

In this review, there are no circumstances present to indicate that the selected margin is not appropriate as AFA. The margin we have selected is the margin we determined for Terphane in the LTFV investigation and represents the highest margin alleged in the petition. This is also the margin we assigned to Terphane in the immediately preceding administrative review. Moreover, because Terphane refused to respond to the Department's questionnaire, there is no information on the record of this review that demonstrates that 44.36 percent is not an appropriate AFA rate for Terphane. Thus, the Department considers this dumping margin relevant for the use of AFA for this administrative review.

As the AFA rate is both reliable and relevant, we find it has probative value. Therefore, with the information at our disposal for the corroboration of this AFA rate, we find the rate of 44.36 percent is corroborated to the extent practicable in accordance with section 776(c) of the Act. We preliminarily find that use of the rate of 44.36 percent as AFA is sufficiently high to ensure that Terphane does not benefit from failing to cooperate in our review by choosing not to respond to the Department's antidumping questionnaire and otherwise participate in the Department's administrative review.

#### Preliminary Results of Review

We preliminarily determine that the following antidumping duty margin exists for the period November 1, 2009, through October 31, 2010:

Producer/Exporter	Margin (percent)
Terphane, Inc. ....	44.36

#### Disclosure and Public Comment

Interested parties may submit case briefs no later than 30 days after the date of publication of these preliminary results of review. See 19 CFR 351.309(c)(1)(ii). Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than five days after the time limit for filing the case briefs. See 19 CFR 351.309(d)(1). Parties who submit case or rebuttal briefs in this proceeding are requested to submit with each argument a statement of the issue. Parties are also encouraged to provide a summary of the arguments not to exceed five pages and a table of statutes, regulations, and cases cited. See 19 CFR 351.309(c)(2). Furthermore, the Department requests that parties provide the public versions of their case and rebuttal briefs in electronic format (e.g., Microsoft Word, .pdf, etc.).

Interested parties who wish to request a hearing or to participate if one is requested must submit a written request to the Assistant Secretary for Import Administration within 30 days of publication of these preliminary results. See 19 CFR 351.310(c). Requests should contain the following information: (1) The party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Issues raised in the hearing will be limited to those raised in the case and rebuttal briefs. Any hearing, if requested, will be held 37 days after the date of publication, or the first business day thereafter, unless the Department alters the date pursuant to 19 CFR 351.310(d)(1).

The Department intends to issue the final results of this administrative review, which will include the results of its analysis of issues raised in any such comments, within 120 days of publication of these preliminary results, pursuant to section 751(a)(3)(A) of the Act.

#### Assessment Rates

Upon issuance of the final results, the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries. We preliminarily intend to instruct CBP to apply a dumping margin of 44.36 percent *ad valorem* to PET film from Brazil that was produced and/or exported by Terphane and entered, or withdrawn from warehouse, for consumption during the POR. The Department intends to issue appropriate assessment instructions directly to CBP 15 days after the date of publication of the final results of this review.

#### Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the notice of final results of administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results, as provided by section 751(a)(2)(C) of the Act: (1) The cash deposit rate for Terphane will be the rate established in the final results of this review; (2) for other previously reviewed or investigated companies, the cash deposit rate will continue to be the company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in this review or the LTFV investigation but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; (4) if neither the

exporter nor the manufacturer has its own rate, the cash deposit rate will be 28.72 percent, the all-others rate established in the *Final Determination*. These cash deposit requirements, when imposed, shall remain in effect until further notice.

#### Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

These preliminary results of administrative review are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: July 29, 2011.

**Ronald K. Lorentzen,**

*Deputy Assistant Secretary for Import Administration.*

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## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-475-818]

#### Certain Pasta From Italy: Notice of Preliminary Results of Antidumping Duty Administrative Review

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

**SUMMARY:** In response to requests by interested parties, the Department of Commerce ("the Department") is conducting an administrative review of the antidumping duty order on certain pasta ("pasta") from Italy for the period of review ("POR") July 1, 2009, through June 30, 2010. This review covers two producers/exporters of subject merchandise: Molino e Pastificio Tomasello S.p.A. ("Tomasello") and Pastificio Lucio Garofalo S.p.A. ("Garofalo"). We preliminarily determine that during the POR, Tomasello and Garofalo sold subject merchandise at less than normal value ("NV"). If these preliminary results are adopted in the final results of this administrative review, we will instruct U.S. Customs and Border Protection ("CBP") to assess antidumping duties on all appropriate entries of subject merchandise during the POR. Interested

parties are invited to comment on these preliminary results.

