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**Verification**

In accordance with section 782(i)(1) of the Act, we intend to verify the information submitted by the DP Master Group, WSP, Xigang, and the GOC prior to making our final determination.<sup>109</sup>

**Suspension of Liquidation**

In accordance with section 703(d)(1)(A)(i) of the Act, we have calculated an individual rate for subject merchandise produced and exported by the DP Master Group. We preliminarily determine the total estimated net countervailable subsidy rate to be:

| Producer/Exporter   | Net subsidy <i>ad valorem</i> rate (%) |
|---|--|
| DP Master Manufacturing Co., Ltd. (DP Master), Jiangyin Sanliang Petroleum Machinery Co., Ltd. (SPM); Jiangyin Liangda Drill Pipe Co., Ltd. (Liangda); Jiangyin Sanliang Steel Pipe Trading Co., Ltd. (SSP), and Jiangyin Chuangxin Oil Pipe Fittings Co., Ltd. (Chuangxin) (collectively, DP Master Group) ..... | 15.72                                  |
| All Others .....  | 15.72                                  |

Sections 703(d) and 705(c)(5)(A) of the Act state that for companies not investigated, we will determine an all others rate by weighting the individual company subsidy rate of each of the companies investigated by each company's exports of the subject merchandise to the United States. The all others rate may not include zero and

<sup>109</sup> With regard to WSP and Xigang, we will verify each company's claim that it did not export subject merchandise to the United States during the POI.

*de minimis* net subsidy rates, or any rates based solely on the facts available. Because we have calculated a rate for only the DP Master Group, the rate for the DP Master Group is the all others rate.

In accordance with sections 703(d)(1)(B) and (2) of the Act, we are directing CBP to suspend liquidation of all entries of the subject merchandise from the PRC that are entered or withdrawn from warehouse, for consumption on or after the date of the publication of this notice in the **Federal Register**, and to require a cash deposit or bond for such entries of the merchandise in the amounts indicated above.

**ITC Notification**

In accordance with section 703(f) of the Act, we will notify the ITC of our determination. In addition, we are making available to the ITC all non-privileged and non-proprietary information relating to this investigation. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under an administrative protective order, without the written consent of the Assistant Secretary for Import Administration.

In accordance with section 705(b)(2) of the Act, if our final determination is affirmative, the ITC will make its final determination within 45 days after the Department makes its final determination.

**Disclosure and Public Comment**

In accordance with 19 CFR 351.224(b), the Department will disclose to the parties the calculations for this preliminary determination within five days of its announcement. Case briefs for this investigation must be submitted no later than one week after the issuance of the last verification report. See 19 CFR 351.309(c) (for a further discussion of case briefs). Rebuttal briefs, which must be limited to issues raised in the case briefs, must be filed within five days after the deadline for submission of case briefs. See 19 CFR 351.309(d). A list of authorities relied upon, a table of contents, and an executive summary of issues should accompany any briefs submitted to the Department. Executive summaries should be limited to five pages total, including footnotes.

In accordance with 19 CFR 351.310(c), we will hold a public hearing, if requested, to afford interested parties an opportunity to comment on this preliminary determination.

Individuals who wish to request a hearing must submit a written request within 30 days of the publication of this notice in the **Federal Register** to the Assistant Secretary for Import Administration, U.S. Department of Commerce, Room 1870, 14th Street and Constitution Avenue, NW., Washington, DC 20230. Parties will be notified of the schedule for the hearing and parties should confirm the time, date, and place of the hearing 48 hours before the scheduled time. Requests for a public hearing should contain: (1) Party's name, address, and telephone number; (2) the number of participants; and (3) to the extent practicable, an identification of the arguments to be raised at the hearing.

This determination is issued and published pursuant to sections 703(f) and 777(i) of the Act.

Dated: June 7, 2010.

**Ronald K. Lorentzen,**

*Deputy Assistant Secretary for Import Administration*

[FR Doc. 2010-14111 Filed 6-10-10; 8:45 am]

**BILLING CODE 3510-DS-P**

**DEPARTMENT OF COMMERCE**

**International Trade Administration**

[A-489-501]

**Certain Welded Carbon Steel Pipe and Tube from Turkey: Notice of Preliminary Results of Antidumping Duty Administrative Review**

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

**SUMMARY:** In response to a request by interested parties, the Department of Commerce ("the Department") is conducting an administrative review of the antidumping duty order on certain welded carbon steel pipe and tube ("welded pipe and tube") from Turkey. See *Initiation of Antidumping and Countervailing Duty Administrative Reviews and Requests for Revocation in Part*, 74 FR 30052 (June 24, 2009) ("*Review Initiation*"). This review covers the Borusan Group<sup>1</sup> (collectively "Borusan"), Tubeco Pipe and Steel Corporation, Toscelik,<sup>2</sup> Erbosan, Erciyas Boru Sanayi ve Ticaret A.S. ("Erbosan"),

<sup>1</sup> The Borusan Group includes Borusan Mannesmann Boru Sanayi ve Ticaret A.S., Borusan Birlesik Boru Fabrikalari San ve Tic., Borusan Istikbal Ticaret T.A.S., Boruson Holding A.S., Boruson Gemlik Boru Tesisleri A.S., Borusan Ihracat Ithalat ve Dagitim A.S., and Borusan Ithacat ve Dagitim A.S.

