

NPA: Industries for the Blind, Inc.,
Milwaukee, Wisconsin.
Contracting Activity: GSA, Southwest Supply
Center, Fort Worth, Texas.
Product/NSN: Staff Section.
NSN: 1015-00-699-0633—Staff Section.
NSN: 1025-00-563-7232—Staff Section.
NSN: 1010-00-225-4906—Staff Section.
NPA: Montgomery County Chapter,
NYSARC, Inc., Amsterdam, New York.
Contracting Activity: Defense Supply Center
Columbus, Columbus, Ohio.

Sheryl D. Kennerly,

Director, Information Management.

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BILLING CODE 6353-01-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-549-502]

Circular Welded Carbon Steel Pipes and Tubes from Thailand: Preliminary Results of Antidumping Duty Administrative Review

SUMMARY: The Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on circular welded carbon steel pipes and tubes from Thailand in response to a request by petitioners, Allied Tube & Conduit Corporation and Wheatland Tube Company. This review covers the period March 1, 2004 through February 28, 2005.

We preliminarily determine that U.S. sales of subject merchandise have been made by Saha Thai Steel Pipe Company, Ltd. (Saha Thai) below normal value (NV). If these preliminary results are adopted in our final results, we will instruct U.S. Customs and Border Protection (CBP) to assess antidumping duties based on the difference between the export price (EP) and the NV. Interested parties are invited to comment on these preliminary results. See the "Preliminary Results of Review" section of this notice.

EFFECTIVE DATE: April 7, 2006.

FOR FURTHER INFORMATION CONTACT: Jacqueline Arrowsmith or Myrna Lobo, AD/CVD Operations, Office 6, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 482-5255 or (202) 482-2371, respectively.

SUPPLEMENTARY INFORMATION:

Background

On March 11, 1986, the Department published in the **Federal Register** an

antidumping duty order on circular welded carbon steel pipes and tubes from Thailand. See *Antidumping Duty Order: Circular Welded Carbon Steel Pipes and Tubes from Thailand*, 51 FR 8341 (March 11, 1986). On March 1, 2005, the Department published a notice of opportunity to request an administrative review of this order covering the period March 1, 2004 through February 28, 2005. See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity To Request Administrative Review*, 70 FR 9918 (March 1, 2005). A timely request for an administrative review of the antidumping order with respect to exports by Saha Thai during the POR was filed by the petitioners. The Department published a notice of initiation of this antidumping duty administrative review on April 22, 2005. See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 70 FR 20862 (April 22, 2005).

In its June 27, 2005 questionnaire response, Saha Thai included a request for revocation in-part pursuant to section 351.222(e)(1) of the Department's regulations. On July 19, 2005, petitioners filed comments arguing that the Department should not consider Saha Thai's revocation request because it was untimely. The Department determined that Saha Thai's request was untimely filed, and denied its request because the Department found no good cause to extend the deadline for revocation. See "Memorandum from Jacqueline Arrowsmith, International Compliance Analyst, Office 6, to Maria Mackay, Acting Director, AD/CVD Operations, Office 6: Certain Welded Carbon Steel Pipes and Tubes from Thailand: Untimely Request for Revocation," dated September 13, 2005. In addition to the comments filed on July 19, 2005, petitioner also filed comments on August 24, 2005 and on January 19, 2006.

Because the Department determined that it was not practicable to complete this review within the statutory time limits, the Department extended the deadline for the preliminary results of this antidumping duty administrative review until March 31, 2006. See *Circular Welded Carbon Steel Pipes & Tubes from Thailand: Extension of Time Limit for the Preliminary Results of the Antidumping Duty Administrative Review* 70 FR 70785 (November 23, 2005).

Scope of the Order

The products covered by this antidumping order are certain welded

carbon steel pipes and tubes from Thailand. The subject merchandise has an outside diameter of 0.375 inches or more, but not exceeding 16 inches. These products, which are commonly referred to in the industry as "standard pipe" or "structural tubing," are hereinafter designated as "pipes and tubes." The merchandise is classifiable under the Harmonized Tariff Schedule of the United States (HTSUS) item numbers 7306.30.1000, 7306.30.5025, 7306.30.5032, 7306.30.5040, 7306.30.5055, 7306.30.5085, and 7306.30.5090. Although the HTSUS subheadings are provided for convenience and purposes of U.S. Customs and Border Protection (CBP), our written description of the scope of the order is dispositive.

