

In accordance with the Board's regulations, a member of the FTZ Staff has been designated examiner to investigate the application and report to the Board.

Public comment on the application is invited from interested parties. Submissions (original and 3 copies) shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is [60 days from date of publication]. Rebuttal comments in response to material submitted during the foregoing period may be submitted during the subsequent 15-day period (to [75 days from date of publication]).

A copy of the application and accompanying exhibits will be available for public inspection at each of the following locations:

U.S. Department of Commerce, Export Assistance Center, 600 Superior Avenue, East, Suite 700, Cleveland, Ohio, 44114-2≤  
Office of the Executive Secretary, Foreign-Trade Zones Board, U.S. Department of Commerce, Room 2814B, 1401 Constitution Avenue, NW, Washington, D.C., 20230-2≤

Dated: January 22, 2007.

**Andrew McGilvray,**  
Executive Secretary.

[FR Doc. E7-2136 Filed 2-8-07; 8:45 am]

BILLING CODE 3510-DS-S

## DEPARTMENT OF COMMERCE

### International Trade Administration A-570-905

#### Postponement of Final Determination of Antidumping Duty Investigation: Certain Polyester Staple Fiber from the People's Republic of China

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

**EFFECTIVE DATE:** February 9, 2007.

**FOR FURTHER INFORMATION CONTACT:** Michael Holton or Paul Walker, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1324 or (202) 482-0413, respectively.

#### SUPPLEMENTARY INFORMATION:

#### Postponement of Final Determination

On July 13, 2006, the Department of Commerce ("Department") initiated the antidumping duty investigation of certain polyester staple fiber from the People's Republic of China. See *Initiation of Antidumping Duty*

*Investigation: Certain Polyester Staple Fiber from the People's Republic of China*, 71 FR 41201 (July 20, 2006) ("Initiation Notice"). On December 26, 2006, the Department published the *Preliminary Determination* in the antidumping duty investigation of certain polyester staple fiber from the People's Republic of China. See *Preliminary Determination of Sales at Less Than Fair Value and Partial Affirmative Determination of Critical Circumstances: Certain Polyester Staple Fiber from the People's Republic of China*, 71 FR 77373 (December 26, 2006) ("Preliminary Determination"). The *Preliminary Determination* stated that the Department would make its final determination for this antidumping duty investigation no later than 75 days after the date of publication of the preliminary determination (i.e., March 11, 2007).

Section 735(a)(2) of the Tariff Act of 1930 ("the Act") provides that a final determination may be postponed until not later than 135 days after the date of the publication of the preliminary determination if, in the event of an affirmative determination, a request for such postponement is made by exporters who account for a significant proportion of exports of the subject merchandise, or in the event of a negative preliminary determination, a request for such postponement is made by petitioner. In addition, the Department's regulations, at 19 CFR 351.210(e)(2), require that requests by respondents for postponement of a final determination be accompanied by a request for extension of provisional measures from a four-month period to not more than six months. See 19 CFR 351.210(e)(2).

On January 10, 2007, several respondents<sup>1</sup> requested a 30-day extension of the final determination and extension of the provisional measures.<sup>2</sup> Thus, because our preliminary determination is affirmative, and the respondents requesting an extension of the final determination, and an extension of the provisional measures, account for a significant proportion of exports of the subject merchandise, and no compelling reasons for denial exist,

<sup>1</sup> These respondents are: Cixi Jiangnan Chemical Fiber Co., Ltd., Ningbo Dafa Chemical Fiber Co., Ltd., Cixi Sansheng Chemical Fiber Co., Ltd., Cixi Santai Chemical Fiber Co., Ltd., Hangzhou Sanxin Paper Co., Ltd., Suzhou PolyFiber Co., Ltd., Zhaoqing Tifo New Fiber Co., Ltd., Nantong Luolai Chemical Fiber Co. Ltd., Zhejiang Waysun Chemical Fiber Co., Ltd. and Cixi Waysun Chemical Fiber Co., Ltd.

<sup>2</sup> On January 12, 2007, Far Eastern Industries (Shanghai) Ltd. requested a 30 day extension of the final determination, but did not request an extension of the provisional measures.

we are extending the due date for the final determination by 30 days. For the reasons identified above, we are postponing the final determination until April 10, 2007.

This notice is issued and published pursuant to sections 777(i) of the Act and 19 CFR 351.205(f)(1).

Dated: February 1, 2007.

**David M. Spooner,**

Assistant Secretary for Import Administration.  
[FR Doc. E7-2128 Filed 2-8-07; 8:45 am]

BILLING CODE 3510-DS-S

## DEPARTMENT OF COMMERCE

### International Trade Administration A-570-890

#### Wooden Bedroom Furniture from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review, Preliminary Results of New Shipper Reviews and Notice of Partial Rescission

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

**SUMMARY:** In response to requests from interested parties, the Department of Commerce ("the Department") is conducting an administrative review of the antidumping duty order on wooden bedroom furniture from the People's Republic of China ("PRC"). The period of review ("POR") for this administrative review is June 24, 2004, through December 31, 2005. This administrative review covers multiple producers/exporters of the subject merchandise, five of which are being individually investigated as mandatory respondents. The Department is also conducting new shipper reviews for two exporters/producers. The POR for the new shipper reviews is also June 24, 2004, through December 31, 2005.

We preliminarily determine that all five mandatory respondents in the administrative review made sales in the United States at prices below normal value. With respect to the remaining respondents in the administrative review (herein after collectively referred to as the Separate Rate Applicants), we preliminarily determine that 39 entities have provided sufficient evidence that they are separate from the state-controlled entity, and we have established a weighted-average margin based on the rates we have calculated for the five mandatory respondents, excluding any rates that are zero, *de minimis*, or based entirely on adverse facts available to be applied to these

separate rate entities. In addition, we have determined to rescind the review with respect to 17 entities in this administrative review. See *Partial Rescission* section below. Further, we preliminarily determine that the remaining separate rate applicants have not demonstrated that they are entitled to a separate rate, and will thus be considered part of the PRC entity. Finally, we preliminarily determine that the two new shippers made sales in the United States at prices below normal value. If these preliminary results are adopted in our final results of review, we will instruct U.S. Customs and Border Protection ("CBP") to assess antidumping duties on entries of subject merchandise during the POR for which the importer-specific assessment rates are above *de minimis*.

We invite interested parties to comment on these preliminary results. Parties who submit comments are requested to submit with each argument a statement of the issue and a brief summary of the argument. We intend to issue the final results of this review no later than 120 days from the date of publication of this notice.

**EFFECTIVE DATE:** February 9, 2007.

**FOR FURTHER INFORMATION CONTACT:** Eugene Degnan or Robert Bolling, AD/CVD Operations, Office 8, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0414 and (202) 482-3434, respectively.

**SUPPLEMENTARY INFORMATION:**

**Background**

On January 4, 2005, the Department published in the **Federal Register** the antidumping duty order on wooden bedroom furniture from the PRC. See *Notice of Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order: Wooden Bedroom Furniture from the People's Republic of China*, 70 FR 329 (January 4, 2005) ("*Amended Final Determination*"). On January 3, 2006, the Department published a notice of opportunity to request an administrative review of the antidumping duty order on wooden bedroom furniture from the PRC for the period June 24, 2004, through December 31, 2005. See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation: Opportunity to Request Administrative Review*, 71 FR 89 (January 3, 2006). On February 28, 2006, the Department issued a letter to all parties in its initiation notice, giving parties notice that, due to the large

number of requests for review in this case, we were considering limiting the number of respondents, and in order to facilitate the selection process and administer this review, the Department was considering implementing its existing administrative procedures. See Letter from Wendy Frankel, Director, AD/CVD Operations, Office 8, dated February 28, 2006. On March 7, 2006, the Department initiated the first administrative review of the antidumping duty order on wooden bedroom furniture from the PRC. See *Notice of Initiation of Administrative Review of the Antidumping Duty Order on Wooden Bedroom Furniture from the People's Republic of China*, 71 FR 11394 (March 7, 2006) ("*Initiation Notice*"). Additionally, on March 7, 2006, the Department initiated three new shipper reviews on wooden bedroom furniture from the PRC with respect to the following companies: Dongguan Huanghouse Furniture Co., Ltd. ("*Huanghouse*"), Senyuan Furniture Group ("*Senyuan*"), and Tianjin First Wood Co., Ltd. ("*First Wood*"). See *Notice of Initiation of New Shipper Reviews on Wooden Bedroom Furniture from the People's Republic of China*, 71 FR 11404 (March 7, 2006) ("*New Shipper Initiation Notice*"). Between March 7, 2006, and June 5, 2006, several parties withdrew their requests for administrative review. On June 30, 2006, the Department published a notice rescinding the review with respect to the entities for whom all review requests had been withdrawn. See *Notice of Partial Rescission of the Antidumping Duty Administrative Review on Wooden Bedroom Furniture from the People's Republic of China*, 71 FR 37539 (June 30, 2006).

On March 21, 2006, the Furniture Sub-Chamber of the China Chamber of Commerce for Import & Export of Light Industrial Products and Arts-Crafts ("*Furniture Subchamber of 'CCCLA'*") filed a Market-Oriented Industry request with the Department. On April 3, 2006, the Department issued the Furniture Subchamber of CCCLA a letter explaining that the submission had not been properly served on all interested parties, and that for the Department to retain the submission on the record of this administrative review, the Furniture Subchamber of CCCLA would have to comply with the following requirements: serve all interested parties with its March 21, 2006 submission and certify to the Department that it had served all interested parties. We informed the Furniture Subchamber of CCCLA that it must comply with our instructions by no later than April 14,

2006. On May 16, 2006, we rejected the Furniture Subchamber of CCCLA's March 21, 2006, submission because it had not complied with the requirements stipulated above, (*i.e.*, did not properly serve all interested parties by the required deadline set forth in the Department's April 3 letter). See Letter from Wendy Frankel, Director, Office 8, to Hu Weiqiao, Secretary-General, The Furniture Sub-Chamber of the China Chamber of Commerce for Import & Export of Light Industrial Products and Arts-Crafts, dated May 16, 2006.

On May 12, 2006, Petitioners<sup>1</sup> submitted comments with respect to respondent selection. On June 6 and 26, 2006, Fine Furniture (Shanghai) Limited and its affiliates ("*Fine Furniture*") submitted comments with respect to respondent selection. On June 14, 2006, Shanghai Starcorp Furniture Co., Ltd., Starcorp Furniture (Shanghai) Co., Ltd., Orin Furniture (Shanghai) Co., Ltd., Shanghai Star Furniture Co., Ltd., and Shanghai Xing Ding Furniture Industrial Co., Ltd. (collectively, "*Starcorp*"), submitted comments with respect to respondent selection. Also, on June 14, 2006, Maria Yee, Inc., Guangzhou Maria Yee Furnishings, Ltd., and Pyla HK Limited (collectively, "*Maria Yee*") filed comments regarding respondent selection.

On June 8, 2006, American Signature, Inc. ("*ASI*") requested that the Department issue instructions to CBP to refund "excess" antidumping duty deposits made by ASI due to ministerial errors from the original investigation pursuant to 19 U.S.C. 1520. On June 16, 2006, Pacific Marketing International ("*PMI*") stated that it supports ASI's comments and requested that the Department direct CBP to liquidate all entries from the supplier identified in ASI's June 8, 2006, submission according to "correct" final rates rather than the "incorrect" final rates. On June 21, 2006, Petitioners submitted comments with respect to ASI and PMI's request and stated that their requests are without merit and that the Department's regulations provide for the automatic assessment of duties at the cash deposit rate "at the time of entry" if no administrative review is requested. Petitioners argue that because neither party requested a review of the exporter, the Department should liquidate their entries at the cash deposit rate in effect at the time of entry, pursuant to 19 CFR 351.212(c), which stipulates that if no review is requested the Department is to instruct CBP to assess antidumping

<sup>1</sup> The Petitioners in this case are the American Furniture Manufacturers Committee for Legal Trade and Vaughan-Bassett Furniture Company.

duties at rates equal to the cash deposit or bond posted on those entries. Also, on June 26, 2006, RiversEdge Furniture Company ("RiversEdge") requested that the Department issue instructions to CBP to refund excess antidumping duty deposits made by RiversEdge between the *Preliminary Determination* and the *Amended Preliminary Determination* and those posted between the *Final Determination* and the *Amended Final Determination* in the less than fair value investigation. See *Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Wooden Bedroom Furniture from the People's Republic of China*, 69 FR 35312 (June 24, 2004) ("Preliminary Determination"); *Notice of Amended Preliminary Determination of Sales at Less Than Fair Value and Amendment to the Scope: Wooden Bedroom Furniture from the People's Republic of China*, 69 FR 54643 (September 9, 2004) ("Amended Preliminary Determination"); *Notice of Final Determination of Sales at Less Than Fair Value: Wooden Bedroom Furniture from the People's Republic of China*, 69 FR 67313 (November 17, 2004) ("Final Determination") and *Amended Final Determination*. On June 30, 2006, Petitioners submitted comments with respect to RiversEdge's request, reiterating their response to ASI and PMI's requests stating that the Department cannot grant the request because RiversEdge's entries are currently enjoined from liquidation. Additionally, on July 31, 2006, Dongguan Sunrise Furniture Co., Taican Sunrise Wood Industry Co., Ltd., Shanghai Sunrise Furniture Co., Ltd., and Fairmont Designs (collectively, "Fairmont Designs") requested the refund of certain antidumping duty deposits made by Fairmont Designs. On August 11, 2006, Petitioners submitted comments with respect to Fairmont Design's request and stated for the same reasons explained in its June 21 and June 30 submissions that Fairmont Design's request is without merit. The Department has determined that the requests made by the above parties are without merit. The Department's regulations state "if the Secretary does not receive a timely request for an administrative review, the Secretary will instruct the Customs Service to . . . , assess antidumping duties, at rates equal to the cash deposit of, or bond for, estimated antidumping duties." See 19 CFR 351.212(c). Because no review is being conducted with respect to the exporter for the period covered by these entries, we will instruct CBP to liquidate the entries at the cash deposit

rate in effect at the time of entry, for all entries not enjoined from liquidation.

Because of the large number of companies subject to this review, on July 3, 2006, the Department issued its respondent-selection memorandum, selecting the following five companies as mandatory respondents in this administrative review: Fine Furniture; Foshan Guanqiu Furniture Co., Ltd. ("Foshan Guanqiu"); Fujian Lianfu Forestry Co./Fujian Wonder Pacific Inc./Fuzhou Huan Mei Furniture Co., Ltd./Jiangsu Dare Furniture Co., Ltd. ("Dare Group"); Shanghai Aosen Furniture Co., Ltd. ("Shanghai Aosen"); and Starcorp. See *Memorandum from Wendy J. Frankel, Director, Office 8, to Gary Taverman, Acting Deputy Assistant Secretary for Import Administration, Antidumping Duty Administrative Review of Wooden Bedroom Furniture from the People's Republic of China: Selection of Respondents* ("Respondent Selection Memo"), dated July 3, 2006.

On July 28, 2006, the Department issued its questionnaire to Fine Furniture, Foshan Guanqiu, the Dare Group, Shanghai Aosen, and Starcorp. On August 30, 2006, all mandatory respondents requested an extension of time to respond to the Department's questionnaire. On August 30, 2006 the Department extended the deadline for submission of the Sections C and D questionnaire response until September 22, 2006.

On July 26, 2006, counsel for Foshan Guanqiu met with Department officials to discuss modifying the requirement to report factors of production ("FOP") for three of Foshan Guanqiu's suppliers of subject merchandise. See *Memo to the File Regarding Meeting with Counsel for Foshan Guanqiu Furniture Co.*, dated July 27, 2006. On August 3, 2006, Foshan Guanqiu submitted comments regarding this issue. On August 14, 2006, Petitioners submitted rebuttal comments arguing that the Department should require Foshan Guanqiu to submit FOP data for all of its suppliers. On August 24, 2006, we determined that Foshan Guanqiu did not have to report FOPs for two of its three suppliers of subject merchandise, Nanhai Baiyi Woodwork Co., Ltd. ("Baiyi") and Zhongshan Melux Furniture Co., Ltd. ("Melux").

