

**Countervailing Duty Proceedings**

None.

**Suspension Agreements**

None.

During any administrative review covering all or part of a period falling between the first and second or third and fourth anniversary of the publication of an antidumping duty order under § 351.211 or a determination under § 351.218(f)(4) to continue an order or suspended investigation (after sunset review), the Secretary, if requested by a domestic interested party within 30 days of the date of publication of the notice of initiation of the review, will determine, consistent with *FAG Italia v. United States*, 291 F.3d 806 (Fed. Cir. 2002), as appropriate, whether antidumping duties have been absorbed by an exporter or producer subject to the review if the subject merchandise is sold in the United States through an importer that is affiliated with such exporter or producer. The request must include the name(s) of the exporter or producer for which the inquiry is requested.

Interested parties must submit applications for disclosure under administrative protective orders in accordance with 19 CFR 351.305.

These initiations and this notice are in accordance with section 751(a) of the Tariff Act of 1930, as amended (19 U.S.C. 1675(a)), and 19 CFR 351.221(c)(1)(i).

Dated: July 15, 2005.

**Holly A. Kuga,**

Senior Office Director, AD/CVD Operations,  
Office 4 for Import Administration.

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**DEPARTMENT OF COMMERCE****International Trade Administration**

[A-549-812]

**Furfuryl Alcohol from Thailand: 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 furfuryl alcohol from Thailand. The period of review is July 1, 2003, through June 30, 2004. This review covers imports of furfuryl alcohol from one producer/exporter.

We preliminarily determine 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 furfuryl alcohol from Indorama Chemicals (Thailand) Ltd. without regard to antidumping duties. 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:** July 21, 2005.

**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 July 25, 1995, the Department published an antidumping duty order on furfuryl alcohol from Thailand. See *Furfuryl Alcohol from Thailand: Notice of Amended Final Antidumping Duty Determination and Order*, 60 FR 38035 (July 25, 1995). On December 12, 2002, the Department published the final results of the first administrative review of the antidumping duty order on furfuryl alcohol from Thailand. See *Furfuryl Alcohol from Thailand: Notice of Final Results of Antidumping Administrative Review*, 67 FR 76380 (December 12, 2002) (“*FA First Review*”).

On July 1, 2004, the Department published its *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 69 FR 39903 (July 1, 2004). On July 29, 2004, Penn Specialty Chemicals, Inc. (“petitioner”) requested that the Department conduct an administrative review of Indorama Chemicals (Thailand), Ltd. (“IRCT”), a producer and exporter of furfuryl alcohol from Thailand.

In accordance with 19 CFR 351.221(b)(1), we published a notice of initiation of this antidumping duty administrative review on August 30, 2004. See *Notice of Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 69 FR 52857 (August 30, 2004). The period of review (“POR”) is July 1, 2003, through June 30, 2004.

An antidumping duty questionnaire was sent to IRCT on September 10, 2004. We received a timely response from IRCT on October 17, 2004. On November 11, 2004, the petitioner submitted an allegation that IRCT made

sales of the subject merchandise below the cost of production and requested that the Department initiate a sales-below-cost investigation. On November 12, 2004, IRCT submitted comments on the petitioner’s allegations. On November 18, 2004, the petitioner submitted rebuttal comments on IRCT’s original comments.

We issued a supplemental questionnaire regarding IRCT’s responses to sections A, B, and C of the Department’s original questionnaire on December 8, 2004. On December 9, 2004, the Department initiated a sales below cost investigation of IRCT. See December 9, 2004, Memorandum from Team to Susan Kuhbach entitled “Allegation of Sales Below the Cost of Production for Indorama Chemicals (Thailand), Inc.,” which is in the Department’s Central Records Unit, located in Room B-099 of the main Department building (“CRU”). We received a timely response from IRCT to the Department’s December 8, 2004, supplemental questionnaire on December 22, 2004.

We received IRCT’s response to the Department’s cost questionnaire on January 18, 2005. We issued an additional supplemental questionnaire on February 10, 2005. On February 14, 2005, in accordance with section 751(a)(3)(A) of the Tariff Act of 1930, as amended (“the Act”), we published a notice extending the time limit for the completion of the preliminary results in this case by 31 days (*i.e.*, until no later than May 4, 2005). See 70 FR 7469. We received a timely response to the second supplemental questionnaire from IRCT on February 22, 2005. On March 17, 2005, the petitioner submitted comments on IRCT’s response to the Department’s second supplemental questionnaire. On April 8, 2005, we issued a third supplemental questionnaire to IRCT. On April 18, 2005, in accordance with section 751(a)(3)(A) of the Act, we published a notice extending the time limit for the completion of the preliminary results in this case by 88 days (*i.e.*, until no later than August 1, 2005). See 70 FR 20103. On April 22, 2005, we received a timely response from IRCT to the Department’s April 8, 2005, supplemental questionnaire. We issued a fourth supplemental questionnaire to IRCT on June 6, 2005. We received a timely response on the fourth supplemental questionnaire from IRCT on June 14, 2005.