Analysis

Date of Sale

Saha Thai reported contract date as the date of sale for U.S. sales. Invoice date is the Department's presumptive date for date of sale (see section 351.401(i) of the Department's regulations). For purposes of this review, however, we examined whether invoice date or some other date better represents the date on which the material terms of sale were established. The Department examined sales documentation including contracts and invoices, provided by Saha Thai for its U.S. sales, and found that the material terms of sale are set at the contract date. Specifically, any changes in quantity were within the specified contract tolerances and as such were not material. As such, we preliminarily determine that contract date is the appropriate date of sale for U.S. sales in this administrative review because it better represents the date upon which the material terms of sale were established. This is consistent with the last two completed administrative reviews of this proceeding. We made this determination in the 1999-2000 administrative review. See *Certain Welded Carbon Steel Pipes and Tubes from Thailand: Final Results of Antidumping Duty Administrative Review* 66 FR 53388 (October 22, 2001); see also *Certain Welded Carbon Steel Pipes and Tubes from Thailand: Final Results of Antidumping Duty Administrative Review* 69 FR 61649 (October 20, 2004) (2002-2003 AR Final Results).

In the home market, the invoice is the first written document that establishes the material terms of sale. Therefore, we are using the invoice date as the date of sale for home market sales.

Export Price

In accordance with section 772(a) of the Tariff Act of 1930, as amended (the Act), export price (EP) is the price at which the first sale of the subject merchandise is sold (or agreed to be sold) by the producer or exporter of subject merchandise outside of the United States market prior to the date of importation. We classified all of Saha Thai's sales to its U.S. customers as EP sales because, as in previous segments of the proceeding, we found that Saha Thai is not affiliated with its distributors, which are the first purchasers in the United States. *See, e.g., 2002–2003 AR Final Results.*

In accordance with section 772(c)(2) of the Act, we made deductions from the gross unit price for foreign inland freight, foreign brokerage and handling, foreign inland insurance, bill of lading charges, international freight, lighterage charges, U.S. brokerage and handling charges, and U.S. duty.

Section 772(c)(1)(B) of the Act states that the EP should be increased by the amount of any import duties “imposed by the country of exportation which have been rebated, or which have not been collected, by reason of the exportation of the subject merchandise to the United States.” Saha Thai claimed an adjustment to EP for the amount of duties exempted on its imports of hot rolled steel coil into a bonded warehouse. In determining whether an adjustment should be made to EP for this exemption, we look for a reasonable link between the duties imposed and those rebated or exempted. We do not require that the imported input be traced directly from importation through exportation. We do require, however, that the company meet our “two-pronged” test in order for this addition to be made to EP. The first element is that the import duty and rebate or exemption be directly linked to, and dependent on, one another; and the second element is that the company must demonstrate that there were sufficient imports of the imported material to account for the duty drawback paid for the export of the manufactured product. *See Wheatland Tube Company v. United States*, Slip Op. 06–8 at 33 (CIT January 17, 2006); *see also Allied Tube & Conduit Corp. v. United States*, 374 F. Supp. 2d at 1261 (CIT 2005); *Rajinder Pipes Ltd. v. United States*, 70 F. Supp. 2d 1350, 1358 (CIT 1999).

Saha Thai has met our “two-pronged” test to make this addition to EP. However, we are making a downward adjustment to the amount of this addition to reflect Saha Thai's own

actual yield loss adjustment rate as we did in the last completed administrative review. *See 2002–2003 AR Preliminary Results* at 18540. For additional information, *see* the “Memorandum from Arrowsmith/Lobo, Case Analysts, through Dana Mermelstein, Program Manager; Analysis of Saha Thai Steel Pipe Company, Ltd. for the Preliminary Results,” (“Preliminary Analysis Memorandum”) dated March 31, 2006.