**DATES:** *Effective Date:* August 8, 2011.

**FOR FURTHER INFORMATION CONTACT:** Joy Zhang or George McMahon AD/CVD Operations, Office 3, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-1168 or (202) 482-1167, respectively.

**SUPPLEMENTARY INFORMATION:**

**Background**

On July 24, 1996, the Department published in the **Federal Register** the antidumping duty order on pasta from Italy.<sup>1</sup> On July 1, 2010, the Department published a notice of opportunity to request an administrative review of the antidumping duty order on certain pasta from Italy.<sup>2</sup> Pursuant to requests from interested parties,<sup>3</sup> the Department published in the **Federal Register** the notice of initiation of this antidumping duty administrative review with respect to the following companies for the period July 1, 2009, through June 30, 2010: Agritalia S.r.L. (“Agritalia”), Domenico Paone fu Erasmo S.p.A. (“Erasmo”), Industria Alimentare Colavita, S.p.A. (“Indalco”), Labor S.r.L. (“Labor”), Molino e Pastificio Tomasello, S.p.A. (“Tomasello”), PAM S.p.A. and its affiliate, Liguori Pastificio dal 1820 SpA (“PAM”), P.A.P. SNC Di Paziienza G.B. & C. (“P.A.P.”), Premiato Pastificio Afeltra S.r.L. (“Afeltra”), Pasta Zara SpA (“Zara”), Pastificio Di Martino Gaetano & F.lli SpA (“Di Martino”), Pastificio Fabianelli S.p.A. (“Fabianelli”), Pastificio Felicetti SrL (“Felicetti”), Pastificio Lucio Garofalo S.p.A. (“Garofalo”), Pastificio Riscossa F.lli Mastromauro S.p.A. (“Riscossa”), Rummo S.p.A. Molino e Pastificio (“Rummo”), and Rustichella d’Abruzzo S.p.A. (“Rustichella”).<sup>4</sup>

On September 13, 2010, the Department announced its intention to select mandatory respondents based on CBP data.<sup>5</sup> On October 10, 2010, the

Department selected Garofalo and Tomasello as mandatory respondents.<sup>6</sup> On November 12, 2010, Afeltra, Agritalia, Di Martino, Felicetti, Labor, PAM, Erasmo, P.A.P., Riscossa, Rustichella, and Zara (collectively “certain non-mandatory respondents”) requested that the Department extend the deadline to withdraw from the instant review for 45 days. The Department declined this request to modify the 90-day deadline for parties to withdraw their requests for review. See the Department’s letter to David L. Simon, counsel for the certain non-mandatory respondents, dated November 24, 2010. On November 29, 2010, Di Martino, Felicetti, and Zara withdrew its request for a review.

As a result of withdrawals of request for review, we rescinded this review, in part, with respect to Di Martino, Felicetti, and Zara.<sup>7</sup> The instant review continues with respect to Agritalia, Erasmo, Indalco, Labor, Tomasello, PAM, P.A.P., Afeltra, Fabianelli, Garofalo, Riscossa, Rummo, and Rustichella. *Id.* As referenced above, Garofalo and Tomasello were selected as mandatory respondents.

Between October 2010 and July 2011, the Department issued its initial questionnaire<sup>8</sup> and supplemental questionnaires to each respondent, as applicable. The Department issued Section D to Garofalo and Tomasello because we disregarded sales by these companies that were below the COP in the most recently completed administrative review of each respective company. We received responses to the Department’s initial questionnaire on December 10, 2010 and December 20, 2010, from Garofalo. We received responses to the Department’s initial questionnaire on December 10, 2010 from Tomasello. We issued section A, B, C, and D supplemental questionnaires, to which Garofalo and Tomasello responded during December 2010, February, March, April, May and July 2011.

On February 28, 2011, the Department fully extended the due date for the

Protection Data for Selection of Respondents for Individual Review,” dated September 13, 2010.

<sup>6</sup> See Memorandum from Christopher Hargett to Melissa Skinner titled “Selection of Respondents for Individual Review,” dated October 10, 2010.

<sup>7</sup> See *Certain Pasta from Italy: Notice of Partial Rescission of Antidumping Duty Administrative Review*, 76 FR 23973 (April 29, 2011) (“*Partial Rescission Notice*”).