**Scope of the Order**

The merchandise covered by this order is furfuryl alcohol (C4H3OCH2OH). Furfuryl alcohol is a

primary alcohol, and is colorless or pale yellow in appearance. It is used in the manufacture of resins and as a wetting agent and solvent for coating resins, nitrocellulose, cellulose acetate, and other soluble dyes.

The product subject to this order is classifiable under subheading 2932.13.00 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 proceeding is dispositive.

#### Fair Value Comparisons

To determine whether sales of furfuryl alcohol by IRCT 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 Act, we compared the EPs of individual U.S. transactions to the weighted-average sales prices 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 IRCT 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 making product comparisons, consistent with the *Notice of Final Determination of Sales at Less Than Fair Value: Furfuryl Alcohol from Thailand: Final Determination of Sales at Less Than Fair Value*, 60 FR 22557 (May 8, 1995) and *Furfuryl Alcohol from Thailand: Notice of Amended Final Antidumping Duty Determination and Order*, 60 FR 38035 (July 25, 1995) (collectively "LTFV Final"), we matched foreign like products based on the physical characteristics reported by IRCT.

#### 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 delivered, freight-on-board, cash-in-freight, or the delivery-duty paid price to unaffiliated purchasers in the United States. We 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, country of manufacture inland insurance, brokerage and handling, international freight, and marine insurance.

It is normally the Department's practice to confirm that the duty drawback adjustment claimed by the respondent meets the Department's two-pronged criteria for determining whether the duty drawback adjustment is appropriate. We have determined that only one of the reported inputs used in the production of furfuryl alcohol meets the two-pronged criteria. Therefore, we made an adjustment to the starting price for duty drawback to account for import duties paid on the importation of a single input used in the production of the subject merchandise. For an in-depth explanation of these changes, see Memorandum from Case Analyst to File, "Preliminary Results Calculation Memorandum for Indorama Chemicals (Thailand) Ltd.," ("Prelim Calc Memo") dated August 1, 2005, available in the Department's 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 the volume of IRCT's 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 IRCT'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. Cost of Production

As discussed in the "Background" section above there were reasonable grounds to believe or suspect that IRCT made sales of the subject merchandise in its comparison market at prices below the cost of production ("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 IRCT respond to section D, the cost of production/constructed value section of the questionnaire.

We conducted the COP analysis as described below:

##### 1. Calculation of COP

In accordance with section 773(b)(3) of the Act, we calculated COP based on the sum of IRCT'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 IRCT, except in the following instances.

IRCT reported that it did not include in its calculated G&A the cost IRCT incurred for the depreciation of certain assets. It is the Department's normal practice to include the depreciation figure for assets in a company's reported G&A expenses if these assets relate to the general operations of the company. Therefore, we have recalculated IRCT's reported G&A expenses to include these costs. See Prelim Calc Memo.

##### 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 or 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 all products, less than 20 percent of the comparison market sales were at prices less than the COP. Therefore, we did not disregard any home market sales in determining NV, in accordance with section 773(b)(1).

##### C. 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”),<sup>1</sup> including selling functions,<sup>2</sup> 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, we consider the starting prices before any adjustments. See *Micron Technology, Inc. v. United States, et. al.*, 243 F. 3d 1301, 1314–1315 (Fed. Cir. 2001) (affirming this methodology).

When the Department is unable to match U.S. EP 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 to 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.

IRCT reported one level of trade in the home market and one level of trade in the U.S. market. IRCT reported making sales only to end-users in the home market. In the United States, IRCT reported that it made sales to a trading company. We examined the information IRCT reported regarding its marketing process for making the reported comparison market and U.S. sales, including the type and level of selling activities performed and customer categories. Specifically, we considered the extent to which sales process, freight

<sup>1</sup> The marketing process in the United States and comparison market 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.

<sup>2</sup> 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.

services, warehouse/inventory maintenance, and warranty services varied with respect to the different customer categories (*i.e.*, distributors and end users). Based on our analysis, we found that the single level of trade in the United States is identical to the single level of trade in the comparison market. Thus, we preliminarily find that a LOT adjustment for IRCT is not warranted.

#### D. Calculation of Normal Value Based on Comparison Market Prices

We calculated NV based on the delivered prices to unaffiliated customers or prices to affiliated customers that we determined to be at arm’s length. In accordance with section 773(a)(6)(B)(ii) of the Act, we made deductions for inland freight and inland insurance.

Furthermore, 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), and adding U.S. direct selling expenses (credit expenses). 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.

#### Preliminary Results of the Review

We preliminarily find that the following dumping margin exists for the period July 1, 2003, through June 30, 2004.

Manufacturer/Exporter	Margin
Indorama Chemicals (Thailand) Ltd.	0.00

#### 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 (or customer) 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 appraisal instructions directly to CBP to assess antidumping duties on appropriate entries.

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 furfuryl alcohol from Thailand 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 previously reviewed or investigated companies not covered in this review, 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, a prior 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, any prior review, or the original less than fair value investigation, the cash deposit rate will be 7.82 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: July 15, 2005.