In August 2006, pursuant to 19 CFR 351.214(j)(3), the two new shipper respondents (i.e., First Wood and Huanghouse) agreed to waive the time limits applicable to the new shipper reviews and to permit the Department to conduct the new shipper reviews concurrently with the administrative review. See *Memorandum to the file, Wooden Bedroom Furniture from the*

*People's Republic of China - Alignment of the 6/24/04 - 12/31/05 Annual Administrative and New Shipper Reviews*, dated August 24, 2006.

On August 2, 2006, Huanghouse informed the Department that it would no longer participate in the new shipper review of Huanghouse. See *Letter from Dongguan Huanghouse Furniture Co., Ltd.*, dated August 2, 2006.

On April 3, 2006, Senyuan withdrew its request for a new shipper review, within the 60-day time limit for withdrawal. No other party requested a review of Senyuan for this time period. Accordingly, we rescinded this new shipper review. See *Notice of Partial Rescission of New Shipper Review on Wooden Bedroom Furniture from the People's Republic of China*, 71 FR 52064 (September 1, 2006).

On September 12, 2006, the Department issued a letter to interested parties seeking comments on surrogate country selection and surrogate values. On October 3, 2006, Petitioners and the Dare Group submitted comments regarding the selection of a surrogate country. Also, on October 24, 2006, the Dare Group, Fine Furniture, Foshan Guanqiu, Starcorp, and Petitioners submitted surrogate value information.

On September 28, 2006, we extended the deadline for the issuance of the preliminary results of the administrative review and new shipper reviews until January 31, 2007. See *Wooden Bedroom Furniture from the People's Republic of China: Extension of Time Limits for the Preliminary Results of the Antidumping Duty Administrative Review and New Shipper Reviews*, 71 FR 59088 (October 6, 2006).

On November 3, 2006, Petitioners submitted comments responding to the respondent's surrogate value information. Also, on November 3, 2006, the Dare Group, Fine Furniture, Foshan Guanqiu, Shanghai Aosen, and Starcorp responded to Petitioners' October 24, 2006, surrogate value submission. On November 13, 2006, the Dare Group provided additional surrogate value information and responded to Petitioners' November 3, 2006, submission. On November 22, 2006, Petitioners responded to the Dare Group's November 13, 2006, submission. On December 4, 2006, the Dare Group responded to Petitioners' November 22, 2006, submission. On December 22, 2006, Petitioners responded to the Dare Group's December 4, 2006, submission.

On December 11, 2006, the Department requested that Fine Furniture, Foshan Guanqiu, Shanghai Aosen, and Starcorp provide additional surrogate value information. Between

December 18 and 21, 2006, Starcorp, Fine Furniture, Foshan Guanqiu, and Shanghai Aosen each submitted responses to the Department's request.

On January 9, 2007, First Wood withdrew its request for a new shipper review and requested that the review be terminated. See *The Application of Total Adverse Facts Available*, First Wood section below for additional discussion.

### Company-Specific Chronology

As described above, the Department issued its antidumping questionnaire to the five mandatory respondents. Upon receipt of the various responses, the Petitioners provided comments and the Department issued supplemental questionnaires. Because the chronology of this stage of the administrative review is extensive and varies by respondent, the Department has separated this portion of the background section by company.

#### Dare Group

On August 7, 2006, the Dare Group requested a one-week extension for the submission of its Section A response. On August 25, 2006, the Dare Group submitted its Section A response to the Department's original questionnaire. On August 29, 2006, the Dare Group requested a 24-day extension for the submission of its Sections C and D response to the Department's original questionnaire. On August 30, 2006, the Department granted the Dare Group a 17-day extension. On September 12, 2006, the Dare Group requested an additional two-week extension for the submission of its Section C and D response. On September 19, 2006, the Department granted the Dare Group a further one-week extension. On September 21, 2006, the Department issued a supplemental Section A questionnaire to the Dare Group. On September 27, 2006, the Dare Group requested an additional one-day extension for the submission of its Sections C and D response, which the Department granted on September 28, 2006. On October 2, 2006, the Dare Group submitted its Section C and D response to the Department's original questionnaire. Also, on October 2, 2006, the Dare Group requested a two-week extension for the submission of its supplemental Section A response. On October 5, 2006, the Dare Group requested an additional four-day extension for the submission of its supplemental Section A response, which the Department granted. On October 16, 2006, the Dare Group submitted its supplemental Section A response. On November 22, 2006, the

Department issued a supplemental Sections C and D questionnaire. On November 30, 2006, the Dare Group requested a three-week extension for the submission of its supplemental Sections C and D response. On December 4, 2006, the Department granted the Dare Group a 12-day extension for the submission of its supplemental Sections C and D response. On December 18, 2006, the Dare Group submitted its supplemental Sections C and D response. On January 9, 2007, the Department issued a second supplemental Sections A, C and D questionnaire. On January 18, 2007, the Dare Group requested a one-day extension for the submission of its supplemental Sections A, C and D response, which the Department granted. On January 22, 2007, the Dare Group submitted its supplemental Sections A, C and D response. On September 5, October 17, November 13, and December 22, 2006, Petitioners submitted comments on the Dare Group's questionnaire and supplemental questionnaire responses.

#### Fine Furniture

On August 25, 2006, Fine Furniture submitted its Section A response to the Department's original questionnaire. On September 15, 2006, Fine Furniture requested an extension of time to respond to Sections C and D of the Department's original questionnaire. On September 19, 2006, the Department extended the deadline for submission of Fine Furniture's Sections C and D responses until October 2, 2006. On September 21, 2006, the Department issued a supplemental Section A questionnaire to Fine Furniture. On October 2, 2006, Fine Furniture requested an extension of time to respond to the supplemental Section A questionnaire. Also, on October 2, 2006, Fine Furniture submitted its responses to Sections C and D of the questionnaire. On October 4, 2006, the Department extended the deadline for submission of Fine Furniture's supplemental Section A response until October 16, 2006. On November 9, 2006, the Department issued a supplemental Section D questionnaire to Fine Furniture. On November 15, 2006, Fine Furniture requested an extension of time to respond to the supplemental Section D questionnaire. On November 20, 2006, the Department extended the deadline for submission of Fine Furniture's supplemental Section D response until December 4, 2006. On November 28, 2006, Fine Furniture requested an additional extension of time to respond to the supplemental Section D questionnaire. On November 30, 2006, the Department extended the

deadline for submission of Fine Furniture's supplemental Section D response until December 6, 2006. Also, on November 30, 2006, the Department issued a supplemental Section C questionnaire to Fine Furniture. On December 6, 2006, Fine Furniture submitted its supplemental Section D response. Also, on December 11, 2006, Fine Furniture requested an additional extension of time to respond to the Section C supplemental questionnaire. On December 14, 2006, the Department extended the deadline for submission of Fine Furniture's supplemental Section C response until December 20, 2006. On December 20, 2006, Fine Furniture submitted its supplemental Section C response. On December 27, 2006, the Department issued its second supplemental Section D questionnaire. On January 3, 2007, Fine Furniture requested an extension of time to respond to the second supplemental Section D questionnaire. Also, on January 3, 2007, the Department issued its second supplemental Section C questionnaire. On January 4, 2007, the Department extended the deadline for submission of Fine Furniture's second supplemental Section D response until January 12, 2007. On January 12, 2007, Fine Furniture requested an extension of time to respond to the second supplemental Section C and D questionnaire. On January 16, 2007, Fine Furniture submitted its responses to the second supplemental Sections C and D questionnaires. On September 5, October 13, November 21, and December 19 and 22, 2006, Petitioners submitted comments on Fine Furniture's questionnaire and supplemental questionnaire responses.

#### Foshan Guanqiu

On August 25, 2006, Foshan Guanqiu submitted its Section A response to the Department's original questionnaire. On October 2, 2006, Foshan Guanqiu submitted its Sections C and D response to the Department's original questionnaire. The Department issued a supplemental Section A questionnaire to Foshan Guanqiu on October 4, 2006, to which Foshan Guanqiu responded on October 25, 2006. On November 8, 2006, the Department issued a supplemental Sections C and D questionnaire to Foshan Guanqiu, to which Foshan Guanqiu responded on November 30, 2006. The Department issued a supplemental questionnaire on surrogate values submitted by Foshan Guanqiu on December 11, 2006, and received a response on December 21, 2006. The Department issued a second supplemental Section C and D questionnaire to Foshan Guanqiu on

December 29, 2006, and received a response on January 12, 2007. On September 5, October 20, November 13, and December 13, 2006, Petitioners submitted comments on Foshan Guanqiu's questionnaire and supplemental questionnaire responses.

#### Shanghai Aosen

On August 28, 2006, Shanghai Aosen submitted its Section A response to the Department's original questionnaire. On September 15, 2006, Shanghai Aosen requested a two-week extension to respond to Section D of the Department's original questionnaire. On September 19, 2006, the Department granted the extension for Shanghai Aosen to file its Section D response by September 29, 2006. On September 25, 2006, Shanghai Aosen submitted its Section C response to the Department's original questionnaire.

On October 2, 2006, Shanghai Aosen submitted its Section D response to the Department's original questionnaire. On October 3, 2006, the Department issued a supplemental Section A questionnaire to Shanghai Aosen. On October 5, 2006, Shanghai Aosen requested a one-week extension to respond to the supplemental Section A questionnaire. On October 10, 2006, the Department granted a full extension until October 18, 2006. On October 18, 2006, Shanghai Aosen submitted its supplemental Section A response.

On November 8, 2006, the Department issued a supplemental Section C questionnaire to Shanghai Aosen. On November 16, 2006, Shanghai Aosen requested a two-week extension to respond to the supplemental Section C questionnaire. The Department granted a partial extension on November 21, 2006, and instructed Shanghai Aosen to respond to the supplemental Section C questionnaire by November 29, 2006. On November 28, 2006, the Department issued a supplemental Section D questionnaire to Shanghai Aosen. On November 30, Shanghai Aosen submitted its supplemental Section C response.

On December 7, 2006, Shanghai Aosen requested a 17-day extension to respond to the supplemental Section D questionnaire. The Department granted a partial extension until December 19, 2006. On December 12, 2006, the Department issued a supplemental Section D questionnaire specific to Shanghai Aosen's FOPs to be due by December 19, 2006. On December 18, 2006, Shanghai Aosen requested a three-day extension to respond to this supplemental Section D questionnaire. The Department granted a partial extension until December 21, 2006. On

December 20, 2006, Shanghai Aosen submitted its supplemental Section D response. On December 21, 2006, Shanghai Aosen submitted its response to the supplemental Section D questionnaire specific to its FOPs.

On January 5, 2007, the Department issued a second supplemental Sections C and D questionnaire. On January 22, 2007, Shanghai Aosen submitted its second supplemental Sections C and D response. On September 6, October 23, November 13, and December 13 and 27, 2006, and January 18, 2007, Petitioners submitted comments on Shanghai Aosen's questionnaire and supplemental questionnaire responses.

#### Starcorp

On August 25, 2006, Starcorp submitted its Section A questionnaire response. On October 2, 2006, Starcorp submitted its Sections C and D questionnaire responses. The Department issued a supplemental Section A questionnaire to Starcorp on October 3, 2006, to which Starcorp responded on October 27, 2006. The Department issued a supplemental Section D questionnaire to Starcorp on November 3, 2006, to which Starcorp responded on November 29, 2006. On November 21, 2006, the Department issued a supplemental Section C questionnaire and second supplemental Sections A and D questionnaires to Starcorp, to which Starcorp responded on December 12, 2006. On December 11, 2006, the Department issued a third supplemental Section D questionnaire to Starcorp, to which Starcorp responded on December 18, 2006. On December 20, 2006, the Department issued a fourth supplemental Section D questionnaire to Starcorp, to which Starcorp responded on January 8, 2007. On December 28, 2006, the Department issued a second supplemental Section C questionnaire, to which Starcorp responded on January 8, 2007. Further, on January 12, 2007, the Department issued a third supplemental Section C questionnaire, to which Starcorp responded on January 17, 2007. On September 6, October 16, November 9, and December 13, 19, and 21, 2006, and January 12, 2007, Petitioners submitted comments on Starcorp's questionnaire and supplemental questionnaire responses. Finally, on December 18, 2006, and January 19, 22, and 26, 2007, Starcorp submitted responses to Petitioners' comments of December 7 and 12, 2006, and January 12 and 23, 2007, respectively.

#### First Wood

On March 14, 2006, the Department issued its standard antidumping

questionnaire to First Wood. First Wood submitted its Section A response on April 19, 2006, and its Sections C and D responses on May 11, 2006. The Department issued a supplemental Sections A, C, and D questionnaire to First Wood on July 14, 2006, to which First Wood responded on August 17, 2006. The Department issued a second supplemental Sections A, C, and D questionnaire to First Wood on December 7, 2006, to which First Wood responded on January 3, 2006. Petitioners provided no comments.

#### Period of Review

The POR is June 24, 2004, through December 31, 2005.

#### Scope of the Order

The product covered is wooden bedroom furniture. Wooden bedroom furniture is generally, but not exclusively, designed, manufactured, and offered for sale in coordinated groups, or bedrooms, in which all of the individual pieces are of approximately the same style and approximately the same material and/or finish. The subject merchandise is made substantially of wood products, including both solid wood and also engineered wood products made from wood particles, fibers, or other wooden materials such as plywood, oriented strand board, particle board, and fiberboard, with or without wood veneers, wood overlays, or laminates, with or without non-wood components or trim such as metal, marble, leather, glass, plastic, or other resins, and whether or not assembled, completed, or finished.

The subject merchandise includes the following items: (1) wooden beds such as loft beds, bunk beds, and other beds; (2) wooden headboards for beds (whether stand-alone or attached to side rails), wooden footboards for beds, wooden side rails for beds, and wooden canopies for beds; (3) night tables, night stands, dressers, commodes, bureaus, mule chests, gentlemen's chests, bachelor's chests, lingerie chests, wardrobes, vanities, chessers, chifforobes, and wardrobe-type cabinets; (4) dressers with framed glass mirrors that are attached to, incorporated in, sit on, or hang over the dresser; (5) chests-on-chests<sup>2</sup>,

<sup>2</sup> A chest-on-chest is typically a tall chest-of-drawers in two or more sections (or appearing to be in two or more sections), with one or two sections mounted (or appearing to be mounted) on a slightly larger chest; also known as a tallboy.

highboys<sup>3</sup>, lowboys<sup>4</sup>, chests of drawers<sup>5</sup>, chests<sup>6</sup>, door chests<sup>7</sup>, chiffoniers<sup>8</sup>, hutches<sup>9</sup>, and armoires<sup>10</sup>; (6) desks, computer stands, filing cabinets, book cases, or writing tables that are attached to or incorporated in the subject merchandise; and (7) other bedroom furniture consistent with the above list.

The scope of the order excludes the following items: (1) seats, chairs, benches, couches, sofas, sofa beds, stools, and other seating furniture; (2) mattresses, mattress supports (including box springs), infant cribs, water beds, and futon frames; (3) office furniture, such as desks, stand-up desks, computer cabinets, filing cabinets, credenzas, and bookcases; (4) dining room or kitchen furniture such as dining tables, chairs, servers, sideboards, buffets, corner cabinets, china cabinets, and china hutches; (5) other non-bedroom furniture, such as television cabinets, cocktail tables, end tables, occasional tables, wall systems, book cases, and entertainment systems; (6) bedroom furniture made primarily of wicker, cane, osier, bamboo or rattan; (7) side rails for beds made of metal if sold separately from the headboard and footboard; (8) bedroom furniture in which bentwood parts predominate<sup>11</sup>; (9) jewelry armories<sup>12</sup>; (10) cheval

mirrors<sup>13</sup>; (11) certain metal parts<sup>14</sup>; and (12) mirrors that do not attach to, incorporate in, sit on, or hang over a dresser if they are not designed and marketed to be sold in conjunction with a dresser as part of a dresser-mirror set.

Imports of subject merchandise are classified under subheading 9403.50.9040 of the Harmonized Tariff Schedule of the United States ("HTSUS") as "wooden...beds" and under subheading 9403.50.9080 of the HTSUS as "other...wooden furniture of a kind used in the bedroom." In addition, wooden headboards for beds, wooden footboards for beds, wooden side rails for beds, and wooden canopies for beds may also be entered under subheading 9403.50.9040 of the HTSUS as "parts of wood" and framed glass mirrors may also be entered under subheading 7009.92.5000 of the HTSUS as "glass mirrors...framed." This order covers all wooden bedroom furniture meeting the above description, regardless of tariff classification. Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of this proceeding is dispositive.

felt-like material, at least one side door (whether or not the door is lined with felt or felt-like material), with necklace hangers, and a flip-top lid with inset mirror. See Memorandum from Laurel LaCivita to Laurie Parkhill, Office Director, Issues and Decision Memorandum Concerning Jewelry Armoires and Cheval Mirrors in the Antidumping Duty Investigation of Wooden Bedroom Furniture from the People's Republic of China dated August 31, 2004. See also *Wooden Bedroom Furniture from the People's Republic of China: Notice of Final Results of Changed Circumstances Review and Revocation in Part*, (71 FR 38621) (July 7, 2006).

<sup>13</sup> Cheval mirrors, i.e., any framed, tiltable mirror with a height in excess of 50" that is mounted on a floor-standing, hinged base. Additionally, the scope of the order excludes combination cheval mirror/jewelry cabinets. The excluded merchandise is an integrated piece consisting of a cheval mirror, i.e., a framed tiltable mirror with a height in excess of 50 inches, mounted on a floor-standing, hinged base, the cheval mirror serving as a door to a cabinet back that is integral to the structure of the mirror and which constitutes a jewelry cabinet lined with fabric, having necklace and bracelet hooks, mountings for rings and shelves, with or without a working lock and key to secure the contents of the jewelry cabinet back to the cheval mirror, and no drawers anywhere on the integrated piece. The fully assembled piece must be at least 50 inches in height, 14.5 inches in width, and 3 inches in depth. See *Wooden Bedroom Furniture from the People's Republic of China: Notice of Final Results of Changed Circumstances Review and Determination to Revoke Order in Part*, (72 FR 948) (January 9, 2007).

<sup>14</sup> Metal furniture parts and unfinished furniture parts made of wood products (as defined above) that are not otherwise specifically named in this scope (i.e., wooden headboards for beds, wooden footboards for beds, wooden side rails for beds, and wooden canopies for beds) and that do not possess the essential character of wooden bedroom furniture in an unassembled, incomplete, or unfinished form. Such parts are usually classified under HTSUS subheading 9403.90.7000.

## Partial Rescission of Administrative Review

On April 17, 2006, Dongguan Landmark Furniture Products Ltd. ("Dongguan Landmark") submitted a separate rate application to the Department with regard to the first administrative review of wooden bedroom furniture from the PRC. Concurrently, Dongguan Landmark was participating in the first new shipper review of wooden bedroom furniture from the PRC covering the period June 24, 2004, through June 30, 2005, ("04/05 NSR"). On December 6, 2006, the Department completed this new shipper review, and determined Dongguan Landmark to be eligible for a separate rate. See *Wooden Bedroom Furniture from the People's Republic of China: Final Results of the 2004-2005 Semi-Annual New Shipper Reviews*, 71 FR 70739 (December 6, 2006) ("Final New Shipper Review"). On December 22, 2006, Dongguan Landmark responded to the Department's December 12, 2006, supplemental questionnaire with respect to its April 17 separate-rate application, stating that it had only one sale to the United States during the POR, which the Department reviewed and verified during the 04/05 NSR. Since the Department examined this sale in a previous segment of this proceeding, and it is not the Department's practice to examine the same sale(s) in multiple segments of a proceeding, the Department is rescinding this review with respect to Dongguan Landmark.

On July 28, 2006, Maria Yee conditionally withdrew its request for review based on the premise that should the Department rescind the review, it would instruct CBP to liquidate Maria Yee's entries for the first administrative review period at the assessment rate of 6.65 percent (and refund all excess antidumping duty deposits with interest) in accordance with the final court decision,<sup>15</sup> pursuant to section 516a(c) of the Tariff Act of 1930, as amended ("the Act"). Also, Maria Yee requested in the alternative that, if the

<sup>15</sup> During the investigation, because the Department determined that Maria Yee had not demonstrated separateness from the PRC government, Maria Yee received the PRC-wide rate of 198.08 percent. As a result of Maria Yee's litigation on the investigation, the Department determined on remand that Maria Yee was entitled to a separate rate. On June 22, 2006, when Maria Yee's litigation was concluded, the Department issued an amended final determination, revising Maria Yee's cash deposit rate to 6.65 percent. See *Notice of Amended Final Determination of Sales at Less Than Fair Value/Pursuant to Court Decision: Wooden Bedroom Furniture from the People's Republic of China*: 71 FR 35870 (June 22, 2006).

<sup>3</sup> A highboy is typically a tall chest of drawers usually composed of a base and a top section with drawers, and supported on four legs or a small chest (often 15 inches or more in height).

<sup>4</sup> A lowboy is typically a short chest of drawers, not more than four feet high, normally set on short legs.

<sup>5</sup> A chest of drawers is typically a case containing drawers for storing clothing.

<sup>6</sup> A chest is typically a case piece taller than it is wide featuring a series of drawers and with or without one or more doors for storing clothing. The piece can either include drawers or be designed as a large box incorporating a lid.

<sup>7</sup> A door chest is typically a chest with hinged doors to store clothing, whether or not containing drawers. The piece may also include shelves for televisions and other entertainment electronics.

<sup>8</sup> A chiffonier is typically a tall and narrow chest of drawers normally used for storing undergarments and lingerie, often with mirror(s) attached.

<sup>9</sup> A hutch is typically an open case of furniture with shelves that typically sits on another piece of furniture and provides storage for clothes.

<sup>10</sup> An armoire is typically a tall cabinet or wardrobe (typically 50 inches or taller), with doors, and with one or more drawers (either exterior below or above the doors or interior behind the doors), shelves, and/or garment rods or other apparatus for storing clothes. Bedroom armoires may also be used to hold television receivers and/or other audio-visual entertainment systems.

<sup>11</sup> As used herein, bentwood means solid wood made pliable. Bentwood is wood that is brought to a curved shape by bending it while made pliable with moist heat or other agency and then set by cooling or drying. See Customs' Headquarters' Ruling Letter 043859, dated May 17, 1976.

<sup>12</sup> Any armoire, cabinet or other accent item for the purpose of storing jewelry, not to exceed 24" in width, 18" in depth, and 49" in height, including a minimum of 5 lined drawers lined with felt or



Department does not agree to issue liquidation instructions for the first administrative review period in accordance with the court decision (see footnote 15), the Department instruct CBP to refund the difference in the duties deposited at the 198.08-percent rate and the duties that would have been deposited on those entries at the 6.65-percent rate. Additionally, Maria Yee requested the Department to instruct CBP to refund the difference in antidumping duties deposited on Maria Yee's January 1, 2006, through June 21, 2006, entries (the first half of the second administrative review) to account for the difference between these two deposit rates.

Although Maria Yee submitted its withdrawal request after the 90-day regulatory deadline, Maria Yee submitted the request very soon after the close of the appeal date (see footnote 15), which occurred shortly after the 90-day regulatory deadline for withdrawals of request for review. In order to preserve its rights with respect to the ultimate deposits on the entries in question, Maria Yee had to retain its request for review in place until the possibility of all appeals had been exhausted. Additionally, the Department had already completed its selection of mandatory respondents and Maria Yee was not selected as a mandatory respondent in this administrative review. Therefore, the Department's selection process of the mandatory respondents for this administrative review was not compromised by Maria Yee's request for withdrawal. Furthermore, the Department did not expend significant resources as of the date Maria Yee withdrew its request for review. Therefore, the Department is rescinding this review with respect to Maria Yee, and we will instruct to CBP to liquidate Maria Yee's entries for the first administrative review period (*i.e.*, June 24, 2004, through December 31, 2005) at the assessment rate of 6.65 percent.

Furthermore, the Department is rescinding this review with respect to the following companies (*i.e.*, Bao An Guan Lan Winmost Furniture Factory; Bouvrie International Limited; Dongguan Sea Eagle Furniture Company Limited; Guangdong New Four Seas Furniture Mfg.; Huizhou Jadom Furniture Co., Ltd.; Hwang Ho New Century Furniture (Dongguan) Corp. Ltd.; Inni Furniture Mfg. Ltd.; Jadom Furniture Co., Ltd.; Qingdao Beiyuan Industry Trading Co., Ltd.; Red Apple Furniture Co. Ltd.; Shenzhen Tiancheng Furniture Co. Ltd.; Sino Concord (Zhangzhou) Furniture Co., Ltd.; Top Goal Furniture Co., Ltd (Shenzhen);

Trade Rich Furniture (Dongguan) Corp. Ltd.; and Winbuild Industrial Ltd.) because 1) the respondent could not demonstrate that it made sales of subject merchandise to the United States during the POR or 2) record evidence demonstrates that the respondent did not have any exports of subject merchandise during the POR.

#### Non-Market Economy Country Status

In every case conducted by the Department involving the PRC, the PRC has been treated as a non-market economy ("NME") country. In accordance with section 771(18)(C)(i) of the Act, any determination that a foreign country is an NME country shall remain in effect until revoked by the administering authority. *See Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From the People's Republic of China: Preliminary Results 2001-2002 Administrative Review and Partial Rescission of Review*, 68 FR 7500 (February 14, 2003). None of the parties to this proceeding has contested such treatment. Accordingly, we calculated normal value ("NV") in accordance with section 773(c) of the Act, which applies to NME countries.

#### Surrogate Country

When the Department is investigating imports from an NME country, section 773(c)(1) of the Act directs it to base NV on the NME producer's FOPs. The Act further instructs that valuation of the FOPs shall be based on the best available information in a surrogate market economy country or countries considered to be appropriate by the Department. *See Section 773(c)(1) of the Act*. When valuing the FOPs, the Department shall utilize, to the extent possible, the prices or costs of FOPs in one or more market economy countries that are: (1) at a level of economic development comparable to that of the NME country; and (2) significant producers of comparable merchandise. *See Section 773(c)(1) of the Act*. The sources of the surrogate values ("SV") are discussed under the *Normal Value* section below and in the Memorandum to the File, *Factors Valuations for the Preliminary Results of the Administrative Review*, dated January 31, 2007 ("*Factor Valuation Memorandum*"), which is on file in the CRU.

The Department first determined that India, Indonesia, Sri Lanka, the Philippines, and Egypt are countries comparable to the PRC in terms of economic development. *See Memorandum to the File, Administrative Review of Wooden*

*Bedroom Furniture from the People's Republic of China (PRC): Request for a List of Surrogate Countries*, dated August 7, 2006, ("*Policy Memo*") which is on file in the CRU.

On September 12, 2006, the Department issued a request for parties to submit comments on surrogate country selection. On October 3, 2006, Petitioners submitted comments regarding the selection of a surrogate country.<sup>16</sup> Also, on October 3, 2006, the Dare Group submitted comments regarding the selection of a surrogate country.<sup>17</sup> On October 13, 2006, Petitioners submitted comments responding to the Dare Group's comments.<sup>18</sup> Also, on October 13, 2006, the Dare Group and Starcorp submitted comments responding to Petitioners' comments.<sup>19</sup> On October 23, 2006, Petitioners submitted rebuttal comments to the Dare Group's October 13, 2006, comments.<sup>20</sup> No other party to the proceeding submitted information or comments concerning the selection of a surrogate country.

Petitioners assert that India is the appropriate surrogate country for the PRC because India is at a level of economic development comparable to that of the PRC and is a significant producer of comparable merchandise. Additionally, Petitioners note that the Department selected India as the surrogate country in the original investigation.

The Dare Group claims that the method by which the Department selected the five surrogate countries is arbitrary and flawed. The Dare Group argues the surrogate country list in the *Policy Memo* is unsupported by record evidence and is contrary to the Department's regulations. The Dare Group argues that because India's per capita GNI is less than half that of the PRC, India cannot reasonably be described as "economically comparable" to the PRC, and would

<sup>16</sup> Letter dated October 3, 2006, from King & Spalding to Secretary of Commerce, Re: Wooden Bedroom Furniture from the People's Republic of China.

<sup>17</sup> Letter dated October 3, 2006, from Kay Scholer to Secretary of Commerce, Re: Wooden Bedroom Furniture from the People's Republic of China.

<sup>18</sup> Letter dated October 13, 2006, from King & Spalding to Secretary of Commerce, Re: Wooden Bedroom Furniture from the People's Republic of China.

<sup>19</sup> *See* Letter dated October 13, 2006, from Kay Scholer to Secretary of Commerce, Re: Wooden Bedroom Furniture from the People's Republic of China, and Letter dated October 13, 2006, from Steptoe & Johnson to Secretary of Commerce, Re: Wooden Bedroom Furniture from the People's Republic of China.

<sup>20</sup> Letter dated October 23, 2006, from King & Spalding to Secretary of Commerce, Re: Wooden Bedroom Furniture from the People's Republic of China.

thus not be an appropriate surrogate in this review. The Dare Group argues that the Philippines is a more appropriate choice for a surrogate country because it is at a level of economic development comparable to that of the PRC and is a significant producer of comparable merchandise.

Starcorp, a mandatory respondent in this review, urges the Department "to not automatically revert to its 'default' position of selecting India as the surrogate country for this proceeding, despite the fact that it determined that India was the appropriate surrogate country in the less than fair value ("LTFV") investigation." Starcorp argues that the Department's surrogate country determination in the LTFV investigation was made on the basis of 2001 data. Starcorp contends that the PRC's per capita GNI growth has significantly outpaced India's GNI growth since 2001. Starcorp states that at this stage of the review it cannot rule out or endorse India or any other potential surrogate country and requests that the Department address the question anew in light of updated data placed on the record of this proceeding by the Dare Group.

On January 22, 2007, the Department issued its surrogate country memorandum in which we addressed the parties' comments. See Memorandum to the File, *Antidumping Duty Administrative Review of Wooden Bedroom Furniture from the People's Republic of China: Selection of a Surrogate Country*, dated January 22, 2007 ("Surrogate Country Memorandum"), which is on file in the CRU. After evaluating concerns and comments, the Department determined that India is the appropriate surrogate country to use in this review. The Department based its decision on the following facts: 1) India is at a level of economic development comparable to that of the PRC; 2) India is a significant producer of comparable merchandise; and, 3) India provides the best opportunity to use quality, publicly available data to value the FOPs. See *Surrogate Country Memorandum*.

Therefore, we have selected India as the surrogate country and, accordingly, have calculated NV using Indian prices to value the respondents' FOPs, when available and appropriate. We have obtained and relied upon publicly available information wherever possible. See *Factor Valuation Memorandum*. In accordance with 19 CFR 351.301(c)(3)(ii), interested parties may submit publicly available information to value FOPs until 20 days after the date of publication of these preliminary results.

## Affiliation

Section 771(33) of the Act directs that the following persons will be considered affiliated: (A) Members of a family, including brothers and sisters (whether by whole or half blood), spouse, ancestors, and lineal descendants; (B) Any officer or director of an organization and such organization; (C) Partners; (D) Employer and employee; (E) Any person directly or indirectly owning, controlling, or holding with power to vote, five percent or more of the outstanding voting stock or shares of any organization and such organization; (F) Two or more persons directly or indirectly controlling, controlled by, or under common control with, any person; and (G) Any person who controls any other person and such other person.

For purposes of affiliation, a person shall be considered to control another person if the person is legally or operationally in a position to exercise restraint or direction over the other person. See Section 771(33) of the Act. In order to find affiliation between companies, the Department must find that at least one of the criteria listed above is applicable to the respondents. Moreover, stock ownership is not the only evidentiary factor that the Department may consider to determine whether a person is in a position to exercise restraint or direction over another person, e.g., control may be established through corporate or family groupings, or joint ventures and other means as well. See The Statement of Administrative Action accompanying the Uruguay Round Agreements Act ("SAA"), H.R. Doc. 103-316, 838 (1994). See also *Certain Fresh Cut Flowers from Colombia; Final Results of Antidumping Duty Administrative Review*, 61 FR 42833, 42853 (August 19, 1996); and *Certain Welded Carbon Steel Pipes and Tubes from Thailand: Final Results of Antidumping Duty Administrative Review*, 62 FR 53808, 53810 (October 16, 1997).

To the extent that the affiliation provisions in section 771(33) of the Act do not conflict with the Department's application of separate rates and the statutory NME provisions in section 773(c) of the Act, the Department will determine that exporters and/or producers are affiliated if the facts of the case support such a finding. See *Certain Preserved Mushrooms From the People's Republic of China: Preliminary Results of Sixth New Shipper Review and Preliminary Results and Partial Rescission of Fourth Antidumping Duty Administrative Review*, 69 FR 10410, 10413 (March 5, 2004) ("Mushrooms"),

unchanged in *Final Results and Final Rescission, in Part, of Antidumping Duty Administrative Review: Certain Preserved Mushrooms From the People's Republic of China*, 70 FR 54361 (September 14, 2005).

## The Dare Group

Following these guidelines, we preliminarily determine that Fujian Lianfu Forestry Co. Ltd./Fujian Wonder Pacific Inc./Fuzhou Huan Mei Furniture Co., Ltd./Jiangsu Dare Furniture Co., Ltd., collectively, ("Dare Group") are affiliated pursuant to sections 771(33)(A), (E) and (F) of the Act and that these companies should be treated as a single entity for the purposes of the antidumping administrative review of wooden bedroom furniture from the PRC. Based on our examination of the evidence presented in the Dare Group's questionnaire responses, we have determined that: (1) Fujian Lianfu Forestry Co. Ltd./Fujian Wonder Pacific Inc./Fuzhou Huan Mei Furniture Co., Ltd./Jiangsu Dare Furniture Co., Ltd. have overlapping managers and directors; (2) Fujian Lianfu Forestry Co. Ltd./Fujian Wonder Pacific Inc./Fuzhou Huan Mei Furniture Co., Ltd./Jiangsu Dare Furniture Co., Ltd. have some common ownership; (3) There is a familial relationship between persons with significant ownership interests in all three companies. See Memorandum to Wendy Frankel, Director, Office 8, NME/China Group, through Robert Bolling, Program Manager, From Eugene Degnan, Case Analyst, *Antidumping Duty Administrative Review of Wooden Bedroom Furniture from the People's Republic of China: Fujian Lianfu Forestry Co. Ltd./Fujian Wonder Pacific Inc./Fuzhou Huan Mei Furniture Co., Ltd./Jiangsu Dare Furniture Co., Ltd. and Treatment as a Single Entity*, dated October 28, 2005 ("Affiliation/Single Entity Treatment Memorandum").

## Separate Rates

In proceedings involving NME countries, the Department begins with a rebuttable presumption that all companies within the country are subject to government control and, thus, should be assigned a single antidumping duty deposit rate. It is the Department's policy to assign all exporters of merchandise subject to review in an NME country this single rate unless an exporter can demonstrate that it is sufficiently independent so as to be entitled to a separate rate. The five mandatory respondents (i.e., Dare Group, Fine Furniture, Foshan Guanqiu, Shanghai Aosen, and Starcorp) and 64 separate-rate respondents have provided company-specific information



and each has stated that it meets the standards for the assignment of a separate rate.

We have considered whether each of these companies referenced above is eligible for a separate rate. The Department's separate-rate test to determine whether the exporters are independent from government control does not consider, in general, macroeconomic/border-type controls, e.g., export licenses, quotas, and minimum export prices, particularly if these controls are imposed to prevent dumping. The test focuses, rather, on controls over the investment, pricing, and output decision-making process at the individual firm level. See, e.g., *Certain Cut-to-Length Carbon Steel Plate from Ukraine: Final Determination of Sales at Less Than Fair Value*, 62 FR 61754, 61758 (November 19, 1997); and *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China: Final Results of Antidumping Duty Administrative Review*, 62 FR 61276, 61279 (November 17, 1997).

To establish whether a firm is sufficiently independent from government control of its export activities to be entitled to a separate rate, the Department analyzes each entity exporting the subject merchandise under a test arising from the *Final Determination of Sales at Less Than Fair Value: Sparklers from the People's Republic of China*, 56 FR 20588 (May 6, 1991) ("Sparklers"), as amplified by *Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the People's Republic of China*, 59 FR 22585 (May 2, 1994) ("Silicon Carbide"). In accordance with the separate-rates criteria, the Department assigns separate rates in NME cases only if respondents can demonstrate the absence of both *de jure* and *de facto* government control over export activities.

#### 1. Absence of De Jure Control

The Department considers the following *de jure* criteria in determining whether an individual company may be granted a separate rate: (1) an absence of restrictive stipulations associated with an individual exporter's business and export licenses; (2) any legislative enactments decentralizing control of companies; and (3) other formal measures by the government decentralizing control of companies. See *Sparklers*, 56 FR at 20589.

Our analysis shows that, for the each of the mandatory respondents located in the PRC and certain separate-rate respondents, the evidence on the record supports a preliminary finding of *de*

*jure* absence of government control based on record statements and supporting documentation showing the following: 1) an absence of restrictive stipulations associated with the individual exporter's business and export licenses; 2) the applicable legislative enactments decentralizing control of the companies; and 3) any other formal measures by the government decentralizing control of companies. See Memorandum to Wendy J. Frankel, Director, Office 8, Import Administration, from Charles Riggle, Program Manager, *Wooden Bedroom Furniture from the People's Republic of China: Separate Rates for Producers/Exporters that Submitted Separate Rate Certifications and Applications* ("Separate-Rates Memo"), dated January 31, 2007.

#### 2. Absence of De Facto Control

Through previous cases, the Department has learned that certain enactments of the PRC central government have not been implemented uniformly among different sectors and/or jurisdictions in the PRC. See *Final Determination of Sales at Less Than Fair Value: Certain Preserved Mushrooms from the People's Republic of China*, 63 FR 72255 (December 31, 1998). Therefore, the Department has determined that an analysis of *de facto* control is critical in determining whether respondents are, in fact, subject to a degree of government control which would preclude the Department from assigning separate rates. The Department considers four factors in evaluating whether each respondent is subject to *de facto* government control of its export functions: (1) whether the exporter sets its own export prices independent of the government and without the approval of a government authority; (2) whether the respondent has the authority to negotiate and sign contracts, and other agreements; (3) whether the respondent has autonomy from the government in making decisions regarding the selection of its management; and (4) whether the respondent retains the proceeds of its export sales and makes independent decisions regarding disposition of profits or financing of losses.

We determine that, for the mandatory respondents located in the PRC and certain separate-rate respondents, the evidence on the record supports a preliminary finding of *de facto* absence of government control based on record statements and supporting documentation showing the following: 1) each exporter sets its own export prices independent of the government and without the approval of a

government authority; 2) each exporter retains the proceeds from its sales and makes independent decisions regarding disposition of profits or financing of losses; 3) each exporter has the authority to negotiate and sign contracts and other agreements; and 4) each exporter has autonomy from the government regarding the selection of management.

Therefore, the evidence placed on the record of this administrative review by each of the mandatory respondents and certain separate-rate respondents demonstrates an absence of government control, both in law and in fact, with respect to each of the exporter's exports of the subject merchandise, in accordance with the criteria identified in *Sparklers* and *Silicon Carbide*. As a result, for the purposes of these preliminary results, we have granted separate, company-specific rates to each of the five mandatory respondents and certain separate-rate respondents<sup>21</sup> that shipped wooden bedroom furniture to the United States during the POR. For a full discussion of this issue and list of separate-rate respondents, please see the *Separate-Rates Memo*.

Furthermore, we have found that certain separate-rate applicants<sup>22</sup> have

<sup>21</sup> Fujian Lianfu Forestry Co. Ltd./Fujian Wonder Pacific Inc.; Fuzhou Huan Mei Furniture Co., Ltd.; Jiangsu Dare Furniture Co., Ltd.; Fine Furniture (Shanghai) Limited; Foshan Guanqiu Furniture Co., Ltd.; Shanghai Aosen Furniture Co., Ltd.; Starcorp Furniture Co., Ltd.; Starcorp Furniture (Shanghai) Co., Ltd.; Orin Furniture (Shanghai) Co., Ltd.; Shanghai Star Furniture Co., Ltd.; and Shanghai Xing Ding Furniture Industrial Co., Ltd.; Tianjin First Wood Co., Ltd.; Ace Furniture & Crafts Ltd. (a.k.a. Deqing Ace Furniture and Crafts Limited); Baigou Crafts Factory of Fengkai; Best King International Ltd.; Dalian Pretty Home Furniture; Decca Furniture Limited; Der Cheng Wooden Works of Factory; Dongguan Dihao Furniture Co., Ltd.; Dongguan Hua Ban Furniture Co., Ltd.; Dongguan Mingsheng Furniture Co., Ltd.; Dongguan New Technology Import & Export Co., Ltd.; Dongguan Sunpower Enterprise Co., Ltd.; Dongguan Yihaiwei Furniture Limited; Kalanter (Hong Kong) Furniture Company Limited; Furnmart Ltd.; Guangzhou Lucky Furniture Co. Ltd.; Hong Yu Furniture (Shenzhen) Co. Ltd.; Hung Fai Wood Products Factory, Ltd.; Hwang Ho International Holdings Limited; King Wood Furniture Co., Ltd.; Meikangchi Nantong Furniture Company Ltd.; Nantong Yangzi Furniture Co., Ltd.; Po Ying Industrial Co.; Profit Force Ltd.; Qingdao Beiyuan-Shengli Furniture Co., Ltd.; Qingdao Shenchang Wooden Co., Ltd.; Red Apple Trading Co. Ltd.; Shenyang Kunyu Wood Industry Co., Ltd.; Shenzhen Dafuhao Industrial Development Co., Ltd.; Shenzhen Shen Long Hang Industry Co., Ltd.; Sino Concord International Corporation; T.J. Maxx International Co., Ltd.; Top Goal Development Co.; Transworld (Zhangzhou) Furniture Co. Ltd.; Wan Bao Chen Group Hong Kong Co. Ltd.; Winmost Enterprises Limited; Xilinmen Group Co. Ltd.; Yongxin Industrial (Holdings) Limited; and Zhongshan Gainwell Furniture Co. Ltd.

<sup>22</sup> Conghua J. L. George Timber & Co., Ltd., Four Seas Furniture Manufacturing Ltd., King Kei Furniture Factory, King Kei Trading Co. Ltd., Jiu

not demonstrated an absence of government control over their export activities, both in law and in fact, and are therefore, subject to the PRC-*entity* rate. *See Separate-Rates Memo*. For several of these entities,<sup>23</sup> the Department has found that additional information is necessary in order to determine whether they are eligible for separate-rate status, however, we did not address these issues in our supplemental questionnaires. Therefore, the Department will issue an additional supplemental questionnaire to these entities, and will re-evaluate their separate-rate status for the final results. *See Separate-Rates Memo*.

Finally, in the recently completed new shipper reviews, see *Final New Shipper Review*, the Department determined that Shenyang Kunyu Wood Industry Co., Ltd. ("Kunyu") and Meikangchi (Nantong) Furniture Company Ltd. ("Meikangchi") demonstrated their eligibility for separate-rate status and as such calculated an individual rate for each of these companies. The Department then instructed CBP to liquidate their entries for the new shipper review period, June 24, 2004, through June 30, 2005, at their respective assessment rates. *See Wooden Bedroom Furniture from the People's Republic of China: Final Results of the 2004-2005 Semi-Annual New Shipper Reviews*, 71 FR 70739 (December 6, 2006). Both Kunyu and Meikangchi are also subject to this administrative review where both have preliminarily been granted a separate rate. If both continue to demonstrate their eligibility for separate-rate status for the final results, the Department will instruct CBP to liquidate their entries for the period July 1, 2005, through December 31, 2005, at their respective assessment rates.

#### Margins for Separate-Rate Applicants

Exporters subject to this review that submitted responses to the Department's separate-rate application and had sales

of the subject merchandise to the United States during the POR, but were not selected as mandatory respondents ("Separate-Rate Applicants") have applied for separate-rate status and provided information for the Department to consider for this purpose. Therefore, for the Separate-Rate Applicants that provided sufficient evidence that they are separate from the state-controlled entity, we have established a weighted-average margin based on an average of the rates we calculated for the five mandatory respondents, excluding any rates that are zero, *de minimis*, or based entirely on adverse facts available. That rate is 62.94 percent. Entities receiving this rate are identified by name in the "Preliminary Results of Review" section of this notice and our *Separate-Rates Memo*.

#### Application of Facts Available

Section 776(a)(1) and (2) of the Act provides that the Department shall apply "facts otherwise available" if, *inter alia*, necessary information is not on the record or an interested party or any other person (A) withholds information that has been requested, (B) fails to provide information within the deadlines established, or in the form and manner requested by the Department, subject to subsections (c)(1) and (e) of section 782, (C) significantly impedes a proceeding, or (D) provides information that cannot be verified as provided by section 782(i) of the Act.

Where the Department determines that a response to a request for information does not comply with the request, section 782(d) of the Act provides that the Department will so inform the party submitting the response and will, to the extent practicable, provide that party the opportunity to remedy or explain the deficiency. If the party fails to remedy the deficiency within the applicable time limits and subject to section 782(e) of the Act, the Department may disregard all or part of the original and subsequent responses, as appropriate. Section 782(e) of the Act provides that the Department "shall not decline to consider information that is submitted by an interested party and is necessary to the determination but does not meet all applicable requirements established by the administering authority" if the information is timely, can be verified, is not so incomplete that it cannot be used, and if the interested party acted to the best of its ability in providing the information. Where all of these conditions are met, the statute requires the Department to use the information

supplied if it can do so without undue difficulties.

Section 776(b) of the Act further provides that the Department may use an adverse inference in applying the facts otherwise available when a party has failed to cooperate by not acting to the best of its ability to comply with a request for information. Such an adverse inference may include reliance on information derived from the petition, the final determination, a previous administrative review, or other information placed on the record.

Section 776(c) of the Act provides that, when the Department relies on secondary information rather than on information obtained in the course of an investigation or review, it shall, to the extent practicable, corroborate that information from independent sources that are reasonably at its disposal. Secondary information is defined as "[i]nformation derived from the petition that gave rise to the investigation or review, the final determination concerning the subject merchandise, or any previous review under section 751 concerning the subject merchandise." *See SAA* at 870. Corroborate means that the Department will satisfy itself that the secondary information to be used has probative value. *Id.* To corroborate secondary information, the Department will, to the extent practicable, examine the reliability and relevance of the information to be used.

#### Application of Total Adverse Facts Available

##### Huanghouse

As discussed below, the Department initiated a new shipper review of Huanghouse's exports of merchandise covered by the antidumping duty order on wooden bedroom furniture from the PRC. *See New Shipper Initiation Notice*. On July 19, 2006, the Department issued Huanghouse a supplemental Section A questionnaire. On August 2, 2006, Huanghouse responded to the supplemental questionnaire but informed the Department that it did not intend to participate further in this new shipper review. We find that because Huanghouse ceased participation in the review, and none of the submitted information can be verified, Huanghouse has not demonstrated its entitlement to a separate rate and is, therefore, subject to the PRC-wide rate.

##### Kong Fong Art Factory and Kong Fong Mao Iek Hong

On April 18, 2006, Kong Fong Art Factory and Kong Fong Mao Iek Hong ("Kong Fong") submitted its separate-rate application to the Department. On

Ching Trading Co., Ltd., Kong Fong Mao Iek Hong and Kong Fong Art Factory, Kunwa Enterprise Company, Macau Youcheng Trading Co., Ngai Kun Trading, Putian Ou Dian Furniture Co., Ltd., Speedy International, Ltd., Sanxiang Top Art Furniture, Top Art Furniture, Triple J Enterprises Co. and Mandarin Furniture (Shenzhen) Co. Ltd., Zhejiang Niannian Hong Industrial Co., Ltd., Zhongshan Winny Furniture Ltd., Winny Universal, Ltd., and Winny Overseas Ltd. (collectively "Winny"), and Zhongshan Youcheng Wooden Arts & Crafts Co. Ltd.

<sup>23</sup> Conghua J. L. George Timber & Co., Ltd., Four Seas Furniture Manufacturing Ltd., King Kei Furniture Factory, King Kei Trading Co. Ltd, Jiu Ching Trading Co., Ltd., Kunwa Enterprise Company, Macau Youcheng Trading Co., Ngai Kun Trading, Sanxiang Top Art Furniture, Top Art Furniture, and Zhongshan Youcheng Wooden Arts & Crafts Co. Ltd.

December 15, 2006, the Department issued Kong Fong a supplemental questionnaire on its separate-rate application. On January 12, 2007, Kong Fong informed the Department that it did not intend to participate further in the administrative review and it would not provide a response to the Department's supplemental questionnaire.

#### **Putian Ou Dian Furniture Co., Ltd.**

On April 18, 2006, Putian Ou Dian Furniture Co., Ltd. ("Putian") submitted its separate-rate application to the Department. On November 8, 2006, the Department issued Putian a supplemental questionnaire on its separate-rate application. On November 30, 2006, Putian informed the Department of its intent to withdraw from the administrative review, and stated that it would not provide a response to the Department's supplemental questionnaire. Pursuant to 19 CFR 351.214(f)(1), the Department "will rescind an administrative review, if the party that requested the review withdraws the request within 90 days of the date of publication of notice of initiation of the review. The Department may extend this time limit if it determines that it is reasonable to do so." In this case, the 90-day regulatory deadline was June 5, 2006; however, Putian did not submit its withdrawal request until November 30, 2006, more than five months past the regulatory deadline and after receiving the Department's supplemental questionnaire. During that time, the Department expended resources in reviewing Putian's separate-rate application and issuing a supplemental questionnaire. Where a party withdraws its request for review after the regulatory deadline and the Department has already expended resources in reviewing that respondent's data, the Department does not permit the party to withdraw from the proceeding.<sup>24</sup> Therefore, the Department denies Putian's withdrawal because we have already expended resources in the conduct of this administrative review.

#### **Speedy International, Ltd. ("Speedy")**

Speedy is a company incorporated in the British Virgin Islands, and located on Taiwan. Speedy has a branch office in the PRC, but that entity does not have legal person status. Speedy claims that its owner is a citizen of Taiwan. The SRA states that firms owned by entities

located in market-economy countries need only fill out the certifications contained in the application and provide supporting documentation for the fields in the application that are marked with an asterisk, "provided that the ultimate owners are also located in market-economy countries." Speedy responded only to those items marked with an asterisk; however, the documentation that it provided in its questionnaire response failed to support its claim that its owner was a citizen of Taiwan. Consequently, we preliminarily determine that Speedy is not eligible for separate-rate status.

#### **Triple J Enterprises Co. Ltd. And Mandarin Furniture (Shenzhen) Co. Ltd. ("Triple J")**

Triple J submitted an SRA on April 18, 2006. On November 17, 2006 the Department issued a supplemental questionnaire to Triple J, establishing a due date of November 27, 2006 for Triple J's response. The Department telephoned Bruce Aitken of Aitken Berlin & Vrooman, counsel for Triple J, twice on November 17, 2006, both times leaving messages on Mr. Aitken's voice mail informing him that the supplemental questionnaire was available for pickup. The Department left voice messages again on November 22, 2006 and November 27, 2006 informing Mr. Aitken that the supplemental questionnaire still had not been picked up. Mr. Aitken did not return the Department's calls and Triple J did not pick up the supplemental questionnaire or submit a supplemental questionnaire response, nor did it request an extension of the deadline to respond to the supplemental questionnaire. The Department determined that the SRA contained several areas in which additional information was required for the Department to consider Triple J's eligibility for separate-rate status. For instance, the Department asked that Triple J explain how the submitted sales-related documents tied to one another to demonstrate that they related to the same sale. The Department also requested that Triple J submit a complete, fully translated copy of its business registration. In addition, the Department requested that Triple J correct inaccuracies found by the Department in the translation of the submitted Shareholder Certificate, and proof that the ultimate owners were citizens of a market-economy country. Consequently, we find that Triple J does not merit a separate rate and will remain part of the PRC entity because by not responding to the Department's request for information, it has not demonstrated

an absence of government control either in law, or in fact.

#### **Zhejiang Niannian Hong Industrial Co., Ltd ("Nanaholy")**

On April 18, 2006, Nanaholy submitted its SRA. On October 23, 2006, the Department issued a supplemental questionnaire to Nanaholy. The due date for Nanaholy's response to the supplemental questionnaire was November 6, 2006. Nanaholy did not submit a response to the supplemental questionnaire nor did it request an extension of the due date to respond. Nanaholy's importer and U.S. customer, acting on Nanaholy's behalf in this proceeding, claimed that it never received the Department's October 23, 2006 supplemental questionnaire. On November 17, 2006, the Department provided Nanaholy with another opportunity to complete the supplemental questionnaire.

After analyzing Nanaholy's supplemental questionnaire response, the Department has determined the response to be deficient. First, Nanaholy failed to provide the requested auditor's notes that accompanied its capital statement. Second, the Department requested detailed information on the relationship between Nanaholy and its U.S. customer Starlin Interiors. Nanaholy stated it had an exclusive 10-year contract with Starlin Interiors, but did not provide a copy of this contract as requested by the Department. Third, the Department requested a fully translated copy of Nanaholy's audited financial statements. Nanaholy resubmitted a translated copy of what appears to be a summary of its financial statements, but did not submit the requested fully translated copy. Thus, the Department has preliminarily determined that Nanaholy is not eligible for a separate rate because it has failed to demonstrate an absence of government control of its export activities, in law and in fact.

#### **Zhongshan Winny Furniture Ltd. ("Winny")**

Winny submitted its SRA on April 17, 2006. However, information contained in Winny's application indicates that is the manufacturer of the subject merchandise, and that the subject merchandise was exported by during the POR by its affiliate Winny Overseas Ltd. ("Winny Overseas"). On December 11, 2006, the Department issued to Winny Overseas a supplemental questionnaire requesting that Winny Overseas submit an SRA under its own name. Winny Overseas did not respond to the Department's supplemental questionnaire and failed to submit an

<sup>24</sup> See *Certain Hot-Rolled Carbon Steel Flat Products from Thailand: Preliminary Results of Antidumping Duty Administrative Review and Rescission in Part*, 71 FR 65458 (November 8, 2006).

SRA in its own name. As a result, we preliminarily find that Winny is not eligible for a separate rate because it did not export subject merchandise to the United States during the POR.

### The PRC-Wide Entity

The Department issued a letter to all respondents identified in the *Initiation Notice* informing them of the requirements to respond to both the Department's Quantity and Value Questionnaire and either the separate-rate application or certification, as appropriate. Although Time Crown (U.K.) International Ltd, and China United International Co., (collectively "China United") and Hainan Rui'ai Furniture Co., Ltd, ("Rui'ai Furniture") requested an administrative review, they did not respond to the Quantity and Value Questionnaire and the separate-rate application/certification. Also, several separate-rate applicants (i.e., Kong Fong, Putian, Speedy, Triple J, Nanaholy, and Winny) did not respond to the Department's supplemental questionnaires. See *Separate-Rates Memo*. Additionally, Huanghouse, one of the companies subject to a new shipper review, informed the Department, after responding to the supplemental Section A questionnaire, that it would no longer participate in the new shipper review (see *Huanghouse* above). Therefore, the Department determines preliminarily that there were exports of merchandise under review from PRC producers/exporters that did not respond to the Department's questionnaire and consequently did not demonstrate their eligibility for separate-rate status. As a result, the Department is treating these PRC producers/exporters as part of the countrywide entity.

Additionally, because we have determined that the companies named above are part of the PRC-wide entity, the PRC-wide entity is now under review. Pursuant to section 776(a) of the Act, we further find that because the PRC-wide entity (including the companies discussed above) failed to respond to the Department's questionnaires, withheld or failed to provide information in a timely manner or in the form or manner requested by the Department, submitted information that cannot be verified, or otherwise impeded the proceeding, it is appropriate to apply a dumping margin for the PRC-wide entity using the facts otherwise available on the record. Additionally, because these parties failed to respond to our requests for information, we find an adverse inference is appropriate.

### First Wood

As noted above, the Department initiated a new shipper review of First Wood's exports of merchandise covered by the antidumping duty order on wooden bedroom furniture from the PRC. See *New Shipper Initiation Notice*. On March 14, 2006, the Department issued its antidumping duty questionnaire to First Wood. The Department received First Wood's Section A response on April 18, 2006, and its Sections C, and D questionnaire responses on May 11, 2006. The Department issued its first supplemental questionnaire to First Wood (addressing deficiencies in the response to Sections A, C and D) on July 14, 2006, and received the company's response on August 17, 2006 ("First Wood 1<sup>st</sup> Supplemental Response"). On December 7, 2006, the Department issued First Wood a second supplemental questionnaire (again addressing deficiencies in the company's response to Sections A, C, and D, repeating many of the questions asked in the original and first supplemental questionnaires), to which First Wood responded on January 3, 2007 ("First Wood 2<sup>nd</sup> Supplemental Response"). In that supplemental response, First Wood indicated that it would be amenable to withdrawing its request for review if the Department would consider allowing the late withdrawal.

On January 9, 2007, First Wood clarified this statement by submitting a withdrawal of its request for review. Pursuant to 19 CFR 351.214(f)(1), the Department "may rescind a new shipper review under this section...if a party that requested a review withdraws its request not later than 60 days after the date of publication of notice of initiation of the requested review." In this case, the 60-day regulatory deadline was May 7, 2006; however, First Wood did not submit its withdrawal until January 9, 2007, more than 7 months past the regulatory deadline. During that time, the Department expended considerable resources reviewing First Wood's original questionnaire response, issuing two sets of supplemental questionnaires, each addressing Sections A, C, and D of its response and reviewing the two supplemental responses. Where a party withdraws its request for review after the regulatory deadline and the Department has already expended considerable resources in reviewing that respondent's data, the Department does not permit the party to withdraw from the

proceeding.<sup>25</sup> Therefore, the Department denies First Wood's request because we have already expended considerable resources in the conduct of this new shipper review.

With respect to First Wood's Section A questionnaire responses and its information regarding separate-rate eligibility, the Department has determined that First Wood has responded fully to this part of the questionnaire. Moreover, First Wood has not declined to participate in verification and, therefore, has not impeded the proceeding with respect to the issue of its separate-rate status. For a further discussion of the preliminary decision that First Wood has demonstrated its eligibility for a separate rate, please see the *Separate-Rates Memo*.

However, notwithstanding the fact that the Department issued two full sets of supplemental questionnaires to First Wood regarding its reported sales and factors information, repeating many of the same questions in both supplemental questionnaires, First Wood withheld crucial sales and production information requested by the Department and failed to report information in the form or manner requested as described in sections 776(a)(2)(A) and (B) of the Act. As a consequence, the Department has preliminarily determined that it does not have sufficient information on the record of this review to calculate a margin for First Wood based on the respondent's submitted data, pursuant to section 776(a)(1) of the Act. Specifically, in the original and first and second supplemental questionnaires, the Department requested that First Wood provide sales and cost reconciliations reconciling its reported POR sales and FOPs to its financial statements. Sales and cost reconciliations serve as the starting point for the Department to use a respondent's data as they provide a road map for how the reported information is an accurate reflection of the information contained in the company's books and records and its financial statements. Without these reconciliations, the Department is unable to ascertain whether the sales and factor information submitted by the respondent are consistent with its financial statements. Nor, can the Department conduct a verification of the sales and factor information. Additionally, in the original and two subsequent

<sup>25</sup> See *Certain Hot-Rolled Carbon Steel Flat Products from Thailand: Preliminary Results of Antidumping Duty Administrative Review and Rescission in Part*, 71 FR 65458 (November 8, 2006).

supplemental questionnaires, the Department requested that First Wood report quantifiable units of measure for its reported consumption of FOPs. For example, for a certain input, First Wood reported "bottle" as the unit of measure. However, it never specified a manner of quantifying the amount of the FOP actually consumed (e.g., liter bottle or quart bottle). Due to the proprietary nature of this discussion, please see *Application of Adverse Facts Available, Tianjin First Wood Co. Ltd. ("First Wood") in the Preliminary Results in the New Shipper Review of Wooden Bedroom Furniture from the People's Republic of China*, dated January 31, 2007 ("First Wood AFA Memo"). Without quantifiable measurements for the reported FOPs, the Department is unable to determine the actual consumption rate or calculate a value for those FOPs and consequently is unable to calculate a margin using the reported data. For further discussion of First Wood's reporting failures, see *First Wood AFA Memo*.

Sections 776(a)(2)(A), (B), (C) and (D) of the Act authorize the Department, subject to section 782(d) of the Act, to use facts otherwise available when a respondent withholds information that has been requested by the Department, fails to provide such information in a timely manner or in the form or manner requested subject to sections 782(c)(1) and (e) of the Act in this proceeding, significantly impedes the proceeding, or provides such information, but the information cannot be verified.

The Department has preliminarily determined that, pursuant to Section 782(e) of the Act, it cannot rely on the information provided by First Wood and that the use of facts otherwise available is warranted for First Wood pursuant to each of the four criteria identified in section 776(a)(2) of the Act. Specifically, First Wood withheld the sales and cost reconciliations as well as extensive FOP data requested by the Department as discussed above. In addition, First Wood failed to provide the units of measure for its FOP consumption in a form or manner requested by the Department. Further, First Wood reported its FOP consumption in units of measure in a manner that does not allow the Department to identify the actual consumption rates or calculate the value for the FOP consumed in the production of subject merchandise, thereby significantly impeding the proceeding. See *First Wood AFA Memo*. Furthermore, First Wood's failure to provide the requisite sales and FOP (cost) reconciliations has resulted in the sales and FOP data being unverifiable, as discussed above.

Section 782(d) of the Act requires that, in the case of a deficient response by the respondent, the Department inform the respondent of the deficiency and give the respondent an opportunity to remedy or explain the deficiency. In addition to its original questionnaire, the Department issued two supplemental questionnaires to First Wood. In each of these three questionnaires, the Department requested that First Wood provide sales and cost reconciliation documents demonstrating how it identified the sales and cost information it reported to the Department and reconciling the reported sales and cost data to its financial statements, as well as the reported units of measure for its FOPs. Despite being afforded three opportunities to supply the requested information and/or provide a reason for its inability to do so, First Wood failed to furnish the required sales and cost reconciliations and units of measure for quantifying inputs. See *First Wood AFA Memo*. Consequently, the Department has determined that the information submitted by First Wood is inappropriate for use pursuant to section 782(e) of the Act. Specifically, as discussed above, the sales and FOP information cannot be verified; further, the information is so incomplete (see discussion of FOP units of measure and *First Wood AFA Memo*) it cannot serve as a reliable basis for reaching the applicable determination and cannot be used without undue difficulties, and First Wood has not demonstrated that it acted to the best of its ability to comply with the Department's requests for information. Therefore, the Department has preliminarily determined that the use of total facts available are warranted with respect to First Wood for this new shipper review.

Moreover, we have determined that First Wood has not acted to the best of its ability in providing the requested data. While the standard for cooperation does "not require perfection and recognizes that mistakes sometimes occur, it does not condone inattentiveness, carelessness, or inadequate record keeping." *Nippon Steel Corp. v. United States*, 337 F. 3d 1373, 1382 (Fed. Cir. 2003). In this instance, First Wood requested that it be reviewed as a new shipper, but then failed to adequately respond to our requests for information. In addition, First Wood did not apprise the Department of any reason why it could not furnish the requested information. Considering that this type of information is expected to be normally part of the financial statement and

accounting ledgers that First Wood maintains, First Wood was not acting as a "reasonable respondent" nor was it acting "to the best of its ability," as required by the statute. Based on First Wood's lack of cooperation, we preliminarily determine that it has failed to cooperate to the best of its ability in responding to the Department's requests for information. Therefore, we preliminarily determine that, when selecting from among the facts otherwise available, an adverse inference is warranted for First Wood pursuant to section 776(b) of the Act.

#### **Selection of the Adverse Facts Available Rate**

In sum, because the PRC-wide entity failed to respond to our request for information, it has failed to cooperate to the best of its ability. Further, as discussed above, First Wood also failed to cooperate to the best of its ability with respect to responding to the Department's requests for information. Therefore, the Department preliminarily finds that, in selecting from among the facts available, an adverse inference is appropriate pursuant to section 776(b) of the Act for both the PRC-wide entity and First Wood.

In deciding which facts to use as adverse facts available ("AFA"), section 776(b) of the Act and 19 CFR 351.308(c)(1) authorize the Department to rely on information derived from (1) the petition, (2) a final determination in the investigation, (3) any previous review or determination, or (4) any information placed on the record. In selecting a rate for AFA, the Department selects a rate that is sufficiently adverse "as to effectuate the purpose of the facts available rule to induce respondents to provide the Department with complete and accurate information in a timely manner." See *Notice of Final Determination of Sales at Less than Fair Value: Static Random Access Memory Semiconductors From Taiwan*, 63 FR 8909, 8932 (February 23, 1998). The Department's practice also ensures "that the party does not obtain a more favorable result by failing to cooperate than if it had cooperated fully." See SAA at 870. See also, *Brake Rotors From the People's Republic of China: Final Results and Partial Rescission of the Seventh Administrative Review; Final Results of the Eleventh New Shipper Review*, 70 FR 69937, 69939 (November 18, 2005).

Generally, it is the Department's practice to select, as AFA, the highest rate in any segment of the proceeding. See, e.g., *Certain Cased Pencils from the People's Republic of China; Notice of Preliminary Results of Antidumping*

*Duty Administrative Review and Intent to Rescind in Part*, 70 FR 76755, 76761 (December 28, 2005).

The Court of International Trade ("CIT") and the Court of Appeals for the Federal Circuit ("Fed. Cir.") have consistently upheld the Department's practice. See *Rhone Poulenc, Inc. v. United States*, 899 F. 2d 1185, 1190 (Fed. Cir. 1990) (upholding the Department's presumption that the highest margin was the best information of current margins) ("*Rhone Poulenc*"); *NSK Ltd. v. United States*, 346 F. Supp. 2d 1312, 1335 (CIT 2004) (upholding a 73.55 percent total AFA rate, the highest available dumping margin from a different respondent in an LTFV investigation); *Kompass Food Trading International v. United States*, 24 CIT 678, 683 (2000) (upholding a 51.16 percent total AFA rate, the highest available dumping margin from a different, fully cooperative respondent); and *Shanghai Taoen International Trading Co., Ltd. v. United States*, 360 F. Supp. 2d 1339, 1348 (CIT 2005) (upholding a 223.01 percent total AFA rate, the highest available dumping margin from a different respondent in a previous administrative review).

In choosing the appropriate balance between providing respondents with an incentive to respond accurately and imposing a rate that is reasonably related to the respondents' prior commercial activity, selecting the highest prior margin "reflects a common sense inference that the highest prior margin is the most probative evidence of current margins, because, if it were not so, the importer, knowing of the rule, would have produced current information showing the margin to be less." See *Rhone Poulenc*, 899 F. 2d at 1190.

As AFA, we have preliminarily assigned to the PRC-wide entity and to First Wood a rate of 216.01 percent, the highest calculated rate from the most recently completed new shipper reviews of wooden bedroom furniture from the PRC which is the highest rate on the record of all segments of this proceeding. The Department preliminarily determines that this information is the most appropriate from the available sources to effectuate the purposes of AFA. The Department's reliance on the highest calculated rate from the recently published new shipper review to determine an AFA rate is subject to the requirement to corroborate secondary information. See the *Corroboration of Secondary Information* section below.

### Application of Partial Facts Available

Sections 776(a)(2)(A) and 776(a)(2)(B) of the Act provide for the use of facts available when an interested party withholds information that has been requested by the Department or when an interested party fails to provide the information requested in a timely manner and in the form required. Additionally, section 776(b) of the Act provides for the use of AFA when an interested party has failed to cooperate by not acting to the best of its ability. We have concluded that the Dare Group and Starcorp each did not cooperate to the best of its ability, see below for specific explanations for each mandatory respondent.

### Dare Group

We have preliminarily determined that the use of a partial adverse inference is warranted for certain FOPs reported by the Dare Group.

The information the Department requested is incomplete for several of the Dare Group's sales, and as a result, the Department is unable to calculate margins for these sales based on the information supplied. Specifically, the Dare Group's December 18, 2006, Section D database inexplicably reported labor usages of zero for numerous control numbers. On December 16, 2006, the Department notified the Dare Group that its FOP database reported these zero values. See January 16, 2007, Memorandum to the File from Eugene Degnan re: *Telephone Conversation with Counsel for the Dare Group*. In its January 22, 2007, supplemental Sections A, C, and D response, the Dare Group explained the basis for these erroneous zero amounts reported, and stated that it had rectified the errors and reported labor for all of its control numbers. However, numerous control numbers in the Dare Group's January 22, 2007, FOP database continue to have zero values reported for both indirect and packing labor.

Because the Dare Group has not provided the Department with complete information with respect to indirect and packing labor for certain control numbers, as requested in the Department's questionnaires, the Department does not have adequate information to calculate margins for the sales in question. Thus, the information on the record cannot serve as a reliable basis for this review under section 782(e) of the Act. Accordingly, we have determined that we must calculate margins for the sales in question using facts otherwise available in accordance with sections 776(a)(2)(A) and 776(a)(2)(B) of the Act.

We have further concluded that when selecting from among the facts available, an adverse inference is appropriate pursuant to section 776(b) of the Act. In this instance, the Department fully notified the Dare Group of the deficiencies in its submission to the Department, and has further provided the Dare Group with the opportunity to correct its deficiencies. Despite these efforts, the Dare Group failed to provide us with all of the missing data. The courts have recognized that, notwithstanding the Department's obligations to notify parties of deficiencies in submissions received, a respondent also has the burden to create a complete and accurate record. See e.g. *Pistachio Group of Association Food Industries v. United States*, 671 F. Supp. 31, 39–40 (CIT 1987). Because the Dare Group did not provide us with information we requested, despite being provided multiple opportunities to do so, we find that it has not cooperated to the best of its ability, pursuant to section 776(b) of the Act, when providing us with the requisite information from which we could calculate margins for the sales in question.

Therefore, in accordance with sections 776(a)(2) and 776(b) of the Act, we have applied partial AFA in calculating the Dare Group's margin. For each of the Dare Group's transactions that have a zero value for indirect and/or packing labor, we have applied the highest value of the respective CONNUM from the Dare Group's FOP database. See Memorandum to The File Through Robert Bolling, Program Manager, China/NME Group, from Eugene Degnan, Case Analyst, *Analysis for the Preliminary Results of Wooden Bedroom Furniture from the People's Republic of China: Fujian Lianfu Forestry Co./Fujian Wonder Pacific Inc./Fuzhou Huan Mei Furniture Co., Ltd./Jiangsu Dare Furniture Co., Ltd.* ("*Dare Group*") ("*Analysis Memo Dare Group*"), dated January 31, 2007.

### Starcorp

We have preliminarily determined that the use of a partial adverse inference is warranted for certain U.S. sales made by Starcorp.

In its questionnaire responses, Starcorp reported that it operates four separate plants, which produce finished subject merchandise from raw material inputs. See Starcorp's Section A response, dated August 25, 2006. For respondents with multiple production plants, the Department's normal practice is to weight-average plant-specific FOPs by control number. The Department's questionnaire requires



that the respondent provide information regarding the weighted-average FOPs across all of the company's plants that produce the subject merchandise. See Section D of the Department's Questionnaire, released to parties on July 28, 2006. The Department normally finds that, due to differences in product mixes and production efficiencies at each plant, this methodology ensures that the Department's calculations are as accurate as possible. See e.g., *Preliminary Determination of Sales at Less Than Fair Value, Affirmative Critical Circumstances, In Part, and Postponement of Final Determination: Certain Lined Paper Products from the People's Republic of China*, 71 FR 19695-02 (April 17, 2006); *Preliminary Determination of Sales at Less Than Fair Value: Certain Artist Canvases from the People's Republic of China*, 70 FR 67420, (November 7, 2005); *Final Determination of Sales at Less Than Fair Value and Critical Circumstances: Certain Malleable Iron Pipe Fittings From the People's Republic of China*, 68 FR 61395 (October 28, 2003), and the accompanying Issues and Decision Memorandum at Comment 19.

In its October 2, 2006, Section D questionnaire response ("DQR"), rather than submit weighted-average information from its four production facilities, Starcorp instead submitted an FOP database based on data maintained in what it refers to as its "combined" financial statements. In this questionnaire response, Starcorp asserted that its combined data reflected its actual factors consumption during the POR. Starcorp further stated that it reported its FOPs based on "a standard cost allocation methodology that allocated its total actual consumption of a given raw material to each unit of a particular model sold during the POR." See pages D-10-11 of the DQR. However, in this questionnaire response, Starcorp did not acknowledge that some of its control numbers sold during the POR were not produced during the POR. In fact, Starcorp's response was misleading in that it stated "Starcorp has reported the per unit consumption of all raw materials used to produce the subject merchandise in its FOP data file in Field No.2.1 to Field No.2.69. Starcorp grouped these Fields into 11 categories based on the allocation methodology it used to determine the appropriate per-unit factor of production for each of the CONNUMs produced and sold during the POR," See DQR at page 11, thus indicating that the merchandise sold had all been produced during the POR.

In our first supplemental questionnaire, we instructed Starcorp to

provide separate databases for each of its four plants. In its response, Starcorp declined to comply with our request and continued to assert the accuracy and relevance of the "combined" database, arguing that the "combined" financial system truly reflects the full integration of the four plants. See pages 1-2 of Starcorp's November 29, 2006, supplemental Section D questionnaire response ("SDQR"). In that same response, Starcorp went on to argue that it did not in fact maintain a standard cost system, but rather maintained a "bill of materials" and that its own term "standard usage rate" is an inaccurate way to describe the net volume of material needed to produce a given product. 'Standard usage rate' represents the quantities of each input that actually comprise the finished good." See SDQR at pages 3-4. In other words, according to Starcorp, "standard usage rate" reflects the net consumption contained in the finished product, not the gross consumption used to produce the finished product. In continuing to explain its calculation methodology, Starcorp explained that it "allocated the actual consumption of factors over the net volume of materials." Starcorp further explained that, using the "standard usage rate" from the bill of materials, it "multiplied the net volume of surface area of different types of materials by the production quantity for each product produced during the POR, and aggregated the results to derive the total net volume of different materials." See SDQR at pages 4-5. Again, there is no indication in Starcorp's response that it did not actually produce during the POR all the merchandise it sold during the POR.

In our second supplemental Section D questionnaire, the Department asked Starcorp to provide additional information to support its claim that the plant-specific databases are inappropriate for use in the margin calculation. See the Department's Supplemental Questionnaire dated December 20, 2006, at question 2. In its second supplemental Section D questionnaire response, dated January 8, 2007, Starcorp finally submitted the multiple FOP databases the Department had requested initially, along with a revised combined Starcorp-wide database, and what it purported was a weighted-average database of the data from the four individual plants. However, after analyzing the data submitted, we found that the four individual plant-specific FOP databases are missing control numbers that were included in both the "combined" and weighted-average databases.

Additionally, our analysis revealed reported U.S. sales of control numbers for which there is no corresponding FOP data in any of the four plant-specific databases.

In response to comments submitted by Petitioners on January 16, 2007, reflecting an analysis similar to that described above, Starcorp, in a submission on January 19, 2007, attempting to explain the above discrepancies, stated that the "combined" database provided factors for all control numbers in the U.S. sales database, even those not produced during the POR, while the four individual plant databases only provided FOPs for merchandise produced during the POR. Starcorp also stated, for the first time, that the weighted-average database is based on the control numbers of the four individual plant databases plus additional control numbers reflecting merchandise sold but not produced during the POR. See Starcorp's January 19, 2007, submission at page 6. In its January 19, 2007, submission, Starcorp relayed for the first time in this proceeding certain information regarding the contents of its combined and so-called weighted-average databases. Specifically, Starcorp stated that the four individual plant databases reflect the production quantities and FOPs of products produced during the POR, while the "combined" and weighted-average databases also include 1) data that reflect the sales quantities and FOPs of products which were sold but not produced during the POR, and 2) sales quantities and FOPs of certain products sold as sets, which are produced as only separate parts by the individual plants.

The revelation by Starcorp that the "combined" database, as well as the weighted-average database, reflected sales quantities and FOPs for products which were sold but not produced, appears not to be in line with the information Starcorp provided in its earlier responses, in which Starcorp stated it was reporting production quantities in its FOP database. Specifically, in its initial questionnaire, the Department instructed respondents to provide a reconciliation tying their reported sales and production quantities to their internal accounting documents and financial statements. In responding to this request, Starcorp provided schedules which clearly indicate differences between production amounts and sales amounts, and which indicate that the combined database reflected production, not sales quantities. See Exhibits SD-26 and SD-29 of the November 29, 2006, response.

Nevertheless, in piecing together Starcorp's methodology from its contradictory and confusing submissions, it appears that Starcorp may have allocated the variance between its actual consumption of inputs during the POR to the model-specific "standard usage rate" reflected on its bill of materials for each product sold during the POR and the total net volume. However, since actual consumption would vary from year-to-year based on the product mix produced, it is unclear how applying the consumption ratio that occurred in one year's production reflects the consumption ratio that would have resulted from the prior year's production which may have yielded a different product mix. Thus, for all products that Starcorp did not produce during the POR, it did not even attempt to identify accurate consumption rates.

For the preliminary results, we have determined to use the four plant-specific individual databases in our margin calculation program, because the record indicates that these databases contain the FOPs for those products which were produced by each plant, and do not incorporate sales quantities in the allocation of factor consumption to each control number. While Starcorp has provided what it stated was a weighted-average database for all four plants, we find that this is not the case and, therefore, it is inappropriate for use in our margin calculation. Similarly, the "combined" FOP database, by Starcorp's own admission, also does not reflect actual production during the POR. Thus, the Department has determined to use the four plant-specific individual databases, which appear to be based on the plant-specific production quantities and FOPs. However, this database is missing certain control numbers, which leaves certain U.S. transactions without a corresponding FOP. Thus, information on the record cannot serve as a reliable basis for calculating a margin on these transactions for this determination under section 782(e) of the Act. Therefore, the Department must use the facts otherwise available to calculate margins for all of Starcorp's U.S. sales that do not have a matching FOP control number in the four individual plant databases. We have concluded that Starcorp did not cooperate to the best of its ability because it did not disclose, in a timely manner, the nature of all its reported FOP and quantity data that would allow the Department to conduct a meaningful analysis or calculate a margin based on all the U.S. sales it reported. Despite being asked to submit

the four individual databases much earlier in the proceeding, Starcorp only submitted these databases on January 8, 2007. Moreover, Starcorp only first identified the nature of reporting less than two weeks before the deadline for the preliminary results of review. Therefore, in accordance with sections 776(a)(2) and 776(b) of the Act, we have applied AFA to all of Starcorp's U.S. sales that do not have a matching control number in the individual plant databases. As AFA, we have applied 216.01 percent, the rate calculated for another respondent in the recently completed new shipper review. See Memorandum to The File Through Robert Bolling, Program Manager, China/NME Group, from Lilit Astvatsatryan, Case Analyst, *Analysis for the Preliminary Results of Wooden Bedroom Furniture from the People's Republic of China: Shanghai Starcorp Furniture Co., Ltd., Starcorp Furniture (Shanghai) Co., Ltd., Orin Furniture (Shanghai) Co., Ltd., Shanghai Star Furniture Co., Ltd., and Shanghai Xing Ding Furniture Industrial Co., Ltd.* ("Analysis Memo Starcorp"), dated January 31, 2007.

#### **Application of Facts Available Dare Group**

We have preliminarily determined that the use of facts available is warranted for certain sales reported by the Dare Group.

The information the Department requested is incomplete for several of the Dare Group's sales and, as a result, the Department is unable to calculate margins for these sales based on the information supplied. Specifically, in its October 2, 2007, Section C submission, the Dare Group reported the unit weight in kilograms in its U.S. sales database. On November 22, 2006, the Department issued a supplemental Section C & D questionnaire requesting that the Dare Group provide a field in its U.S. sales database for the gross unit weight. In its December 18, 2006, supplemental Section C and D response, the Dare Group submitted a U.S. sales database with a field for gross unit weight. However, this field reported quantities of zero for numerous transactions.

Because the Dare Group has not provided the Department with complete information with respect to the gross unit weights of these sales, the Department cannot calculate dumping margins for the sales with reported quantities of zero. Accordingly, we find that for the sales at issue, we must calculate dumping margins using the facts otherwise available pursuant to sections 776(a)(2)(A) and (B) of the Act.

In accordance with section 776(a)(2) of the Act, we have applied facts available to the Dare Group's sales with reported quantities of zero. As facts available, we have applied the Dare Group's weighted-average margin to these sales. See *Analysis Memo Dare Group*. At this time we do not find an adverse inference is appropriate because we did not identify the deficiency and did not provide the Dare Group with an opportunity to remedy the deficiency. The Department will issue supplemental questionnaires after issuance of these preliminary results of review, and further analyze these transactions for the final results.

#### **Fine Furniture**

We have preliminarily determined that the use of facts available is warranted for certain sample sales made by Fine Furniture.

Despite the Department's requests for information, Fine Furniture has not provided us with complete and accurate information with respect to certain U.S. sample sales it made during the POR. For certain of these U.S. sample sales, while Fine Furniture reported the invoice price of the transactions for all of its U.S. sample sales, it failed to report control numbers for these sales. For certain other U.S. sales Fine Furniture provided control numbers in its U.S. database that do not correspond to control numbers in its FOP database. Furthermore, Fine Furniture has not provided any explanation that sheds light on these discrepancies. Absent this information, (*i.e.*, accurate control numbers, needed to compare NV to U.S. price), the Department cannot calculate dumping margins for the sample sales in question. Thus, the information on the record cannot serve as a reliable basis for this determination under section 782(e) of the Act. Accordingly, we find that for the sample sales at issue, we must calculate dumping margins using the facts otherwise available pursuant to sections 776(a)(2)(A) and (B) of the Act.

In accordance with section 776(a)(2) of the Act, we have applied facts available for each of Fine Furniture's U.S. sample sales that do not have a control number. As facts available, we have applied Fine Furniture's weighted-average margin to these sales. See Memorandum to The File Through Robert Bolling, Program Manager, China/NME Group, from Paul Stolz, Case Analyst, *Analysis for the Preliminary Results of Wooden Bedroom Furniture from the People's Republic of China: Fine Furniture (Shanghai) Limited and its affiliates* ("Analysis Memo Fine Furniture"), dated January 31, 2007. At this time we do not find an

adverse inference is appropriate because we did not identify the deficiency and did not provide the Fine Furniture with an opportunity to remedy the deficiency. The Department will issue supplemental questionnaires after issuance of these preliminary results of review, and further analyze these transactions for the final results.

### Corroboration

Section 776(c) of the Act provides that, when the Department relies on secondary information rather than on information obtained in the course of an investigation or review, it shall, to the extent practicable, corroborate that information from independent sources that are reasonably at its disposal. Secondary information is defined as information derived from the petition that gave rise to the investigation or review, the final determination concerning the subject merchandise, or any previous review under section 751 concerning the subject merchandise. See SAA at 870. Corroborate means that the Department will satisfy itself that the secondary information to be used has probative value. *Id.* To corroborate secondary information, the Department will, to the extent practicable, examine the reliability and relevance of the information to be used. See *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished from Japan, and Tapered Roller Bearings Four Inches or Less in Outside Diameter, and Components Thereof, from Japan: Preliminary Results of Antidumping Duty Administrative Reviews and Partial Termination of Administrative Reviews*, 61 FR 57391, 57392 (Nov. 6, 1996) (unchanged in the final determination). Independent sources used to corroborate such evidence may include, for example, published price lists, official import statistics and customs data, and information obtained from interested parties during the particular investigation. See *Notice of Preliminary Determination of Sales at Less Than Fair Value: High and Ultra-High Voltage Ceramic Station Post Insulators from Japan*, 68 FR 35627 (June 16, 2003) (unchanged in final determination); and, *Notice of Final Determination of Sales at Less Than Fair Value: Live Swine From Canada*, 70 FR 12181 (March 11, 2005).

The AFA rate that the Department is now using was determined in the recently published new shipper review. See *Final New Shipper Review* 71 FR 70741. In the new shipper review, the Department calculated a company-specific rate, which was above the PRC-wide rate established in the LTFV investigation. Because this new rate is a

company-specific calculated rate, we have determined this rate to be reliable.

To assess the relevancy of the new rate used, the Department examined the highest rate from the recently completed new shipper review. We find that the highest rate from the new shipper proceeding of 216.01 percent is relevant to this proceeding because: (1) it is a company-specific calculated rate; and (2) the new shipper review period overlaps this administrative review period by twelve months (*i.e.*, June 24, 2004, through June 30, 2005). Therefore, we have determined the 216.01 percent rate to be relevant for use in this administrative review.

As the adverse margin is both reliable and relevant, we determine that it has probative value. Accordingly, we determine that this rate, meets the corroboration criteria established in section 776(c) that secondary information have probative value. As a result, the Department determines that the margin is corroborated for the purposes of this administrative review and may reasonably be applied to First Wood, Huanghouse, Starcorp, and the PRC-wide entity as AFA.

Because these are preliminary results of review, the Department will consider all margins on the record at the time of the final results of review for the purpose of determining the most appropriate final adverse margin. See *Preliminary Determination of Sales at Less Than Fair Value: Solid Fertilizer Grade Ammonium Nitrate From the Russian Federation*, 65 FR 1139 (January 7, 2000).

### Export Price

For the Dare Group, Fine Furniture, Foshan Guanqui, and Starcorp, we based the U.S. price on export price ("EP"), in accordance with section 772(a) of the Act, because EP is the price at which the subject merchandise is first sold (or agreed to be sold) before the date of importation by the producer or exporter of the subject merchandise outside of the United States to an unaffiliated purchaser in the United States or to an unaffiliated purchaser for exportation to the United States, as adjusted under section 772(c) of the Act. Additionally, we calculated EP based on the packed price from the exporter to the first unaffiliated customer in the United States.

For the Dare Group, we calculated EP based on delivered prices to unaffiliated purchaser(s) in the United States. We made deductions from the U.S. sales price for movement expenses in accordance with section 772(c)(2)(A) of the Act. These included foreign inland freight expenses for inter-factory

shipping, inland freight from the plant to the port, foreign brokerage and handling, U.S. brokerage and handling, and import duties. We also deducted certain customer discounts from the gross unit price.

For the Dare Group, the Department has denied its claim for a U.S. price adjustment (*i.e.*, Other Revenue) for the preliminary results. From the information that the Dare Group has submitted on the record, we have determined that this may be a circumstance-of-sale adjustment rather than an adjustment to U.S. price, and since the Department is not able to make circumstance-of-sale adjustments in NME proceedings, we have denied this adjustment. For a detailed description of all adjustments, see *Analysis Memo Dare Group*.

For Foshan Guanqui, we calculated EP based on delivered prices to unaffiliated purchaser(s) in the United States. We made deductions from the U.S. sales price for movement expenses in accordance with section 772(c)(2)(A) of the Act. These included inland freight - plant/warehouse to port of exit. Additionally, for certain sales, we deducted brokerage and handling, international ocean freight, and market economy brokerage and handling expenses from the gross unit price, in accordance with section 772(c) of the Act.

For Foshan Guanqui, the Department has denied its claim for a U.S. price adjustment (*i.e.*, Convenience Fee) for the preliminary results. From the information that Foshan Guanqui has submitted on the record, we have determined that this convenience fee does not have any relationship to Foshan Guanqui sales of subject merchandise to the United States. Therefore, we have denied this adjustment. For a detailed description of all adjustments, see Memorandum to The File Through Robert Bolling, Program Manager, China/NME Group, from Hua Lu, Case Analyst, *Analysis for the Preliminary Results of Wooden Bedroom Furniture from the People's Republic of China: Foshan Guanqui Furniture Co., Ltd.* ("Analysis Memo Foshan Guanqui"), dated January 31, 2007.

For Shanghai Aosen, we calculated EP based on delivered prices to unaffiliated purchaser(s) in the United States. We made deductions from the U.S. sales price for movement expenses in accordance with section 772(c)(2)(A) of the Act. These included foreign inland freight and foreign brokerage and handling expenses. For a detailed description of all adjustments, see Memorandum to The File Through

Robert Bolling, Program Manager, China/NME Group, from Hilary Sadler, Case Analyst, *Analysis for the Preliminary Results of Wooden Bedroom Furniture from the People's Republic of China: Shanghai Aosen Furniture Co., Ltd.* ("Analysis Memo Shanghai Aosen"), dated January 31, 2007.

For Starcorp, we calculated EP based on delivered prices to unaffiliated purchaser(s) in the United States. We made deductions from the U.S. sales price for movement expenses in accordance with section 772(c)(2)(A) of the Act. These included inland freight from the plant to the port of exit and domestic brokerage and handling charges. For a detailed description of all adjustments, see *Analysis Memo Starcorp*.

### Constructed Export Price

In accordance with section 772(b) of the Act, we used Constructed Export Price ("CEP") methodology for Fine Furniture because the first sale to the unaffiliated person was made by Fine Furniture's U.S. affiliate, Fine Furniture Design & Marketing LLC ("FFDM"). We calculated the CEP for Fine Furniture based on the sales made by FFDM to unaffiliated U.S. customers. We based CEP on delivered prices to the first unaffiliated purchaser in the United States.

For Fine Furniture, we made adjustments to the gross unit price for revenue item(s), foreign inland freight from the processing facility to the port of exit, export fees, international ocean freight, marine insurance, and U.S. import duties. In accordance with section 772(d)(1) of the Act, we also deducted those selling expenses associated with economic activities occurring in the United States, including commissions, warranty expenses, credit expenses, discounts, rebates, billing adjustments, royalties, and indirect selling expenses. We also made an adjustment for profit in accordance with section 772(d)(3) of the Act. See *Analysis Memo Fine Furniture*.

For the Dare Group, Fine Furniture, and Starcorp, we note that each entity provided a separate database of free-of-charge merchandise, as requested in our original questionnaire. See Original Questionnaire dated July 28, 2006. For the preliminary results, we have not included any of these transactions in our margin calculation programs. However, we have not had an opportunity to issue supplemental questionnaires with respect to these sales; therefore, the Department will issue supplemental questionnaires after issuance of the preliminary results of

review to further analyze these transactions for the final results.

### Normal Value

Section 773(c)(1) of the Act provides that the Department shall determine the NV using an FOP methodology if: (1) the merchandise is exported from an NME country; and (2) the information does not permit the calculation of NV using home-market prices, third-country prices, or constructed value under section 773(a) of the Act. When determining NV in an NME context, the Department will base NV on FOP, because the presence of government controls on various aspects of these economies renders price comparisons and the calculation of production costs invalid under our normal methodologies. Under section 772(c)(3) of the Act, FOPs include but are not limited to: (1) hours of labor required; (2) quantities of raw materials employed; (3) amounts of energy and other utilities consumed; and (4) representative capital costs. We used FOPs reported by respondents for materials, energy, labor and packing.

In accordance with 19 CFR 351.408(c)(1), the Department will normally use publicly available information to find an appropriate surrogate value to value FOPs, but when a producer sources an input from a market economy and pays for it in market-economy currency, the Department will normally value the factor using the actual price paid for the input. See 19 CFR 351.408(c)(1); see also *Lasko Metal Products, Inc. v. United States*, 43 F.3d 1442, 1446 (Fed. Cir. 1994). However, when the Department has reason to believe or suspect that such prices may be distorted by subsidies, the Department will disregard the market economy purchase prices and use SVs to determine the NV. See *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From the People's Republic of China; Final Results of the 1998-1999 Administrative Review, Partial Rescission of Review, and Determination Not To Revoke Order in Part*, 66 FR 1953 (January 10, 2001) ("TRBs 1998-1999"), and accompanying Issues and Decision Memorandum at Comment 1.

It is the Department's consistent practice that, where the facts developed in the United States or third-country countervailing duty findings include the existence of subsidies that appear to be used generally (in particular, broadly available, non-industry specific export subsidies), it is reasonable for the Department to find that it has particular and objective evidence to support a

reason to believe or suspect that prices of the inputs from the country granting the subsidies may be subsidized. See *TRBs 1998-1999* at Comment 1; see also *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From the People's Republic of China; Final Results of 1999-2000 Administrative Review, Partial Rescission of Review, and Determination Not To Revoke Order in Part*, 66 FR 57420 (November 15, 2001), and accompanying Issues and Decision Memorandum at Comment 1; see also *China National Machinery Imp. & Exp. Corp. v. United States*, 293 F. Supp. 2d 1334, 1338-39 (CIT 2003).

In avoiding the use of prices that may be subsidized, the Department does not conduct a formal investigation to ensure that such prices are not subsidized, but rather relies on information that is generally available at the time of its determination. See also H.R. Rep. 100-576, at 590 (1988), reprinted in 1988 U.S.C.C.A.N. 1547, 1623-24.

We have reason to believe or suspect that prices of inputs from Indonesia, South Korea, and Thailand may have been subsidized. Through other proceedings, the Department has learned that these countries maintain broadly available, non-industry-specific export subsidies and, therefore, finds it reasonable to infer that all exports to all markets from these countries may be subsidized. See, e.g., *TRBs 1998-1999* at Comment 1. Accordingly, we have disregarded prices from Indonesia, South Korea and Thailand in calculating the Indian import-based SVs because we have reason to believe or suspect such prices may be subsidized.

### Factor Valuations

In accordance with section 773(c) of the Act, we calculated NV based on FOPs reported by respondents for the POR. To calculate NV, we multiplied the reported per-unit factor quantities by publicly available Indian SVs (except as noted below). In selecting the surrogate values, we considered the quality, specificity, and contemporaneity of the data. As appropriate, we adjusted input prices by including freight costs to make them delivered prices. Specifically, we added to Indian import SVs a surrogate freight cost using the shorter of the reported distance from the domestic supplier to the factory or the distance from the nearest seaport to the factory where appropriate (i.e., where the sales terms for the market-economy inputs were not delivered to the factory). This adjustment is in accordance with the decision of the Federal Circuit in *Sigma Corp. v. United States*, 117 F.3d 1401 (Fed. Cir. 1997). Due to the extensive

number of SVs it was necessary to assign in this administrative review, we present a discussion of the main factors. For a detailed description of all SVs used to value the respondent's reported FOPs, see *Factor Valuation Memorandum*.

The mandatory respondents reported that certain of their reported raw material inputs were sourced from a market-economy country and paid for in market-economy currencies. Pursuant to 19 CFR 351.408(c)(1), when a mandatory respondent source inputs from a market-economy supplier in meaningful quantities (*i.e.*, not insignificant quantities), we use the actual price paid by respondents for those inputs, except when prices may have been distorted by findings of dumping by the PRC and/or subsidies. *See Antidumping Duties; Countervailing Duties; Final Rule*, 62 FR 27296, 27366 (May 19, 1997). The Dare Group, Fine Furniture, Shanghai Aosen, and Starcorp's reported information demonstrates that the quantities of certain raw materials purchased from market-economy suppliers are significant. For a detailed description of all actual values used for market-economy inputs, see the company-specific analysis memoranda dated January 31, 2007. Where the quantity of the input purchased from market-economy suppliers is insignificant, the Department will not rely on the price paid by an NME producer to a market-economy supplier because it cannot have confidence that a company could fulfill all its needs at that price. For two mandatory respondents (*i.e.*, the Dare Group and Fine Furniture), the Department found certain of their inputs purchased from market-economy suppliers to be insignificant. *See Analysis Memo Dare Group and the Analysis Memo Fine Furniture*. In these instances, for the preliminary results, we valued the market economy purchase using the appropriate SV for this input. *Id.* For wood inputs (*e.g.*, lumber of various species), wood veneer of various species, processed woods (*e.g.*, fiberboard, particleboard, plywood, etc.), adhesives and finishing materials (*e.g.*, glue, paints, stains, lacquer, etc.), hardware (*e.g.*, nails, staples, screws, bolts, knobs, pulls, drawer slides, hinges, clasps, etc.), other materials (*e.g.*, mirrors, glass, leather, marble, cloth, foam, etc.), and packing materials (*e.g.*, cardboard, cartons, styrofoam, bubblewrap, labels, tape, etc.), we used import values from the World Trade Atlas® online ("Indian Import Statistics"), which were published by the Directorate General of

Commercial Intelligence and Statistics, Ministry of Commerce of India, which were reported in rupees and are contemporaneous with the POR. Where data appeared to be aberrational within selected HTS values, we removed the aberrational data from the calculation of these selected HTS values. For a complete listing of all the inputs and the valuation for each mandatory respondent see the *Factor Valuation Memorandum*.

Where we could not obtain publicly available information contemporaneous with the POR with which to value FOPs, we adjusted the SVs using, where appropriate, the Indian Wholesale Price Index ("WPI") as published in the International Financial Statistics of the International Monetary Fund. *See Factor Valuation Memorandum*; see also *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China: Final Results of 2003–2004 Administrative Review and Partial Rescission of Review*, 71 FR 2517, 2522 (January 17, 2006) ("TRBs 2003–2004").

For the purposes of the preliminary results, the Department has used <http://www.allmeasures.com> and other publicly available information where interested parties did not submit alternative conversion values for specific FOPs. Due to the complexity and number of the conversions, however, the Department has preliminarily determined to use the allmeasures website to convert certain values. For the final results, the Department will continue to consider other appropriate conversion ratios.

For direct labor, indirect labor, and packing labor, consistent with 19 CFR 351.408(c)(3), we used the PRC regression-based wage rate as reported on Import Administration's website, Import Library, Expected Wages of Selected NME Countries, revised in November 2005, <http://ia.ita.doc.gov/wages/index.html>. The source of these wage-rate data is the Yearbook of Labour Statistics 2004, ILO (Geneva: 2003), Chapter 5B: Wages in Manufacturing. The years of the reported wage rates range from 1998 to 2003. Because this regression-based wage rate does not separate the labor rates into different skill levels or types of labor, we have applied the same wage rate to all skill levels and types of labor reported by the respondent. *See Factor Valuation Memorandum*.

To value electricity, we used data from the International Energy Agency Key World Energy Statistics (2003 edition). Because the value for electricity was not contemporaneous with the POR, we adjusted the values

for inflation. *See Factor Valuation Memorandum*.

To calculate the value for domestic brokerage and handling, the Department used information available to it contained in the public version of two questionnaire responses placed on the record of separate proceedings. The first source was December 2003–November 2004 data contained in the public version of Essar Steel's February 28, 2005, questionnaire submitted in the antidumping duty administrative review of hot-rolled carbon steel flat products from India. *See Certain Hot-Rolled Carbon Steel Flat Products from India: Notice of Preliminary Results of Antidumping Duty Administrative Review*, 71 FR 2018 (January 12, 2006)(unchanged in final results). This value was averaged with the February 2004–January 2005 data contained in the public version of Agro Dutch Industries Limited's ("Agro Dutch") May 24, 2005, questionnaire response submitted in the administrative review of the antidumping duty order on certain preserved mushrooms from India. *See Fresh Garlic from the People's Republic of China: Final Results of Partial Rescission of Antidumping Duty Administrative Review and Final Results of New Shipper Reviews*, 71 FR 26329 (May 4, 2006). The brokerage expense data reported by Essar Steel and Agro Dutch in their public versions is ranged data. The Department first derived an average per-unit amount from each source. Then the Department adjusted each average rate for inflation using the WPI. Finally, the Department averaged the two per-unit amounts to derive an overall average rate for the POR. *See Factor Valuation Memorandum*.

To value international freight, the Department obtained a generally publicly available price quote from <http://www.maersksealand.com/HomePage/appmanager/>, a market-economy provider of international freight services. *See Factor Valuation Memorandum*.

The Department valued steam coal using the 2003/2004 Tata Energy Research Institute's Energy Data Directory & Yearbook ("TERI Data"). The Department was able to determine, through its examination of the 2003/2004 TERI Data, that: a) the annual TERI Data publication is complete and comprehensive because it covers all sales of all types of coal made by Coal India Limited and its subsidiaries, and b) the annual TERI Data publication prices are exclusive of duties and taxes. Because the value was not contemporaneous with the POR, the Department adjusted the rate for

inflation. *See Factor Valuation Memorandum.*

We used Indian transport information in order to value the freight-in cost of the raw materials. The Department determined the best available information for valuing truck and rail freight to be from [www.infreight.com](http://www.infreight.com). This source provides daily rates from six major points of origin to five destinations in India during the POR. The Department obtained a price quote on the first day of each month of the POR from each point of origin to each destination and averaged the data

accordingly. *See Factor Valuation Memorandum.*

To value factory overhead, selling, general, and administrative expenses ("SG&A"), and profit, we used the audited financial statements for the fiscal year ending March 31, 2005, from the following producers: Ahuja Furnishers Pvt. Ltd., Akriti Perfections India Pvt. Ltd., Fusion Design Private Ltd., Huzaifa Furniture Industries Pvt. Ltd., Imperial Furniture Company Pvt. Ltd., Indian Furniture Products, Ltd., and Nizamuddin Furnitures Pvt. Ltd., all of which are Indian producers of comparable merchandise. From this

information, we were able to determine factory overhead as a percentage of the total raw materials, labor and energy ("ML&E") costs; SG&A as a percentage of ML&E plus overhead (*i.e.*, cost of manufacture); and the profit rate as a percentage of the cost of manufacture plus SG&A. For further discussion, see *Factor Valuation Memorandum*.

#### Preliminary Results of Review

We preliminarily determine that the following weighted-average dumping margins exist for the period June 24, 2004, through December 31, 2005:

#### WOODEN BEDROOM FURNITURE FROM THE PRC

Producer/Exporter	Weighted-Average Margin (Percent)
Fujian Lianfu Forestry Co. Ltd. /Fujian Wonder Pacific Inc. (Dare Group) .....	58.84
Fuzhou Huan Mei Furniture Co., Ltd. (Dare Group) .....	58.84
Jiangsu Dare Furniture Co., Ltd. (Dare Group) .....	58.84
Fine Furniture (Shanghai) Limited .....	2.13
Foshan Guangju Furniture Co., Ltd. ....	13.26
Shanghai Aosen Furniture Co., Ltd. ....	1.24
Starcorp Furniture Co., Ltd, Starcorp Furniture (Shanghai) Co., Ltd., Orin Furniture (Shanghai) Co., Ltd., Shanghai Star Furniture Co., Ltd., and Shanghai Xing Ding Furniture Industrial Co., Ltd. ....	74.69
Dongguan Huanghouse Furniture Co., Ltd. ....	216.01
Tianjin First Wood Co., Ltd. ....	216.01
Ace Furniture & Crafts Ltd. (a.k.a. Deqing Ace Furniture and Crafts Limited) .....	62.94
Baigou Crafts Factory of Fengkai .....	62.94
Best King International Ltd. ....	62.94
Dalian Pretty Home Furniture .....	62.94
Decca Furniture Limited .....	62.94
Der Cheng Wooden Works of Factory .....	62.94
Dongguan Dihao Furniture Co., Ltd. ....	62.94
Dongguan Hua Ban Furniture Co., Ltd. ....	62.94
Dongguan Mingsheng Furniture Co., Ltd. ....	62.94
Dongguan New Technology Import & Export Co., Ltd. ....	62.94
Dongguan Sunpower Enterprise Co., Ltd. ....	62.94
Dongguan Yihaiwei Furniture Limited .....	62.94
Kalanter (Hong Kong) Furniture Company Limited .....	62.94
Furnmart Ltd. ....	62.94
Guangzhou Lucky Furniture Co. Ltd. ....	62.94
Hong Yu Furniture (Shenzhen) Co. Ltd. ....	62.94
Hung Fai Wood Products Factory, Ltd. ....	62.94
Hwang Ho International Holdings Limited .....	62.94
King Wood Furniture Co., Ltd. ....	62.94
Meikangchi Nantong Furniture Company Ltd. ....	62.94
Nantong Yangzi Furniture Co., Ltd. ....	62.94
Po Ying Industrial Co. ....	62.94
Profit Force Ltd. ....	62.94
Qingdao Beiyuan-Shengli Furniture Co., Ltd. ....	62.94
Qingdao Shenchang Wooden Co., Ltd. ....	62.94
Red Apple Trading Co. Ltd. ....	62.94
Shenyang Kunyu Wood Industry Co., Ltd. ....	62.94
Shenzhen Dafuhao Industrial Development Co., Ltd. ....	62.94
Shenzhen Shen Long Hang Industry Co., Ltd. ....	62.94
Sino Concord International Corporation .....	62.94
T.J. Maxx International Co., Ltd. ....	62.94
Top Goal Development Co. ....	62.94
Transworld (Zhangzhou) Furniture Co. Ltd. ....	62.94
Wan Bao Chen Group Hong Kong Co. Ltd. ....	62.94
Winmost Enterprises Limited .....	62.94
Xilinmen Group Co. Ltd. ....	62.94
Yongxin Industrial (Holdings) Limited .....	62.94
Zhongshan Gainwell Furniture Co. Ltd. ....	62.94
PRC-Wide Rate .....	216.01



## Disclosure

The Department will disclose calculations performed for these preliminary results to the parties within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). Interested parties may submit case briefs and/or written comments no later than 30 days after the date of publication of these preliminary results of review. *See* 19 CFR 351.309(c)(ii). Rebuttal briefs and rebuttals to written comments, limited to issues raised in such briefs or comments, may be filed no later than 35 days after the date of publication. *See* 19 CFR 351.309(d). Further, parties submitting written comments are requested to provide the Department with an additional copy of those comments on diskette. Any interested party may request a hearing within 30 days of publication of these preliminary results. *See* 19 CFR 351.310(c). Any hearing, if requested, will be held two days after the scheduled date for submission of rebuttal briefs. *See* 19 CFR 351.310(d).

The Department will issue the final results of these administrative reviews, which will include the results of its analysis of issues raised in the briefs, within 120 days of publication of these preliminary results, in accordance with 19 CFR 351.213(h)(1), unless the time limit is extended.

## Assessment Rates

Upon issuance of the final results, the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries. The Department intends to issue appropriate assessment instructions directly to CBP 15 days after the date of publication of the final results of these new shipper and administrative reviews. In accordance with 19 CFR 351.212(b)(1), we have calculated an exporter/importer-or customer-specific assessment rate or value for merchandise subject to these reviews. For these preliminary results, we divided the total dumping margins for the reviewed sales by the total entered quantity of those reviewed sales for each applicable importer. In these reviews, if these preliminary results are adopted in our final results of review, we will direct CBP to assess the resulting rate against the entered customs value for the subject merchandise on each importer's/customer's entries during the POR.

## Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of these

administrative reviews for shipments of subject merchandise from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by sections 751(a)(1)(C) and (a)(2)(C) of the Act: (1) for the Dare Group, Fine Furniture, Foshan Guanqui, Shanghai Aosen, and Starcorp, and the separate-rate applicants being granted a separate rate, the cash deposit rate will be that established in the final results of these reviews; (2) for previously investigated or reviewed PRC and non-PRC exporters not listed above that have separate rates, the cash deposit rate will continue to be the exporter-specific rate published for the most recent period; (3) for all PRC exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be the PRC-wide rate of 216.01 percent; and (4) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporters that supplied that non-PRC exporter. These deposit requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

## 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.

The Department is issuing and publishing these preliminary results of administrative review and new shipper reviews in accordance with sections 751(a) and 777(i)(1) of the Act, and 19 CFR 351.221(b) and 351.214(h).

Dated: January 31, 2007.

**David M. Spooner,**

*Assistant Secretary for Import Administration.*

[FR Doc. E7-2130 Filed 2-8-07; 8:45 am]

**BILLING CODE 3510-DS-S**

## DEPARTMENT OF COMMERCE

### National Oceanic and Atmospheric Administration

#### Notice of Indirect Cost Rates for the Damage Assessment, Remediation, and Restoration Program for Fiscal Year 2005.

**SUMMARY:** The National Oceanic and Atmospheric Administration's (NOAA's) Damage Assessment, Remediation, and Restoration Program (DARRP) is announcing new indirect cost rates on the recovery of indirect costs for its component organizations involved in natural resource damage assessment and restoration activities for fiscal year (FY) 2005. The indirect cost rates for this fiscal year and dates of implementation are provided in this notice. More information on these rates and the DARRP policy can be found at the DARRP Web site at [www.darrp.noaa.gov](http://www.darrp.noaa.gov).

**FOR FURTHER INFORMATION CONTACT:** For further information, contact Brian Julius at 301-713-4248, ext. 199, by fax at 301-713-4389, or e-mail at [Brian.Julius@noaa.gov](mailto:Brian.Julius@noaa.gov).

**SUPPLEMENTARY INFORMATION:** The mission of the DARRP is to restore natural resource injuries caused by releases of hazardous substances or oil under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) (42 U.S.C. 9601 *et seq.*), the Oil Pollution Act of 1990 (OPA) (33 U.S.C. 2701 *et seq.*), and support restoration of physical injuries to National Marine Sanctuary resources under the National Marine Sanctuaries Act (NMSA) (16 U.S.C. 1431 *et seq.*). The DARRP consists of three component organizations: the Office of Response and Restoration (ORR) within the National Ocean Service; the Restoration Center within the National Marine Fisheries Service; and the Office of the General Counsel for Natural Resources (GCNR). The DARRP conducts Natural Resource Damage Assessments (NRDAs) as a basis for recovering damages from responsible parties, and uses the funds recovered to restore injured natural resources. During FY 2005, the ORR underwent a reorganization and the former Damage Assessment and Restoration Program was renamed DARRP. Previous notices reported indirect rates for the Damage Assessment Center (DAC), which was a division of ORR prior to the reorganization. This notice reports an indirect rate for the larger ORR.

Consistent with Federal accounting requirements, the DARRP is required to