

review will be rescinded. *See, e.g., Notice of Preliminary Results of Antidumping Duty New Shipper Review and Rescission of New Shipper Reviews: Freshwater Crawfish Tail Meat from the People's Republic of China*, 69 FR 53669 (September 2, 2004); *see also Brake Rotors From the People's Republic of China: Rescission of Second New Shipper Review and Final Results and Partial Rescission of First Antidumping Duty Administrative Review*, 64 FR 61581 (November 12, 1999).

In accordance with section 751(a)(2)(B)(iii) of the Act and 19 CFR 351.214(e), we will instruct CBP to allow, at the option of the importer, the posting, until the completion of the review, of a single entry bond or security in lieu of a cash deposit for certain entries of the merchandise exported by Shanghai Strong. We will apply the bonding option under 19 CFR 351.107(b)(1)(i) only to entries from the producer/exporter combination for which Shanghai Strong has requested a new shipper review, *i.e.*, Jiangsu Hongda/Shanghai Strong.

Interested parties that need access to proprietary information in this new shipper review should submit applications for disclosure under administrative protective orders in accordance with 19 CFR 351.305 and 351.306.

This initiation and notice are issued and published in accordance with section 751(a) of the Act and sections 351.214(d) and 351.221(b)(1) of the Department's regulations.

Dated: May 23, 2006.

Stephen J. Claeys,

Deputy Assistant Secretary for Import Administration.

[FR Doc. E6-8390 Filed 5-30-06; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-891]

Hand Trucks and Certain Parts Thereof from the People's Republic of China: Notice of Postponement of Time Limits for New Shipper Antidumping Duty Review in Conjunction with Administrative Review

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

SUMMARY: On May 1, 2006, in accordance with 19 CFR 351.214(j)(3), Since Hardware (Guangzhou) Co., Ltd. (Since Hardware) agreed to waive the time limits in section 351.214(i) of the

Department of Commerce's (the Department's) regulations so that the Department may conduct the new shipper review of hand trucks and certain parts thereof (hand trucks) from the People's Republic of China (PRC), for the period December 1, 2004, through November 30, 2005, concurrently with the administrative review for the same period. Therefore, we will conduct the administrative and new shipper reviews concurrently.

EFFECTIVE DATE: May 31, 2006.

FOR FURTHER INFORMATION CONTACT:

Elizabeth Eastwood or Nichole Zink, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone (202) 482-3874 or (202) 482-0049, respectively.

SUPPLEMENTARY INFORMATION:

Background

On December 30, 2005, Gleason Industrial Products, Inc. and Precision Products, Inc. (the petitioners) requested an administrative review of several companies. Between December 30, 2005, and January 3, 2006, the Department received several additional administrative review requests from certain PRC exporters and one U.S. importer of subject merchandise. On February 1, 2006, the Department initiated the first administrative review of the antidumping duty order on hand trucks from the PRC. *See Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part*, 71 FR 5241 (February 1, 2006).

On February 3, 2006, the Department initiated a new shipper review on Since Hardware, pursuant to its request for a new shipper review filed on December 27, 2005. *See Hand Trucks and Certain Parts Thereof From the People's Republic of China; Initiation of New Shipper Review*, 71 FR 5810 (Feb. 3, 2006). The Department received a letter from Since Hardware on May 1, 2006, pursuant to 19 CFR 351.214(j)(3), to: (i) waive the time limits for the new shipper review of the antidumping duty order on hand trucks and (ii) allow the Department to conduct Since Hardware's new shipper review concurrently with the separate administrative review of the order on hand trucks and certain parts thereof.

Postponement of New Shipper Review

Pursuant to 19 CFR 351.214(j)(3) and Since Hardware's letter, we will conduct this new shipper review concurrently with the December 1, 2004, through November 30, 2005,

administrative review of hand trucks from the PRC. Therefore, the preliminary results of the antidumping new shipper review, as well as the administrative review, will be due 245 days from December 31, 2005, the last day of the anniversary month of the order. *See* section 751 (a)(3)(A) of the Tariff Act of 1930 (as amended) (the Act) and 19 CFR 351.213(h). Thus, the deadline for the preliminary results of this new shipper review, as well as the administrative review, is September 5, 2006. This notice is issued and published pursuant to sections 751(a)(2) and 771(i) of the Act, and 19 CFR 351.214(j)(3).

Dated: May 24, 2006.

Stephen J. Claeys,

Deputy Assistant Secretary for Import Administration

[FR Doc. E6-8386 Filed 5-30-06; 8:45 am]

BILLING CODE 3510-DS-S

DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-839]

Certain Polyester Staple Fiber from Korea: Preliminary Results of Antidumping Duty Administrative Review, Intent to Rescind, and Partial Rescission 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 certain polyester staple fiber from the Republic of Korea. The period of review is May 1, 2004, through April 30, 2005. This review covers imports of certain polyester staple fiber from one producer/exporter. We have preliminarily found that sales of the subject merchandise have been made below normal value. If these preliminary results are adopted in our final results, we will instruct U.S. Customs and Border Protection to assess antidumping duties. Interested parties are invited 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: May 31, 2006.

FOR FURTHER INFORMATION CONTACT:

Andrew McAllister or Yasmin Bordas, AD/CVD Operations, Office 1, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230;

telephone (202) 482-1174 and (202) 482-3813, respectively.

SUPPLEMENTARY INFORMATION:

Background

On May 25, 2000, the Department of Commerce ("Department") published an antidumping duty order on certain polyester staple fiber ("PSF") from the Republic of Korea ("Korea"). See *Notice of Amended Final Determination of Sales at Less Than Fair Value: Certain Polyester Staple Fiber From the Republic of Korea and Antidumping Duty Orders: Certain Polyester Staple Fiber From the Republic of Korea and Taiwan*, 65 FR 33807 (May 25, 2000). On May 2, 2005, the Department published a notice of "Opportunity to Request Administrative Review" of this order. See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 70 FR 22631 (May 2, 2005). On May 31, 2005, Wellman, Inc.; Invista, S.a.r.l.; and DAK Fibers, LLC (collectively, "the petitioners") requested administrative reviews of Huvis Corporation ("Huvis"); Saehan Industries, Inc. ("Saehan"); Daehan Synthetic Company, Ltd. ("Daehan"); and Dongwoo Industry Company ("Dongwoo"). On May 31, 2005, Huvis requested an administrative review. On June 30, 2005, the Department published a notice initiating the review for the aforementioned companies. See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 70 FR 37749, 37756 (June 30, 2005). The period of review ("POR") is May 1, 2004, through April 30, 2005.

On July 6, 2005, we issued antidumping questionnaires in this review. On August 15, 2005, the petitioners withdrew their request for review of Saehan. On August 22, 2005, the petitioners withdrew their request for review of Dongwoo. On September 9, 2005, the Department received notice that Daehan had ceased operations and had no shipments of the merchandise under review during the POR. See *Memorandum to the File: Questionnaire Response from Daehan Synthetic Fiber, Co., Ltd.* (Mar. 15, 2006).

On July 6, 2005, we instructed Huvis to respond to the cost section of the questionnaire because we had disregarded certain below-cost sales in the most recently completed administrative review. See *Certain Polyester Staple Fiber from Korea: Final Results of Antidumping Duty Administrative Review and Final Determination to Revoke Order in Part*, 69 FR 61341, 61343 (Oct. 18, 2004). We received sections A through D

questionnaire responses from Huvis on August 17, 2005, September 2, 2005, and September 16, 2005. In October 2005, and March 2006, we issued supplemental questionnaires to Huvis. We received responses to these supplemental questionnaires in November 2005, and March 2006, respectively. In February 2006, we requested Huvis to revise its reported model matching characteristics, as described in the "Product Comparisons" section, below. We received Huvis's response in February 2006.