**Susan Kubbach,**

*Acting Assistant Secretary for Import Administration.*

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## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-570-863]

#### **Honey from the People's Republic of China: Notice of Partial Rescission of Antidumping Duty Administrative Review**

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

**SUMMARY:** On January 31, 2005, the Department of Commerce (the Department) published in the **Federal Register** (70 FR 4818) a notice announcing the initiation of the administrative review of the antidumping duty order on honey from the People's Republic of China (PRC). The period of review (POR) is December 1, 2003, to November 30, 2004. On June 22, 2005, petitioners and Wuhan Bee Healthy Co., Ltd. (Wuhan Bee) withdrew their requests for an administrative review of Wuhan Bee. This review is now being rescinded for Wuhan Bee.

**EFFECTIVE DATE:** July 21, 2005.

**FOR FURTHER INFORMATION CONTACT:** Anya Naschak or Kristina Boughton, AD/CVD Operations, Office 9, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-6375 and (202) 482-8173, respectively.

#### **SUPPLEMENTARY INFORMATION:**

##### **Background**

On December 10, 2001, the Department of Commerce published in the **Federal Register** an antidumping duty order covering honey from the PRC. See *Notice of Amended Final*

*Determination of Sales at Less Than Fair Value and Antidumping Duty Order; Honey from the People's Republic of China*, 66 FR 63670 (December 10, 2001). On December 1, 2004, the Department published a *Notice of Opportunity to Request an Administrative Review of Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation*, 69 FR 69889. On December 30, 2004, the American Honey Producers Association and the Sioux Honey Association (collectively, petitioners), requested, in accordance with section 351.213(b) of the Department's regulations, an administrative review of the antidumping duty order on honey from the PRC for 19 companies covering the period December 1, 2003, through November 30, 2004. On December 30, 2004, and January 3, 2005, nine Chinese companies requested an administrative review of their respective companies. The Department notes that petitioners' request covered these nine companies as well.

On January 31, 2005, the Department initiated an administrative review of 19 Chinese companies. See *Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part*, 70 FR 4818 (January 31, 2005). On March 29, 2005, the Department rescinded this review with respect to seven companies because petitioners, the only party to request a review for these companies, withdrew their request for review. See *Notice of Partial Rescission of Antidumping Duty Administrative Review: Honey from the People's Republic of China*, 70 FR 15836 (March 29, 2005).

On May 25, 2005, the Department rescinded this review with respect to Anhui Native Produce Import and Export Corp. and Inner Mongolia Autonomous Region Native Produce and Animal By-Products Import and Export Corporation because petitioners, the only party to request a review for these companies, withdrew their request for review. See *Honey from the People's Republic of China: Notice of Partial Rescission of Antidumping Duty Administrative Review*, 70 FR 30082 (May 25, 2005).

On June 22, 2005, petitioners filed a letter withdrawing their request for review of Wuhan Bee (respondent), and on the same day, respondent also filed a letter withdrawing its request for an administrative review. Both parties originally requested a review of Wuhan Bee and both parties requested that the Department withdraw the review despite the request coming after the 90-day withdrawal period because both parties have withdrawn their original

requests for review and because the Department has not yet committed substantial resources to reviewing Wuhan Bee. Further, both parties stated that the Department may rescind a review after the 90-day deadline, according to its regulations, when it determines it is reasonable. Respondent further noted that there are no other Wuhan Bee importers or other interested parties that could pose any valid objection to the rescission of the review.

#### **Rescission of Review**

The applicable regulation, 19 CFR 351.213(d)(1), states that if a party that requested an administrative review withdraws the request within 90 days of the publication of the notice of initiation of the requested review, the Secretary will rescind the review. It further states that the Secretary may extend this time limit if the Secretary finds it reasonable to do so. Although petitioners and respondent withdrew their review requests with respect to Wuhan Bee after the 90-day deadline, the Department finds it reasonable to extend the deadline for parties to withdraw their request for review with respect to Wuhan Bee in accordance with 19 CFR 351.213(d)(1). The Department finds it reasonable to extend the withdrawal deadline with respect to Wuhan Bee because the Department has not yet committed substantial resources to reviewing Wuhan Bee in the instant review and because both parties who requested the review have subsequently withdrawn their requests. Therefore, we are partially rescinding this review of the antidumping duty order on honey from the PRC covering the period December 1, 2003, through November 30, 2004, with respect to Wuhan Bee.

#### **Assessment**

The Department will instruct U.S. Customs and Border Protection ("CBP") to assess antidumping duties on all appropriate entries. For those companies for which this review is rescinded, antidumping duties shall be assessed at rates equal to the cash deposit of estimated antidumping duties required at the time of entry, or withdrawal from warehouse, for consumption, in accordance with 19 CFR 351.212(c)(1)(i). The Department will issue appropriate assessment instructions directly to CBP within 15 days of publication of this notice.

#### **Notification of Interested Parties**

This notice serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement