative review, SKBC classified all of the U.S. sales that it shipped directly from Korea to the United States as EP sales. SKBC reported all sales that were invoiced through its U.S. subsidiary SKBA as CEP transactions. For these preliminary results, we have accepted these classifications. The merchandise shipped directly to unaffiliated distributors in the U.S. market was not sold through an affiliated U.S. importer. We, therefore, preliminarily determine that these transactions were EP sales. We have classified as CEP transactions the merchandise invoiced through SKBA because these sales were “sold in the United States” within the meaning of the Act.

#### *Export Price*

We calculated EP in accordance with section 772(a) of the Act. We based EP on packed prices to customers in the United States. We made deductions for billing adjustments and rebates. We also made adjustments for the following movement expenses: foreign inland freight, international freight, marine

insurance, brokerage charges, U.S. inland freight, and U.S. Customs duties.

#### **Constructed Export Price**

We calculated CEP in accordance with section 772(b) of the Act for those sales to the first unaffiliated purchaser that took place after importation into the United States. We based CEP on packed prices to unaffiliated purchasers in the United States. We also made deductions for movement expenses in accordance with section 772(c)(2)(A) of the Act; these included foreign inland freight, international freight, marine insurance, brokerage charges, U.S. inland freight and U.S. customs duties. As further directed by section 772(d)(1) of the Act, we deducted those selling expenses associated with economic activities occurring in the United States, including direct selling expenses (*i.e.*, billing adjustments, rebates, credit expenses, technical service expenses, and bank charges) inventory carrying costs, and other indirect selling expenses. We recalculated indirect selling expenses based upon SKBC’s revised calculation of those expenses. (See Verification Report, at page 36.) We also made an adjustment for profit in accordance with section 772(d)(3) of the Act.

#### **Normal Value**

In accordance with section 773(a)(1)(C) of the Act, to determine whether there was sufficient volume of sales in the home market to serve as a viable basis for calculating NV (*i.e.*, the aggregate volume of home market sales of the foreign like product is greater than or equal to five percent of the aggregate volume of U.S. sales), we compared SKBC’s volume of home market sales of the foreign like product to the volume of U.S. sales of the subject merchandise. Because SKBC’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. We therefore based NV on home market sales to unaffiliated purchasers made in the usual commercial quantities and in the normal course of trade.

We made adjustments, where applicable, for movement expenses (consisting of inland freight) in accordance with section 773(a)(6)(B) of the Act. In accordance with section 773(a)(6)(C)(iii) of the Act and 19 CFR 351.410, we made circumstance-of-sale adjustment for imputed credit, warranty, bank charges, and technical service expenses. We made deductions for billing adjustments and rebates. In

addition, we made adjustments for differences in cost attributable to differences in the physical characteristics of the merchandise (*i.e.*, Difmer) pursuant to section 773(a)(6)(C)(ii) of the Act and 19 CFR 351.410. We also made an adjustment, in accordance with 19 CFR 351.410(e), for indirect selling expenses incurred in the home market where commissions were granted on sales in the United States. As noted in the “Level of Trade” section of this notice, we also made an adjustment for the CEP offset in accordance with section 773(a)(7)(B) of the Act. Finally, we deducted home market packing costs and added U.S. packing costs in accordance with section 773(a)(6) of the Act. Because SKBC failed to include labor costs in its original packing calculation, we made additions to both U.S. and home market packing costs to account for the labor component of packing expense. See SKBC Verification Report at 37.

#### **Currency Conversion**

We made currency conversions into U.S. dollars based on the exchange rates in effect on the dates of the U.S. sales as certified by the Federal Reserve Bank, in accordance with section 773A(a) of the Act.

#### **Preliminary Results of Review**

As a result of our review, we preliminarily find the weighted-average dumping margin for the period February 1, 2003, through January 31, 2004, to be as follows:

| Manufacturer/ exporter     | Margin (percent) |
|----------------------------|------------------|
| Sungkwang Bend Company Ltd | 1.36             |

The Department will disclose calculations performed within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). An interested party may request a hearing within 30 days of publication. See 19 CFR 351.310(c). Any hearing, if requested, will be held 37 days after the date of publication, or the first business day thereafter, unless the Department alters the date pursuant to 19 CFR 351.310(d). Interested parties may submit case briefs or written comments no later than 30 days after the date of publication of these preliminary results of review. Rebuttal briefs and rebuttals to written comments, limited to issues raised in the case briefs and comments, may be filed no later than 35 days after the date of publication of this notice. Parties who submit arguments in these proceedings are requested to submit with the argument: (1) A statement of

the issue, (2) a brief summary of the argument, and (3) a table of authorities. Further, we would appreciate it if parties submitting case briefs, rebuttal briefs, and written comments would provide the Department with an additional copy of the public version of any such argument on diskette. The Department will issue final results of this administrative review, including the results of our analysis of the issues in any such case briefs, rebuttal briefs, and written comments or at a hearing, within 120 days of publication of these preliminary results.