Scope of the Order

For the purposes of this order, the product covered is PSF. PSF is defined as synthetic staple fibers, not carded, combed or otherwise processed for spinning, of polyesters measuring 3.3 decitex (3 denier, inclusive) or more in diameter. This merchandise is cut to lengths varying from one inch (25 mm) to five inches (127 mm). The merchandise subject to this order may be coated, usually with a silicon or other finish, or not coated. PSF is generally used as stuffing in sleeping bags, mattresses, ski jackets, comforters, cushions, pillows, and furniture. Merchandise of less than 3.3 decitex (less than 3 denier) currently classifiable in the *Harmonized Tariff Schedule of the United States* ("HTSUS") at subheading 5503.20.00.20 is specifically excluded from this order. Also specifically excluded from this order are polyester staple fibers of 10 to 18 denier that are cut to lengths of 6 to 8 inches (fibers used in the manufacture of carpeting). In addition, low-melt PSF is excluded from this order. Low-melt PSF is defined as a bi-component fiber with an outer sheath that melts at a significantly lower temperature than its inner core.

The merchandise subject to this order is currently classifiable in the HTSUS at subheadings 5503.20.00.45 and 5503.20.00.65. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under the order is dispositive.

Partial Rescission and Intent to Rescind

As noted above, the petitioners withdrew their requests for review of Saehan and Dongwoo. Because these withdrawals were timely filed and no other party requested a review of these companies, pursuant to 19 CFR 351.213(d)(1), we are rescinding this review with respect to Saehan and Dongwoo.

As noted above, the Department was notified by Daehan officials that this company ceased operations and had no

shipments of subject merchandise during the POR. The Department confirmed using CBP data that Daehan did not ship subject merchandise to the United States during the POR. Therefore, pursuant to 19 CFR 351.213(d)(3), we are preliminarily rescinding this review with respect to Daehan.

Verification

As provided in section 782(i) of the Tariff Act of 1930, as amended ("the Act"), during April 2006, we verified the information provided by Huvis in Korea using standard verification procedures, including examination of relevant sales and financial records, and selection of original documentation containing relevant information. The Department reported its findings on May 23, 2006. See *Memorandum to the File, "Verification Report - Huvis Corporation"* dated May 23, 2006. This report is on file in the Central Records Unit ("CRU") in room B-099 in the main Department building.

Fair Value Comparisons

To determine whether the respondent's sales of PSF to the United States were made at less than normal value ("NV"), we compared export price ("EP") to NV, as described in the "Export Price" and "Normal Value" sections of this notice.

Pursuant to section 777A(d)(2) of the Act, we compared the EP 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 "Cost of Production Analysis" section, below.

Product Comparisons

In accordance with section 771(16) of the Act, we considered all products produced and sold by the respondent in the home market 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) 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 the respondent'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, below.

We compared U.S. sales to monthly weighted-average prices of contemporaneous sales made in the home market. Where there were no

contemporaneous sales of identical merchandise in the home market, we compared sales made within the window period, which extends from three months prior to the POR until two months after the POR. *See, e.g., Certain Polyester Staple Fiber from Korea: Preliminary Results of Antidumping Duty Administrative Review and Partial Rescission of Review ("PSF from Korea: 4th Review Preliminary Results")*, 70 FR 32756, 32757 (June 6, 2005) (unchanged in *Notice of Final Results of Antidumping Duty Administrative Review: Certain Polyester Staple Fiber from the Republic of Korea ("PSF from Korea: 4th Review Final Results")*), 70 FR 73435 (Dec. 12, 2005)). As directed by section 771(16) of the Act, where there were no sales of identical merchandise in the home 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. Further, as provided in section 773(a)(4) of the Act, where we could not determine NV because there were no sales of identical or similar merchandise made in the ordinary course of trade in the home market to compare to U.S. sales, we compared U.S. sales to constructed value ("CV").

Since the investigation, and throughout the administrative reviews of this antidumping duty order, classification of PSF products with certain physical characteristics within the model matching hierarchy has been highly contentious. (*See, e.g., Notice of Final Determination of Sales at Less Than Fair Value: Certain Polyester Staple Fiber from the Republic of Korea ("LTFV Investigation: PSF from Korea")*), 65 FR 16880 (Mar. 30, 2000), and accompanying *Issues and Decision Memorandum*, Comment 10; *Polyester Staple Fiber from Korea: Final Results of Antidumping Duty Administrative Review*, 67 FR 63616 (Oct. 15, 2002), and accompanying *Issues and Decision Memorandum*, Comment 13; *Certain Polyester Staple Fiber from Korea: Final Results of Antidumping Duty Review*, 68 FR 59366 (Oct. 15, 2003), and accompanying *Issues and Decision Memorandum*, Comment 2; *PSF from Korea: 4th Review Final Results*, and accompanying *Issues and Decision Memorandum*, Comment 1. In this review, the Department received new information in Huvis's supplemental questionnaire response regarding the physical characteristics of certain PSF products. *See Nov. 29, 2005 Supplemental Questionnaire Response*, Appendix 13. These events led the Department to reconsider whether the

product matching characteristics established in the investigation accurately reflect the physical characteristics of the PSF product under review. For this administrative review and the concurrent administrative review of PSF from Taiwan (A-583-833), the Department requested comments regarding the adequacy of the model match criteria to reflect the physical characteristics of the merchandise under review. *See letter from Julie H. Santoboni to Interested Parties, RE: 2004-2005 Administrative Reviews of the Antidumping Duty Orders on Certain Polyester Staple Fiber from Korea and Taiwan*, dated Nov. 9, 2005, which is on file in the Department's CRU; *see also Memorandum to File: Modifications to the Department's Nov. 9, 2005 Letter to Interested Parties*, dated Nov. 10, 2005. On November 16, 2005, we received comments from the petitioners, Huvis, and Far Eastern Textile ("FET"). On November 28, 2005, we received rebuttal comments from Dongwoo; the petitioners; FET; Consolidated Fibers, Inc. ("Consolidated Fibers"); and Huvis. On December 8, 2005, we received additional rebuttal comments from FET.

The comments we received and the facts and information on the record of this review lead us to preliminarily conclude that relying on the model matching criteria established in the *LTFV Investigation: PSF from Korea* does not provide the best product comparisons because the criteria do not adequately reflect the physical differences exhibited by specialty PSF products. *See Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of the Final Determination: Certain Polyester Staple Fiber from the Republic of Korea*, 64 FR 60776, 60779 (Nov. 8, 1999). Cf. *LTFV Investigation: PSF from Korea*, Comment 10 (recognizing possibility of changing model match criteria as more was learned about PSF, due to the complexities and difficulties in establishing the initial criteria); *Structural Steel Beams from Korea: Notice of Final Results of Antidumping Duty Administrative Review*, 70 FR 6837 (Feb. 9, 2005), and accompanying *Issues and Decisions Memorandum*, Comment 1 ("It is appropriate to consider changes when additional expertise and knowledge with regard to the market demands and market realities of the products subject to the scope indicate that such changes allow more accurate comparison of U.S. and normal value products."). Therefore, to account for the new information regarding physical characteristics of PSF and to increase

product matching accuracy, the Department has preliminarily amended the matching criteria that were established in the original investigation. Accordingly, for the preliminary results, we matched the merchandise under review based on the physical characteristics reported by the respondent in the following order: loft; specialty fibers; type; grade; cross section; finish; and denier. *See letter from Julie H. Santoboni to Huvis Corporation, RE: 2004-2005 Administrative Reviews of the Antidumping Duty Orders on Certain Polyester Staple Fiber from Korea and Taiwan*, dated Feb. 2, 2006, which is on file in the Department's CRU.

Export Price

For sales to the United States, we calculated EP in accordance with section 772(a) of the Act because the merchandise was sold prior to importation by the exporter or producer outside the United States to the first unaffiliated purchaser in the United States, and because constructed export price methodology was not otherwise warranted. We calculated EP based on the cost, insurance, and freight ("CIF"); ex-dock duty paid ("EDDP") - free-on-board ("FOB"); EDDP - cost and freight ("C&F"); or EDDP - CIF price to unaffiliated purchasers in the United States. Where appropriate, we made deductions, consistent with section 772(c)(2)(A) of the Act, for the following movement expenses: inland freight from the plant to port of exportation, foreign brokerage and handling, international freight, marine insurance, and U.S. customs duty.

We increased EP, where appropriate, for duty drawback in accordance with section 772(c)(1)(B) of the Act. Huvis provided documentation demonstrating that it received duty drawback under Korea's individual-rate system. *See Sept. 2, 2006 Sections B-D Questionnaire Response ("Sept. 2006, Sections B-D Questionnaire Response")*, at Appendices C-7 and C-8. In prior investigations and administrative reviews, the Department has examined Korea's individual-rate system and found that the government controls in place generally satisfy the Department's requirements for receiving a duty drawback adjustment (*i.e.*, that (1) the rebates received were directly linked to import duties paid on inputs used in the manufacture of the subject merchandise, and (2) there were sufficient imports to account for the rebates received). *See, e.g., Notice of Final Results of the Eleventh Administrative Review of the Antidumping Duty Order on Certain Corrosion-Resistant Carbon Steel Flat*

Products from the Republic of Korea, 71 FR 7513 (Feb. 13, 2006), and accompanying Issues and Decisions Memorandum, Comment 2. We examined the documentation submitted by Huvis in this administrative review and confirmed that it meets the Department's two-prong test for receiving a duty drawback adjustment. Accordingly, we are allowing the reported duty drawback adjustment on Huvis's U.S. sales.

Normal Value

A. Selection of Comparison Market

To determine whether there was a sufficient volume of sales of PSF in the home market to serve as a viable basis for calculating NV, we compared the respondent's home market sales of the foreign like product to its volume of U.S. sales of the subject merchandise, in accordance with section 773(a) of the Act. Pursuant to sections 773(a)(1)(B) and (C) of the Act, because the respondent'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 of the subject merchandise, we determined that the home market was viable for comparison.

B. 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 (Nov. 19, 1997) ("*CTL Plate*"). In order to determine whether the comparison market 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 type of sale. *Id.*

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. See *Micron Tech, Inc. v. United States*, *et al.*, 243 F.3d 1301, 1314–15 (Fed. Cir. 2001) (interpreting Congressional intent, in accordance with this methodology).

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. sales to sales at a different LOT in the comparison market. See, *e.g.*, *PSF from Korea: 4th Review Preliminary Results*, 70 FR at 32758 (unchanged in *PSF from Korea: 4th Review Final Results*). In comparing EP sales at a different LOT in the comparison market, where available data show that the difference in LOT affects price comparability, we make a LOT adjustment under section 773(a)(7)(A) of the Act.

Huvis reported that it made direct sales to distributors and end users in both the home market and to the United States. See *August 17, 2005 Section A Questionnaire Response* ("*Aug. 2005 Section A Questionnaire Response*"), at 8. Huvis has reported a single channel of distribution and a single level of trade in each market, and has not requested a LOT adjustment. See *Sept. 2006 Sections B–D Questionnaire Response*, at 16. We examined the information reported by Huvis regarding its marketing process for making the reported home 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 services, warehouse/inventory maintenance, and warranty services varied with respect to the different customer categories (*i.e.*, distributors and end users) within each market and across the markets. Based on our analyses, we found a single level of trade to the United States, and a single, identical level of trade in the home

of trade in a particular market. *CTL Plate*, 62 FR at 61732. 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 CV, we determine the NV LOT based on the LOT of the sales from which we derive selling, general and administrative ("SG&A") expenses, and profit for CV, where possible. See, *e.g.*, *PSF from Korea: 4th Review Preliminary Results*, 70 FR at 32758 (unchanged in *PSF from Korea: 4th Review Final Results*).

market. Thus, it was unnecessary to make a LOT adjustment for Huvis in comparing EP and home market prices.

C. Sales to Affiliated Customers

Huvis made sales in the home market to an affiliated customer. To test whether these sales were made at arm's length, we compared the starting prices of sales to the affiliated customer to those of unaffiliated customers, net of all movement charges, direct and indirect 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 (Nov. 15, 2002). In accordance with the Department's practice, we included in our margin analysis only sales to an affiliated party that were made at arm's length. See, *e.g.*, *PSF from Korea: 4th Review Preliminary Results*, 70 FR at 32758 (unchanged in *PSF from Korea: 4th Review Final Results*).

D. Cost of Production Analysis

As discussed in the "Background" section above, we disregarded some sales by Huvis in a previous review because they were made at prices below the cost of production. Under section 773(b)(2)(A)(ii) of the Act, the previously disregarded below-cost sales provide reasonable grounds to believe or suspect that the respondent made sales of the subject merchandise in its comparison market at prices below the cost of production ("COP") within the meaning of section 773(b) of the Act. Whenever the Department has this reason to believe or suspect, we are directed by section 773(b) of the Act to determine whether, in fact, there were below-cost sales.

Pursuant to section 773(b)(1), we disregard sales from our calculation of NV that were made at less than the COP if they were made in substantial quantities over an extended period of time at prices that would not permit recovery of costs within a reasonable period. We find that the below-cost sales represent "substantial quantities," when 20 percent or more of the respondent's sales of a given product are at prices less than the COP, in accordance with section 773(b)(2)(C) of the Act. Further, in accordance with section 773(b)(2)(B) of the Act, the Department normally considers sales to have been made within an extended period of time when made during a

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 customer. The chain of distribution between the two may have many or few links, and the respondent's sales occur somewhere along this chain. *CTL Plate*, 62 FR at 61732. In performing this evaluation, we considered the narrative responses of the respondent to properly determine where in the chain of distribution the sale appears to occur.

² Selling functions associated with a particular chain of distribution help us to evaluate the level(s)

period of one year. Finally, prices do not permit recovery of costs within a reasonable period of time if the per unit COP at the time of sale is below the weighted average per unit COP for the POR, in accordance with section 773(b)(2)(D) of the Act.

1. Calculation of COP

We calculated the COP on a product-specific basis, based on the sum of the respondent's costs of materials and fabrication for the merchandise under review, plus amounts for SG&A expenses, interest expenses, and the costs of all expenses incidental to placing the foreign like product packed and in a condition ready for shipment, in accordance with section 773(b)(3) of the Act.

We relied on COP information submitted in Huvis's cost questionnaire responses (*See March 20, 2006 Supplemental Questionnaire Response*, at Appendix S-49), except for the following adjustments. Consistent with the previous administrative review, we adjusted Huvis's reported cost of manufacturing to account for purchases of modified terephthalic acid ("MTA") and qualified terephthalic acid ("QTA") from affiliated parties at non-arm's-length prices. In doing so, we preliminarily find that MTA and QTA are interchangeable for the following reasons: (1) the production processes of MTA and QTA are essentially the same; (2) Huvis has stated it may, in certain instances, use a type of terephthalic acid ("TPA") different from the one normally used in production of a particular chip without significant changes to the end product; and (3) Huvis's decision to use MTA or QTA in the production process is driven by plant proximity to the chemical supplier. *See, e.g., PSF from Korea: 4th Review Preliminary Results*, 70 FR at 32758 (unchanged in *PSF from Korea: 4th Review Final Results*). Huvis did not provide market price information for QTA. *See Memorandum from Team to the File, Preliminary Results Calculation Memorandum - Huvis Corporation* (May 23, 2006) ("*Huvis Calculation Memorandum*"), which is on file in the Department's CRU.

Huvis excluded business restructuring expenses from its net SG&A expense calculation. *See Aug. 2005 Section A Questionnaire Response*, at Appendix A-9; *Sept. 2005 Sections B-D Questionnaire Response*, at Appendix D-12. For the preliminary results, we have included these expenses because it is the Department's normal practice not to consider business restructuring to be an unusual or extraordinary event. *See, e.g., Notice of Final Results and*

Recision in Part of Antidumping Administrative Review; Oil Country Tubular Goods, Other Than Drillpipe From Argentina, 68 FR 13262 (Mar. 19, 2003), and accompanying *Issues and Decision Memorandum*, Comment 4; *Silicomanganese from Brazil: Preliminary Results of Antidumping Administrative Review*, 62 FR 1320, 1322 (Jan. 9, 1997) (unchanged in *Silicomanganese From Brazil; Final Results of Antidumping Duty Administrative Review*, 62 FR 37869, 37870-71 (July 15, 1997)); *Huvis Calculation Memorandum*.

In its net interest expense calculation, Huvis offset its interest expenses by deposits for retirement insurance. For the preliminary results, we have excluded this offset because it is not related to interest income incurred on short-term investments of working capital. *See, e.g., PSF from Korea: 4th Review Final Results*, and accompanying *Issues and Decision Memorandum*, Comment 5; *see also Huvis Calculation Memorandum*.

Huvis calculated its interest expenses based on its unconsolidated financial statements. Our practice, however, is to calculate interest expenses based on consolidated financial statements. *See, e.g., Notice of Final Results of Antidumping Duty Administrative Review: Furfuryl Alcohol from Thailand*, 70 FR 71085 (Nov. 25, 2005) and accompanying *Issues and Decision Memorandum*, Comment 4. Therefore, for the preliminary results, we have recalculated Huvis's interest expenses using Huvis's consolidated financial statements. *See Huvis Calculation Memorandum*.

2. Test of Home Market Prices

On a product-specific basis, we compared the adjusted weighted-average COP figures for the POR to the home market sales of the foreign like product, as required under section 773(b) of the Act, to determine whether these sales were made at prices below the COP. According to our practice, the prices were exclusive of any applicable movement charges and indirect selling expenses. *See, e.g., PSF from Korea: 4th Review Preliminary Results*, 70 FR at 32758 (unchanged in *PSF from Korea: 4th Review Final Results*). In determining whether to disregard home market sales made at prices less than their COP, we examined, in accordance with sections 773(b)(1)(A) and (B) of the Act, whether such sales were made (1) within an extended period of time in substantial quantities, and (2) at prices which permitted the recovery of all costs within a reasonable period of time.

3. Results of COP Test

We found that, for certain products, more than 20 percent of the respondent's home 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 permit the recovery of costs within a reasonable period of time. Therefore, we excluded these sales and used the remaining sales of the same product, as the basis for determining NV, in accordance with section 773(b)(1).

E. Calculation of Normal Value Based on Home Market Prices

We calculated NV based on the price to unaffiliated customers. We made adjustments for differences in packing in accordance with sections 773(a)(6)(A) and 773(a)(6)(B)(i) of the Act. We also made adjustments, where appropriate, consistent with section 773(a)(6)(B)(ii) of the Act, for inland freight from the plant to the customer. In addition, 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. We made COS adjustments, where appropriate, by deducting direct selling expenses incurred on home market sales (*i.e.*, bank charges) and adding U.S. direct selling expenses (*i.e.*, bank charges). *See* 19 CFR 351.410(c).

For some of its home market sales, Huvis reported that payments were made within an open account system, *i.e.*, periodic payments were made on outstanding account balances. *See November 29, 2006, Supplemental Questionnaire Response*, at 17. For these open account sales, Huvis calculated the payment date using an average payment period for each customer. *Id.*, at Appendix 18. For one of Huvis's home market customers, we have adjusted the credit period for open account sales to better reflect sales account activity during the POR. For two of Huvis's home market customers, we have adjusted the credit period for open account sales as a result of verification findings. For two of Huvis's home market customers, we have adjusted the credit period for open account sales to reflect the information submitted by Huvis in its March 20, 2006, supplemental questionnaire response. We also recalculated credit expenses for home market sales that were incurred in U.S. dollars using Huvis's reported U.S. interest rate. *See Huvis Calculation Memorandum*.