Calculation of Normal Value

Home Market Viability: In accordance with sections 773(a)(1)(B) and (C) of the Act, to determine whether there was sufficient volume of sales in the home market and/or in third country markets to serve as a viable basis for calculating normal value (NV), we compared Saha Thai's volume of home market sales of foreign like product to the volume of U.S. sales of subject merchandise.

Pursuant to sections 773(a)(1)(B) and (C) of the Act and section 351.404(b) of the Department's regulations, because the volume of Saha Thai's home market sales of foreign like product was greater than five percent of the volume of U.S. sales of the subject merchandise, we determine the home market to be viable.

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. *See* 19 CFR 351.403(c). Saha Thai 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, in our margin analysis, we only included those sales to affiliated parties that were made at arm's length. We did not include in our analysis sales made to affiliated parties when they failed the arm's length test. Where the affiliated party transactions did not pass the arm's-length test, these sales have been excluded from the NV calculation and we instructed Saha Thai to report, for each reseller, the first sale to an unaffiliated customer.

COP Analysis: In accordance with section 773(b)(2)(A)(ii) of the Act, there were reasonable grounds to suspect that Saha Thai had made home market sales at prices below its cost of production (COP) in this review because the Department disregarded Saha Thai sales that failed the cost test in the 2002–2003 administrative review (the most recently completed administrative review at the time we issued our antidumping duty questionnaire in the instant review). *See 2002–2003 AR Preliminary Results* and *2002–2003 AR Final Results.*

In accordance with section 773(b)(3) of the Act, we calculated COP based on the sum of Saha Thai's cost of materials and fabrication for the foreign like product, plus amounts for general and administrative expenses, and interest expenses. We relied on the COP information as reported by Saha Thai in the December 9, 2005 supplemental Section D questionnaire response.

Cost Test: In accordance with section 773(b) of the Act, we compared the COP to the home market sales price (less any applicable movement charges and discounts) of the foreign like product on a product-specific basis in order to determine whether home market sales had been made at prices below COP.

In determining whether to disregard sales below the COP, and in accordance with section 773(b)(1) of the Act, we examined whether (1) such sales were made within an extended period of time in substantial quantities and (2) were not at prices which permitted the recovery of all costs within a reasonable period of time in the normal course of trade.

In accordance with section 773(b)(2)(C) of the Act, when less than 20 percent of the respondent's sales of a given product were at prices less than the COP, we did not disregard any below-cost sales of that product because we determined that the below-cost sales of that product were not made in “substantial quantities.” When 20 percent or more of the respondent's sales of a given product during the period of review were at prices less than the COP, in accordance with sections 773(b)(2)(B) and (C) of the Act, we determined such sales to have been made in substantial quantities within an extended period of time. In such cases, based on weighted average costs in the cost reference period, we determined that these sales were made at prices which would not permit recovery of all costs within a reasonable period of time, in accordance with section 773(b)(2)(D) of the Act. Based on this test, we disregarded sales below cost.

Constructed Value: In accordance with section 773(a)(4) of the Act, we used

constructed value (CV) as the basis for NV when there were no contemporaneous sales of identical or similar merchandise in the comparison market that passed the cost test and for a very small quantity of U.S. sales of a particular type of subject merchandise, where there were no appropriate identical or similar matches. We calculated CV in accordance with section 773(e) of the Act, based on the sum of Saha Thai's cost of materials, fabrication, selling, general and administrative expenses (SG&A), profit, and packing. In accordance with section 773(e)(2)(A) of the Act, we based SG&A and profit on the actual amounts incurred and realized by Saha Thai in connection with the production and sale of the foreign like product in the ordinary course of trade, for consumption in the foreign country. For selling expenses, we used the average of the selling expenses reported for home market sales that passed the cost test, weighted by the total quantity of those sales. For profit, we first calculated the difference between the home market sales value and its corresponding COP, and divided the difference by this COP. We then multiplied this percentage by the COP for the respective U.S. model to derive a profit amount.

Home Market Price: To calculate Saha Thai's home market net price, we deducted billing adjustments, discounts, home market credit expenses, warehousing, and inland freight, where appropriate. In addition, pursuant to section 773(a)(6) of the Act, we deducted home market packing costs and added U.S. packing costs, U.S. credit expenses, and U.S. bank charges.

Level of Trade

Pursuant to section 773(a)(1)(B)(i) of the Act and the Statement of Administrative Action, to the extent practicable, we determine NV based on sales in the comparison market at the same level of trade (LOT) as the EP. The NV LOT is that of the starting-price sale in the comparison market or, when NV is based on CV, that of the sales from which we derive selling, general and administrative expenses and profit. For EP, the U.S. LOT is the level of the starting-price sale, which is usually from exporter to importer. To determine whether NV sales are at a different LOT than EP sales, we examine stages in the marketing process and selling functions along the chain of distribution between the producer and unaffiliated customer. If the comparison market sales are at a different LOT, and the difference affects the price comparability, as manifested in a pattern of consistent price differences between sales at different

levels of trade in the country in which NV is determined, we make an LOT adjustment under section 773(a)(7)(A) of the Act. *See Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate from South Africa*, 62 FR 61731 (November 19, 1997).

For the U.S. market, Saha Thai reported only one LOT for its EP sales. For its home market sales, Saha Thai reported that its sales to unaffiliated customers were at the same level of trade as its U.S. sales. However, Saha Thai reported that, if the Department used the downstream sales of its affiliated resellers for the preliminary results, these sales were made at a distinct level of trade, and Saha Thai's home market would consist of two levels of trade. While Saha Thai provided some information on the differences between its own selling functions and those of its affiliated resellers, Saha Thai did not provide sufficient information to justify the Department determining that there were two levels of trade in the home market. For these preliminary results the Department is treating all home market sales as being at a single level of trade, which is the same level of trade as the U.S. sales. However, the Department intends to request further information from Saha Thai to allow it to demonstrate that there are two distinct levels of trade in the home market. *See* "Preliminary Analysis Memorandum."

Currency Conversion

We made currency conversions pursuant to section 351.415 of the Department's regulations based on rates certified by the Federal Reserve.

Preliminary Results of Review

| Manufacturer/Exporter | Margin (percent) |
|---|------------------|
| Saha Thai Steel Pipe Company, Ltd. | 2.95 |

Duty Assessment

The Department shall determine, and CBP shall assess, antidumping duties on all appropriate entries. Pursuant to section 351.212(b) of the Department's regulations, the Department calculates an assessment rate for each importer of the subject merchandise for each respondent. The Department will issue appropriate assessment instructions directly to CBP within 15 days of publication of the final results of review.

The Department clarified its "automatic assessment" regulation on May 6, 2003 (68 FR 23954). This

clarification will apply to entries of subject merchandise during the POR produced by companies included in these final results of review for which the reviewed companies did not know their merchandise was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for any intermediate company involved in the transaction. For a full discussion of this clarification, *see Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 239254 (May 6, 2003).

Cash Deposit Requirements

The following cash deposit rates will be effective with respect to all shipments of Saha Thai from Thailand entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results, as provided for by section 751(a)(1) of the Act: (1) for Saha Thai, the cash deposit rate will be the rate established in the final results of this review; (2) for previously reviewed or investigated companies not listed above, the cash deposit rate will be the company-specific rate established for the most recent period; (3) if the exporter is not a firm covered in this review, a prior 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 subject merchandise; and (4) if neither the exporter nor the manufacturer is a firm covered by this review, a prior review, or the LTFV investigation, the cash deposit rate shall be the "all other" rate established in the LTFV investigation, which is 15.67 percent. These deposit rates, when imposed, shall remain in effect until publication of the final results of the next administrative review.

Public Comment

Pursuant to section 351.224(b) of the Department's regulations, the Department will disclose to parties to the proceeding any calculations performed in connection with these preliminary results within five days after the date of publication of this notice. Pursuant to section 351.309 of the Department's regulations, interested parties may submit written comments in response to these preliminary results. Unless extended by the Department, case briefs are to be submitted within 30 days after the date of publication of this notice, and rebuttal briefs, limited to arguments raised in case briefs, are to be submitted no later than five days after

the time limit for filing case briefs. Parties who submit arguments in this proceeding are requested to submit with the argument: (1) statement of the issues, and (2) a brief summary of the argument. Case and rebuttal briefs must be served on interested parties in accordance with section 351.303(f) of the Department's regulations.

Also, pursuant to section 351.310(c) of the Department's regulations, within 30 days of the date of publication of this notice, interested parties may request a public hearing on arguments raised in the case and rebuttal briefs. Unless the Secretary specifies otherwise, the hearing, if requested, will be held two days after the date for submission of rebuttal briefs. Parties will be notified of the time and location.

The Department will publish the final results of this administrative review, including the results of its analysis of issues raised in any case or rebuttal brief, no later than 120 days after publication of the preliminary results, unless extended. *See* section 351.213(h) of the Department's regulations.

Notification to Importers

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

This administrative review and notice are issued and published in accordance

with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: March 31, 2006.

David M. Spooner,
Assistant Secretary for Import Administration.

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BILLING CODE 3510-DS-S

DEPARTMENT OF COMMERCE

International Trade Administration

[A-552-802, A-570-893]

Notice of Initiation of Administrative Reviews of the Antidumping Duty Orders on Frozen Warmwater Shrimp from the Socialist Republic of Vietnam and the People's Republic of China

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

SUMMARY: The Department of Commerce ("Department") received timely requests to conduct administrative reviews of the antidumping duty orders on certain frozen warmwater shrimp ("shrimp") from the Socialist Republic of Vietnam ("Vietnam") and the People's Republic of China ("PRC"). The anniversary month of these orders is February. In accordance with the Department's regulations, we are initiating these administrative reviews.

EFFECTIVE DATE: April 7, 2006.

FOR FURTHER INFORMATION CONTACT: Alex Villanueva (Vietnam) or Christopher Riker (PRC), 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) 482-3208 or (202) 482-3441, respectively.

SUPPLEMENTARY INFORMATION:

Background

The Department received timely requests from Petitioners¹ and certain individual companies, in accordance with 19 CFR 351.213(b), during the anniversary month of February, for administrative reviews of the antidumping duty orders on shrimp from Vietnam and the PRC covering 164 companies for the PRC and 84 companies for Vietnam. Subsequently, Petitioners withdrew one request for review for the PRC. *See* Petitioners' letter dated March 1, 2006. On March 16, 2006, the Department issued a memorandum detailing Department officials' communications with Petitioners' counsel regarding concerns about the names and addresses of certain companies included in Petitioners' request for administrative reviews. *See Memorandum to the File, from Irene Darzenta Tzafolias, Acting Director, AD/CVD Operations, Office 2, Re: Conversation with Petitioners' Counsel Concerning Petitioners' Requests for Administrative Reviews*, dated March 16, 2006. On March 21, 2006, the Petitioners submitted a letter addressing the items outlined in the Department's memorandum of March 16, 2006. The Department is now initiating administrative reviews of the orders covering the 84 companies for Vietnam and the remaining 163 companies for the PRC.

Initiation of Reviews

In accordance with section 751(a)(1) of the Tariff Act of 1930, as amended ("the Act"), we are initiating administrative reviews of the antidumping duty orders on shrimp from Vietnam and the PRC. We intend to issue the final results of these reviews no later than February 28, 2007.

| Antidumping Duty Proceeding | Period To Be Reviewed |
|---|-----------------------|
| Vietnam ² : AAAS Logistics. Agrimex. Amanda Foods (Vietnam) Ltd.*. American Container Line. Angiang Agricultural Technology Service Company. An Giang Fisheries Import and Export Joint Stock Company (Agifish). Aquatic Products Trading Company*. Bac Lieu Fisheries Company Limited*. Bentre Frozen Aquaproduct Exports. Bentre Aquaproduct Imports & Exports. Cai Doi Vam Seafood Import-Export Company (Cadovimex)*. Camau Frozen Seafood Processing Import Export Corporation (Camimex)*. Cam Ranh Seafoods Processing Enterprise Company (Camranh Seafoods)*. Cantho Animal Fisheries Product Processing Export Enterprise (Cafatex)*. Can Tho Agricultural Products. Can Tho Agricultural and Animal Products Import Export Company (Cataco)*. Can Tho Seafood Exports. | 07/16/2004-01/31/2006 |

¹ Ad Hoc Shrimp Trade Action Committee ("Petitioners").