<sup>8</sup> The antidumping duty questionnaire issued to respondents includes Section A (*i.e.*, the section covering general information about the company) of the antidumping duty questionnaire, Section B (*i.e.*, the section covering comparison market sales), Section C (*i.e.*, the section covering U.S. sales), and Section D (*i.e.*, the section covering the cost of production (“COP”) and constructed value (“CV”).

preliminary results of review from April 2, 2011, to August 1, 2011.<sup>9</sup>

The Department conducted the sales verification of Tomasello from June 6, 2011, through June 10, 2011, in Casteldaccia, Italy. The Department conducted the cost verification of Tomasello from June 13, 2011, through June 17, 2011, in Casteldaccia, Italy. We verified the information upon which we relied in making our preliminary determination.

**Scope of the Order**

Imports covered by this order are shipments of certain non-egg dry pasta in packages of five pounds four ounces or less, whether or not enriched or fortified or containing milk or other optional ingredients such as chopped vegetables, vegetable purees, milk, gluten, diastasis, vitamins, coloring and flavorings, and up to two percent egg white. The pasta covered by this scope is typically sold in the retail market, in fiberboard or cardboard cartons, or polyethylene or polypropylene bags of varying dimensions.

Excluded from the scope of this order are refrigerated, frozen, or canned pastas, as well as all forms of egg pasta, with the exception of non-egg dry pasta containing up to two percent egg white. Also excluded are imports of organic pasta from Italy that are accompanied by the appropriate certificate issued by the Istituto Mediterraneo Di Certificazione, by QC&I International Services, by Ecocert Italia, by Consorzio per il Controllo dei Prodotti Biologici, by Associazione Italiana per l’Agricoltura Biologica, by Codex S.r.L., by Bioagricert S.r.L., or by Istituto per la Certificazione Etica e Ambientale. Effective July 1, 2008, gluten free pasta is also excluded from this order. See *Certain Pasta from Italy: Notice of Final Results of Antidumping Duty Changed Circumstances Review and Revocation, in Part*, 74 FR 41120 (August 14, 2009).

The merchandise subject to this order is currently classifiable under items 1902.19.20 and 1901.90.9095 of the *Harmonized Tariff Schedule of the United States* (“HTSUS”). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise subject to the order is dispositive.

**Product Comparisons**

In accordance with section 771(16) of the Tariff Act of 1930, as amended (“the Act”), we first attempted to match contemporaneous sales of products sold

<sup>9</sup> See *Certain Pasta From Italy: Extension of Time Limits for the Preliminary Results of Fourteenth Antidumping Duty Administrative Review*, 76 FR 10879 (February 28, 2011).

<sup>1</sup> See *Notice of Antidumping Duty Order and Amended Final Determination of Sales at Less Than Fair Value: Certain Pasta From Italy*, 61 FR 38547 (July 24, 1996).

<sup>2</sup> See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity To Request Administrative Review*, 75 FR 38074 (July 1, 2010).

<sup>3</sup> The petitioners include New World Pasta Company, Dakota Growers Pasta Company and American Italian Pasta Company (collectively, “Petitioners”).

<sup>4</sup> See *Initiation of Antidumping and Countervailing Duty Administrative Reviews and Deferral of Initiation of Administrative Review*, 75 FR 53274, (August 31, 2010) (“*Initiation Notice*”).

<sup>5</sup> See Memorandum from Christopher Hargett to Melissa Skinner titled “Customs and Border

in the United States and comparison markets that were identical with respect to the following characteristics: (1) Pasta shape; (2) wheat species; (3) milling form; (4) protein content; (5) additives; and (6) enrichment. When there were no sales of identical merchandise in the comparison market to compare with U.S. sales, we compared U.S. sales with the most similar product based on the characteristics listed above, in descending order of priority. When there were no appropriate comparison market sales of comparable merchandise, we compared the merchandise sold in the United States to CV, in accordance with section 773(a)(4) of the Act.

For purposes of the preliminary results, where appropriate, we have calculated the adjustment for differences in merchandise based on the difference in the variable cost of manufacturing ("VCOM") between each U.S. model and the most similar home market model selected for comparison.

#### Comparisons to Normal Value

To determine whether sales of certain pasta from Italy were made in the United States at less than NV, we compared the export price ("EP") of each sale to the NV, as described in the "Export Price" and "Normal Value" sections of this notice.

Pursuant to sections 773(a)(1)(B)(i) and 777A(d)(2) of the Act, for Tomasello and Garofalo, we compared the EPs of individual transactions, as applicable, to the weighted-average NV of the foreign like product in the appropriate corresponding calendar month where there were sales made in the ordinary course of trade, as discussed in the "Cost of Production Analysis" section below.

#### Export Price

For the price to the United States, we used export price, as defined in section 772(a) of the Act. Section 772(a) defines EP as the price at which the subject merchandise is first sold before the date of importation by the producer or exporter of subject merchandise outside of the United States to an unaffiliated purchaser in the United States or to an unaffiliated purchaser for exportation to the United States. We calculated an EP for Tomasello's and Garofalo's U.S. sales because they were made directly to the first unaffiliated purchasers in the United States prior to importation and constructed export price ("CEP") was not otherwise warranted based on the facts on the record.

For EP sales, we made deductions from the starting price (gross unit price), where appropriate, for movement

expenses in accordance with section 772(c)(2) of the Act. Movement expenses included foreign inland freight (from plant or warehouse, and from plant to port of exportation), foreign warehousing expenses, foreign brokerage, international freight, U.S. brokerage and handling and charges, and U.S. customs duties. With respect to Tomasello, we capped the transportation recovery amounts by the amount of U.S. freight expenses, incurred on the subject merchandise, in accordance with our practice. See *Certain Orange Juice from Brazil: Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 73 FR 46584 (August 11, 2008), and accompanying Issues and Decision Memorandum ("2005–2007 OJ from Brazil") at Comment 7.

In addition, when appropriate, we increased EP by an amount equal to the countervailing duty ("CVD") rate attributed to export subsidies in the most recently completed CVD administrative review, in accordance with section 772(c)(1)(C) of the Act.

#### Normal Value

##### A. Selection of Comparison Markets

Section 773(a)(1) of the Act directs that NV be based on the price of the foreign like product sold in the home market, provided that the merchandise is sold in sufficient quantities (or value, if quantity is inappropriate) and that there is no particular market situation that prevents a proper comparison with the export price or constructed export price. The statute contemplates that quantities (or value) normally be considered insufficient if they are less than five percent of the aggregate quantity (or value) of sales of the subject merchandise to the United States. To determine whether there was a sufficient volume of sales in the home market to serve as a viable basis for calculating NV, we compared each respondent's volume of home market sales of the foreign like product to the volume of its U.S. sales of the subject merchandise. Pursuant to section 773(a)(1)(B) of the Act, because Garofalo and Tomasello each had an aggregate volume of home market sales of the foreign like product that was greater than five percent of its aggregate volume of U.S. sales of the subject merchandise, we determined that the home market was viable for both Garofalo and Tomasello.

#### Ordinary Course of Trade

On January 14, 2011, petitioners submitted comments alleging that a "particular market situation" existed

with respect to sales made in Italy by Garofalo. In petitioners' April 13, 2011, comments, petitioners stated that they withdraw their January 14 allegation of a particular market situation, under the stipulation that the Department conduct an analysis for the alleged aberrational home market sales under the ordinary course of trade provision of the statute. See petitioners' April 13, 2011, comments at 2–3, footnote 1. We have examined Garofalo's sales within the context of the ordinary course of trade provision; therefore, we are not addressing the "particular market situation" allegation that petitioners withdrew.

Petitioners argue that Garofalo's sales of pasta in Italy with a protein content of less than 12.5 percent should be excluded from the calculation of normal value because petitioners allege that they are sales that are outside the ordinary course of trade. Petitioners claim that these sales have unusual product specifications, aberrational prices and unusual terms of sale. *Id.* at 2. We have considered the comments submitted by petitioners and Garofalo. Based on our analysis of Garofalo's home market sales data and the comments submitted on the record, we find Garofalo's home market sales to be within the ordinary course of trade. Because the discussion of this issue contains business proprietary information ("BPI"), see memorandum from the Team through Melissa Skinner, Director, Office 3, to Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, titled, "Analysis Memorandum for the Preliminary Results of the Fourteenth Administrative Review of the Antidumping Duty Order on Certain Pasta from Italy (2009–2010)" for additional details.

##### B. Arm's-Length Sales

Garofalo reported that all of its sales to the Italian market are to unaffiliated customers; however, it made a few sales to employees and shareholders and coded such sales as affiliated sales. See Garofalo's Section B Questionnaire Response, dated December 20, 2010, at page B–11. In accordance with the Department's practice, we have excluded such sales from consideration. See Garofalo's Prelim Sales Analysis Memorandum, dated August 1, 2011.

##### C. Cost of Production Analysis

Because we disregarded below-cost sales in the most recently completed segment of the proceeding, we had reasonable grounds to believe or suspect that home market sales of the foreign

like product by the respondents were made at prices below the COP during the POR, in accordance with section 773(b)(2)(A)(ii) of the Act. Therefore, we required Garofalo and Tomasello to submit a response to Section D of the Department's questionnaire. The Department disregarded sales below the COP in the last completed review in which Garofalo and Tomasello participated.<sup>10</sup>

#### 1. Calculation of COP

In accordance with section 773(b)(3) of the Act, we calculated the weighted-average COP by model based on the sum of materials, fabrication, general and administrative ("G&A"), and interest expenses. We relied on the COP data submitted by both Garofalo and Tomasello except the following adjustments. We increased Garofalo's cost of manufacturing ("COM") to account for the unreconciled difference between the COM from its normal books and records and the reported COM. For more details, see Memorandum from James Balog to Neal M. Halper, Director of Office of Accounting, titled "Cost of Production and Constructed Value Calculation Adjustments for the Preliminary Results—Pastificio Lucio Garofalo S.p.A.," dated August 1, 2011. Also, we have increased Tomasello's reported direct materials and conversion costs to incorporate a revised yield loss ratio resulting from a revised total production quantity for finished pasta products. For additional details, see Memorandum from Stephanie Arthur to Neal M. Halper, Director of Office of Accounting, titled "Cost of Production and Constructed Value Calculation Adjustments for the Preliminary Results—Molino e Pastificio Tomasello, S.p.A.," dated August 1, 2011.

Based on the review of record evidence, Garofalo and Tomasello did not appear to experience significant changes in COM during the POR. Therefore, we followed our normal methodology of calculating an annual weighted-average cost.

<sup>10</sup> See *Certain Pasta From Italy: Notice of Amended Final Results of the Thirteenth Antidumping Duty Administrative Review*, 76 FR 6601, February 7, 2011 ("Pasta Thirteen"); see also *Notice of Preliminary Results and Partial Rescission of Antidumping Duty Administrative Review and Intent Not to Revoke in Part: For the Sixth Administrative Review of the Antidumping Duty Order on Certain Pasta from Italy*, 68 FR 47020, 47029, August 7, 2003, and *Notice of Final Results and Partial Rescission of Antidumping Duty Administrative Review of the Antidumping Duty Order on Certain Pasta from Italy and Determination Not to Revoke in Part*, 69 FR 6255, February 10, 2004.

#### 2. Test of Comparison Market Prices

We compared the weighted-average COPs for the respondents to their home market sales prices of the foreign like product, as required under section 773(b) of the Act, to determine whether these sales had been made at prices below the COP within an extended period of time (*i.e.*, normally a period of one year) in substantial quantities and whether such prices were sufficient to permit the recovery of all costs within a reasonable period of time. On a model-specific basis, we compared the COP to the home market prices, less any applicable movement charges, discounts, rebates, and direct and indirect selling expenses.

#### 3. Results of COP Test

We disregard below-cost sales where: (1) 20 percent or more of the respondent's sales of a given product during the POR were made at prices below the COP in accordance with sections 773(b)(2)(B) and (C) of the Act; and (2) based on comparisons of price to weighted-average COPs for the POR, we determine that the below-cost sales of the product were at prices that would not permit recovery of all costs within a reasonable time period, in accordance with section 773(b)(2)(D) of the Act. We found that Tomasello and Garofalo made sales below cost and we disregarded such sales where appropriate. See Tomasello and Garofalo Prelim Cost Memorandum.

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

We calculated NV based on ex-works, free on board ("FOB") or delivered prices to comparison market customers. We made deductions from the starting price, when appropriate, for discounts and rebates. We deducted home market packing costs and added U.S. packing costs, in accordance with sections 773(a)(6)(A) and (B) of the Act. We also deducted home market movement expenses pursuant to section 773(a)(6)(B) of the Act. In addition, we made adjustments for differences in circumstances of sale ("COS") pursuant to section 773(a)(6)(C)(iii) of the Act. Specifically, we made adjustments to normal value for comparison to Tomasello's and Garofalo's EP transactions by deducting direct selling expenses incurred for home market sales (*i.e.*, credit expenses) and adding U.S. direct selling expenses (*i.e.*, credit expenses) and U.S. commissions. See section 773(a)(6)(C)(iii) of the Act, and 19 CFR 351.410(c). We also made adjustments for Garofalo and Tomasello, in accordance with 19 CFR 351.410(e),

for indirect selling expenses incurred in the home market or the United States where commissions were granted on sales in one market but not in the other, the "commission offset." Specifically, where commissions are incurred in one market, but not in the other, we will limit the amount of such allowance to the amount of either the selling expenses incurred in the one market or the commissions allowed in the other market, whichever is less.