Preliminary Results of the Review

We find that the following dumping margin exists for the period May 1, 2004, through April 30, 2005:

Exporter/manufacturer	Weighted-average margin percentage
Huvis Corporation	2.02

Pursuant to 19 CFR 351.310(c), any interested party may request a hearing within 30 days of publication of this notice. Any hearing, if requested, will be held 42 days after the publication of this notice, or the first workday thereafter. Issues raised in the hearing will be limited to those raised in the case and rebuttal briefs. Pursuant to 19 CFR 351.309(c), 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. See 19 CFR 351.309(d). 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. See section 751(a)(3) of the Act.

Assessment Rates and Cash Deposit Requirements

Upon completion of the administrative review, the Department shall determine, and CBP shall assess, antidumping duties on all appropriate entries.

In its *Sept. 2006, Sections B–D Questionnaire Response*, Huvis submitted evidence demonstrating that it was the importer of record for certain of its POR sales. We examined the customs entry documentation submitted by Huvis and tied it to the U.S. sales listing. We noted that Huvis was indeed the importer of record for certain sales. Therefore, for purposes of calculating the importer-specific assessment rates, we have treated Huvis as the importer of record for certain POR shipments. Pursuant to 19 CFR 351.212(b)(1), for all sales where Huvis is the importer of record, Huvis submitted the reported entered value of the U.S. sales and we have calculated importer-specific assessment rates based on the ratio of the total amount of antidumping duties

calculated for the examined sales to the total entered value of those sales.

Regarding sales where Huvis was not the importer of record, we note that Huvis did not report the entered value for the U.S. sales in question. Accordingly, we have calculated importer-specific assessment rates for the merchandise in question by aggregating the dumping margins calculated for all U.S. sales to each importer and dividing this amount by the total quantity of those sales. To determine whether the duty assessment rates were *de minimis*, in accordance with the requirement set forth in 19 CFR 351.106(c)(2), we calculated importer-specific *ad valorem* ratios based on the estimated entered value.

Pursuant to 19 CFR 351.106(c)(2), we will instruct CBP to liquidate without regard to antidumping duties any entries for which the assessment rate is *de minimis* (*i.e.*, less than 0.50 percent). The Department will issue appraisement instructions directly to CBP.

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 period of review produced by companies included in these preliminary results 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 the intermediate company(ies) involved in the transaction. For a full discussion of this clarification, see *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

For Saehan and Dongwoo, the Department is instructing CBP to liquidate any entries from these companies during the POR and to assess antidumping duties at the rate in effect at the time of entry. If the Department rescinds this review for Daehan, and in the event any entries were made during the POR through intermediaries under the CBP case number for Daehan, the Department will instruct CBP to liquidate such entries at the all others rate in effect on the date of entry, consistent with the May 6, 2003 clarification discussed above.

Cash Deposit Requirements

The following deposit requirements will be effective upon completion of the final results of this administrative review for all shipments of PSF 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 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 original less-than-fair-value investigation or a previous review, the cash deposit rate will continue to be the most recent rate published in the final determination or final results for which the manufacturer or exporter received an individual rate; (3) if the exporter is not a firm covered in this review, the previous review, or the original investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; and (4) if neither the exporter nor the manufacturer is a firm covered in this or any previous reviews, the cash deposit rate will be 7.91 percent, the “all others” rate established in *Certain Polyester Staple Fiber from the Republic of Korea: Notice of Amended Final Determination and Amended Order Pursuant to Final Court Decision*, 68 FR 74552 (December 24, 2003).

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: May 23, 2006.

David M. Spooner,

Assistant Secretary for Import Administration.

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