The Department shall determine, and CBP shall assess, antidumping duties on all appropriate entries. In accordance with 19 CFR 351.212(b)(1), we calculated importer-specific ad valorem assessment rates for the merchandise based on the ratio of the total amount of antidumping duties calculated for the examined sales made during the POR to the total customs value of the sales used to calculate those duties. This rate will be assessed uniformly on all entries of that particular importer made during the POR. The Department will issue appropriate appraisement instructions directly to CBP upon completion of the review.

Furthermore, the following deposit requirements will be effective upon completion of the final results of this administrative review for all shipments of stainless steel butt weld pipe fittings from Korea 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 rate for the reviewed company will be the rate established in the final results of review;

(2) For any previously reviewed or investigated company not listed above, the cash deposit rate will continue to be the company-specific rate published in the most recent period;

(3) If the exporter is not a firm covered in this review or the LTFV 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 or any previous review conducted by the Department, the cash deposit rate will be the "all others" rate from the investigation (21.2 percent). *See Notice of Final Determination of Sales at Less Than Fair Value; Certain Welded Stainless Steel Butt Weld Pipe Fittings From Korea*, 58 FR 11029 (February 23, 1993).

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 this notice in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: February 28, 2005.

**Joseph A. Spetrini,**

*Acting Assistant Secretary for Import Administration.*

[FR Doc. E5-917 Filed 3-4-05; 8:45 am]

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## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-427-814]

#### Notice of Extension of Time Limit for Preliminary Results of Antidumping Duty Administrative Review: Stainless Steel Sheet and Strip in Coils From France

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

**EFFECTIVE DATE:** March 7, 2005.

**FOR FURTHER INFORMATION CONTACT:** Sebastian Wright or Sean Carey, AD/CVD Operations, Office 6, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-5254 and (202) 482-3964, respectively.

#### Background

The Department of Commerce (the Department) published an antidumping duty order on stainless steel sheet and strip in coils from France on July 27, 1999 (*see Amended Final Determination of Sales at Less Than Fair Value and Antidumping Order*, 64 FR 40562 (July 27, 1999)). On July 30, 2004, Ugine & ALZ France, S.A., a French producer of subject merchandise and petitioners (Allegheny Ludlum Corporation, AK Steel, Inc., North American Stainless, United Steelworkers of America, AFL-CIO/CLC, Butler Armco Independent Union and Zanesville Armco Independent Organization), requested that the Department conduct an administrative review. On August 30,

2004, the Department published a notice of initiation of an administrative review of the antidumping duty order on subject merchandise, for the period July 1, 2003, through June 30, 2004 (*see Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part*, 69 FR 52857 (August 30, 2004)). The preliminary results of this administrative review are currently due no later than April 2, 2005.

#### Extension of Time Limit for Preliminary Results

Pursuant to section 751(a)(3)(A) of the Tariff Act of 1930 (the Act), the Department shall issue preliminary results in an administrative review of an antidumping duty order within 245 days after the last day of the anniversary month of the date of publication of the order. The Act further provides, however, that the Department may extend the deadline for completion of the preliminary results of a review from 245 days to 365 days if it determines that it is not practicable to complete the preliminary results within the 245-day period. *See* section 751(a)(3)(A) of the Act. Due to the complexity of issues present in this administrative review, such as home market sales to affiliated parties and complicated cost accounting issues, the Department has determined that it is not practicable to complete this review within the original time period.

Section 751(a)(3)(A) of the Act and section 351.213(h)(2) of the Department's regulations allow the Department to extend the deadline for the preliminary results to a maximum of 365 days from the last day of the anniversary month of the order. For the reasons noted above, we are extending the time for the completion of preliminary results until no later than August 1, 2005, which is the next business day after 365 days from the last day of the anniversary month of the date of publication of the order. The deadline for the final results of this administrative review continues to be 120 days after the publication of the preliminary results.

This notice is issued and published in accordance with section 751(a)(3)(A) of the Act.

Dated: February 28, 2005.

**Barbara E. Tillman,**

*Acting Deputy Assistant Secretary for Import Administration.*

[FR Doc. E5-921 Filed 3-4-05; 8:45 am]

**BILLING CODE 3510-DS-P**