When comparing U.S. sales with comparison market sales of similar, but not identical, merchandise, we also made adjustments for physical differences in the merchandise in accordance with section 773(a)(6)(C)(ii) of the Act and 19 CFR 351.411. We based this adjustment on the difference in the VCOM for the foreign like product and subject merchandise, using weighted-average costs.

Sales of pasta purchased by Garofalo from unaffiliated producers and resold in the comparison market were disregarded. See Garofalo Sales Analysis Memo.

#### E. Level of Trade

In accordance with section 773(a)(1)(B) of the Act, we determine NV based on sales in the comparison market at the same level of trade ("LOT") as the EP and CEP sales, to the extent practicable. When there are no sales at the same LOT, we compare U.S. sales to comparison market sales at a different LOT. When NV is based on CV, the NV LOT is that of the sales from which we derive SG&A expenses and profit.

Pursuant to 19 CFR 351.412(c)(2), to determine whether comparison market sales were at a different LOT, we examine stages in the marketing process and selling functions along the chain of distribution between the producer and the unaffiliated (or arm's-length affiliated) customers. The Department identifies the LOT based on: The starting price or constructed value (for normal value); the starting price (for EP sales); and the starting price, as adjusted under section 772(d) of the Act (for CEP sales). If the comparison-market sales were at a different LOT and the differences affect price comparability, as manifested in a pattern of consistent price differences between the sales on which NV is based and comparison-market sales at the LOT of the export transaction, we will make a LOT adjustment under section 773(a)(7)(A) of the Act.

Finally, if the NV LOT is more remote from the factory than the CEP LOT and there is no basis for determining whether the differences in LOT between

NV and CEP affected price comparability, we will grant a CEP offset, as provided in section 773(a)(7)(B) of the Act. *See Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate from South Africa*, 62 FR 61731, 61732–33 (November 19, 1997).

Tomasello indicated there was a single level of trade for all sales in both markets, and petitioner has not claimed that multiple levels of trade existed for Tomasello. Tomasello provided information regarding channels of distribution and selling activities performed for different categories of customers. *See* Tomasello’s December 10, 2010, Section A response, at Exhibit 4. Tomasello’s chart of specific selling functions indicates the selling functions performed for sales in both markets are virtually identical, with no significant variation across the broader categories of sales process/marketing support, freight and delivery, inventory and warehousing, and quality assurance/warranty services. For more details, *see* Tomasello Preliminary Analysis Memorandum. We have preliminarily determined there is one single level of trade for all sales in both the home market and the U.S. market and, therefore, that no basis exists for a level of trade adjustment.

Garofalo reported that it sells to one LOT in the home market. In the home market, Garofalo reported that it sold through three channels of distribution to four customer categories. Garofalo provided information regarding its selling functions and channels of distribution by customer category. *See* Garofalo’s Supplemental Questionnaire response, dated June 28, 2011, at Exhibit SS–1.

In the U.S. market, Garofalo reported that it sold through two channels of distribution to one customer category, and therefore, at one LOT. Garofalo claims that it sold to a different level of trade in the United States than it does in Italy and reported a separate code for its LOT in its U.S. sales database. Based on our analysis of the selling activities for Garofalo, we find that Garofalo’s selling functions performed for sales in both markets are comparable and do not show a significant pattern of variation across the sales categories. Furthermore, we find that there is overlap in these activities for channels of distribution and customer categories. Garofalo performs similar selling activities for the reported customer categories and channels of distribution. Although there are differences in intensity of these activities for some of the claimed customer categories, this, in and of

itself, does not show a substantial difference in selling activities that would form the basis for finding a different LOT. *See, e.g., Certain Frozen Warmwater Shrimp from Ecuador: Final Results of Antidumping Duty Administrative Review*, 72 FR 52070 (September 12, 2007), and accompanying Issues and Decision Memorandum at Comment 4. Due to the proprietary nature of this issue, please refer to Garofalo’s Sales Analysis Memo for further discussion.

We have preliminarily determined there is one single level of trade for all sales in both the home market and the U.S. market and, therefore, that no basis exists for a level of trade adjustment.

**Currency Conversion**

For purposes of these preliminary results, we made currency conversions in accordance with section 773A(a) of the Act, based on the official exchange rates published by the Federal Reserve Bank. *See* Garofalo’s Sales Analysis Memo; *see also* Tomasello Sales Analysis Memo.

**Preliminary Results of Review**

As a result of our review, we preliminarily determine that the following weighted-average percentage margins exist for the period July 1, 2009, through June 30, 2010:

Manufacturer/exporter	Margin (percent) <sup>11</sup>
Garofalo .....	3.20
Tomasello .....	4.18
Review-Specific Average Rate <sup>12</sup> Applicable to the Following Companies: Agritalia, Erasmo, Indalco, Labor, PAM, P.A.P., Afeltra, Fabianelli, Riscossa, Rummo, and Rustichella .....	3.57

The Department intends to disclose the calculations performed for these preliminary results within five days of the date of publication of this notice to the parties of this proceeding, in accordance with 19 CFR 351.224(b). An interested party may request a hearing

<sup>11</sup> The antidumping duty margin for Tomasello incorporates an adjustment for the countervailing duty offset to account for the export subsidy portion of the countervailing duties applied to this company, which Tomasello reported in the field CVDU.

<sup>12</sup> This rate is a weighted-average percentage margin (calculated based on the publicly ranged U.S. Values of the two reviewed companies with an affirmative dumping margin) for the period July 1, 2009, through June 30, 2010. *See* Memorandum to the File, titled, “Pasta from Italy: Margin for Respondents Not Selected for Individual Examination,” from Joy Zhang and George McMahon, Case Analysts, through James Terpstra, Program Manager, dated August 1, 2011.

within 30 days of publication of these preliminary results. *See* 19 CFR 351.310(c).

Pursuant to 19 CFR 351.213(h), the Department intends to issue the final results of this administrative review, which will include the results of its analysis of issues raised in any such comments, or at a hearing, if requested, within 120 days of publication of these preliminary results.

**Assessment Rate**

Pursuant to 19 CFR 351.212(b), the Department calculated an assessment rate for each importer of the subject merchandise. Upon issuance of the final results of this administrative review, if any importer-specific assessment rates calculated in the final results are above *de minimis* (*i.e.*, at or above 0.5 percent), the Department will issue appraisal instructions directly to CBP to assess antidumping duties on appropriate entries by applying the assessment rate to the entered value of the merchandise. For assessment purposes, we calculated importer-specific assessment rates for the subject merchandise by aggregating the dumping margins for all U.S. sales to each importer and dividing the amount by the total entered value of the sales to that importer. Where appropriate, to calculate the entered value, we subtracted international movement expenses (*e.g.*, international freight) from the gross sales value.

The Department clarified its “automatic assessment” regulation on May 6, 2003 (68 FR 23954). This clarification will apply to entries of subject merchandise during the POR produced by companies included in these preliminary results of review for which the reviewed companies did not know their merchandise was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction. For a full discussion of this clarification, *see Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

**Cash Deposit Requirements**

To calculate the cash deposit rate for Tomasello and Garofalo, we divided its total dumping margin by the total net value of its sales during the review period.

The following deposit rates will be effective upon publication of the final results of this administrative review for all shipments of pasta from Italy entered, or withdrawn from warehouse, for consumption on or after the

publication date, as provided by section 751(a)(2)(C) of the Act: (1) The cash deposit rate for companies subject to this review will be the rate established in the final results of this review, except if the rate is less than 0.5 percent and, therefore, *de minimis*, no cash deposit will be required; (2) for previously reviewed or investigated companies not listed above, the cash deposit rate will continue to be the company-specific rate published for the most recent final results for a review in which that manufacturer or exporter participated; (3) if the exporter is not a firm covered in this review, a prior review, or the original less-than-fair-value (“LTFV”) investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent final results for the manufacturer of the merchandise; and (4) if neither the exporter nor the manufacturer is a firm covered in this or any previous review conducted by the Department, the cash deposit rate will be 15.45 percent, the all-others rate established in the LTFV investigation. *See Implementation of the Findings of the WTO Panel in US—Zeroing (EC): Notice of Determination Under Section 129 of the Uruguay Round Agreements Act and Revocations and Partial Revocations of Certain Antidumping Duty Orders*, 72 FR 25261 (May 4, 2007). These cash deposit requirements, when imposed, shall remain in effect until further notice.

#### Notification to Importers

This notice 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 increase the subsequent assessment of the antidumping duties by the amount of antidumping duties reimbursed.

These preliminary results of administrative review are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.221(b)(4).

Dated: August 1, 2011.

**Ronald K. Lorentzen,**

*Deputy Assistant Secretary for Import Administration.*

[FR Doc. 2011–20067 Filed 8–5–11; 8:45 am]

**BILLING CODE 3510–DS–P**

## DEPARTMENT OF COMMERCE

### International Trade Administration

#### Southern Illinois University, et al.; Notice of Decision on Applications for Duty-Free Entry of Scientific Instruments

This is a decision pursuant to Section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Pub. L. 89–651, as amended by Pub. L. 106–36; 80 Stat. 897; 15 CFR part 301). Related records can be viewed between 8:30 a.m. and 5 p.m. in Room 3720, U.S. Department of Commerce, 14th and Constitution Ave., NW., Washington, DC 20230.

*Comments:* None received. *Decision:* Approved. *Reasons:* We know of no instruments of equivalent or comparable scientific value to the foreign instruments described below, for the intended purposes, that were being manufactured in the United States at the time of their order.

*Docket Number:* 11–032. *Applicant:* Southern Illinois University, Integrated Microscopy and Graphic Expertise (IMAGE) Center, 750 Communications Drive—Mailcode 4402, Carbondale, IL 62901. *Instrument:* Quanta 450 scanning electron microscope. *Manufacturer:* FEI Company, Czech Republic. *Intended Use:* See application notice at 76 FR 39070, July 5, 2011.

*Docket Number:* 11–037. *Applicant:* Tulane University, 6823 St. Charles Avenue, New Orleans, LA 70118. *Instrument:* Field-emission transmission electron microscope. *Manufacturer:* FEI Company, the Netherlands. *Intended Use:* See application notice at 76 FR 39070, July 5, 2011.

*Docket Number:* 11–038. *Applicant:* Battelle Memorial Institute, Pacific Northwest National Laboratory, 3335 Q Avenue, Richland, WA 99354. *Instrument:* Scanning transmission electron microscope. *Manufacturer:* FEI Company, the Netherlands. *Intended Use:* See application notice at 76 FR 39070, July 5, 2011.

Dated: July 28, 2011.

**Supriya Kumar,**

*Acting Director, Subsidies Enforcement Office, Office of Policy, Import Administration.*

[FR Doc. 2011–19932 Filed 8–5–11; 8:45 am]

**BILLING CODE 3510–DS–P**

## DEPARTMENT OF COMMERCE

### International Trade Administration

[C–475–819]

#### Certain Pasta From Italy: Preliminary Results of the 14th (2009) Countervailing Duty Administrative Review

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

**SUMMARY:** The Department of Commerce (“Department”) is conducting an administrative review of the countervailing duty order on certain pasta from Italy for the period January 1, 2009, through December 31, 2009. We preliminarily find that Molino e Pastificio Tomasello S.p.A. (“Tomasello”) and Pastificio Antonio Pallante S.r.l. (“Pallante”) received countervailable subsidies and that F.Ili De Cecco di Filippo Fara San Martino S.p.A. (“De Cecco”) received *de minimis* countervailable subsidies. We also find that Pastificio Fabianelli S.p.A. (“Fabianelli”) received countervailable subsidies that were expensed prior to 2009 and did not confer any benefit to Fabianelli during the period of review (“POR”). See the “Preliminary Results of Review” section of this notice below. Interested parties are invited to comment on these preliminary results. See the “Disclosure and Public Comment” section of this notice below.

**DATES:** *Effective Date:* August 8, 2011.

**FOR FURTHER INFORMATION CONTACT:** Mahnaz Khan or Christopher Siepmann, AD/CVD Operations, Office 1, Import Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; *telephone:* (202) 482–0914 and (202) 482–7958, respectively.

#### SUPPLEMENTARY INFORMATION:

##### Background

On July 24, 1996, the Department published a countervailing duty order on certain pasta (“pasta” or “subject merchandise”) from Italy. *See Notice of Countervailing Duty Order and Amended Final Affirmative Countervailing Duty Determination: Certain Pasta From Italy*, 61 FR 38544 (July 24, 1996). On July 1, 2010, the Department published a notice of “Opportunity to Request Administrative Review” of this countervailing duty order for the POR corresponding to calendar year 2009. *See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity To Request Administrative Review*, 75 FR 38074 (July 1, 2010). On July 29,