<sup>2</sup> Toscelik Profil ve Sac Endustrisi A.S., Toscelik Metal Ticaret A.S., Tosyali Dis Ticaret A.S. (collectively "Toscelik").

and the Yucel Group companies.<sup>3</sup> We preliminarily determine that Borusan and Toscelik made sales below normal value (“NV”). If these preliminary results are adopted in our final results, we will instruct U.S. Customs and Border Protection (“CBP”) to assess antidumping duties based on the difference between the export price (“EP”) and the NV. The Yucel Group companies reported that they had no shipments to the United States during the POR. The preliminary results are listed below in the section titled “Preliminary Results of Review.”

**EFFECTIVE DATE:** June 11, 2010.

**FOR FURTHER INFORMATION CONTACT:** Joy Zhang or Christopher Hargett, at (202) 482-1168 or (202) 482-4161, respectively; AD/CVD Operations, Office 3, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230.

**SUPPLEMENTARY INFORMATION:**

**Background**

On May 15, 1986, the Department published in the **Federal Register** the antidumping duty order on welded pipe and tube from Turkey. *See Antidumping Duty Order; Welded Carbon Steel Standard Pipe and Tube Products From Turkey*, 51 FR 17784 (May 15, 1986) (“*Antidumping Duty Order*”). On May 1, 2009, the Department published a notice of opportunity to request an administrative review of this order. *See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 74 FR 20278 (May 1, 2009). On June 1, 2009, in accordance with 19 CFR 351.213(b), domestic interested parties, Wheatland Tube Company and Allied Tube and Conduit Corporation, requested reviews of Borusan, Toscelik, Erbosan, and the Yucel Group companies. On June 1, 2009, Borusan also requested a review.

On June 24, 2009, the Department published a notice of initiation of administrative review of the antidumping duty order on welded pipe and tube from Turkey, covering the period May 1, 2008, through April 30, 2009. *See Review Initiation*.

On July 28, 2009, due to the significant number of requests received and the Department’s resource constraints at the time of initiation of the instant review, the Department informed known interested parties of its

intent to limit the number of companies examined in the current review. *See* Memo to Melissa Skinner, through James Terpstra, from Dennis McClure, “Antidumping Duty Administrative Review of Certain Welded Carbon Steel Pipe and Tube from Turkey: Selection of Respondents for Individual Review,” dated July 28, 2009. In accordance with section 777A(c)(2)(B), we selected Borusan and Toscelik.

On July 29, 2009, the Department sent antidumping duty administrative review questionnaires to Borusan and Toscelik.<sup>4</sup> We received Borusan’s and Toscelik’s Sections A–D questionnaire response in September, 2009. We issued supplemental section A, B, C, and D questionnaires, to which Borusan and Toscelik responded during November and December, 2009, and January 2010.

On January 25, 2010, the Department extended the time period for issuing the preliminary results of the administrative review from January 31, 2010, to May 31, 2010. *See Certain Welded Carbon Steel Pipe and Tube from Turkey: Notice of Extension of Time Limits for Preliminary Results of Antidumping Duty Administrative Review*, 75 FR 3896 (January 25, 2010). Further, as explained in the memorandum from the Deputy Assistant Secretary for Import Administration, the Department has exercised its discretion to toll deadlines for the duration of the closure of the Federal Government from February 5, through February 12, 2010. Thus, all deadlines in this segment of the proceeding have been extended by seven days. *See* Memorandum to the Record regarding “Tolling of Administrative Deadlines As a Result of the Government Closure During the Recent Snowstorm,” dated February 12, 2010. Because of this extension, the preliminary results for this segment of the proceeding are now due June 7, 2010.

**Period of Review**

The POR covered by this review is May 1, 2008, through April 30, 2009.

**Scope of the Order**

The products covered by this order include circular welded non-alloy steel pipes and tubes, of circular cross-section, not more than 406.4 millimeters (16 inches) in outside diameter, regardless of wall thickness, surface finish (black, or galvanized, painted), or end finish (plain end, beveled end,

threaded and coupled). Those pipes and tubes are generally known as standard pipe, though they may also be called structural or mechanical tubing in certain applications. Standard pipes and tubes are intended for the low pressure conveyance of water, steam, natural gas, air, and other liquids and gases in plumbing and heating systems, air conditioner units, automatic sprinkler systems, and other related uses. Standard pipe may also be used for light load-bearing and mechanical applications, such as for fence tubing, and for protection of electrical wiring, such as conduit shells.

The scope is not limited to standard pipe and fence tubing, or those types of mechanical and structural pipe that are used in standard pipe applications. All carbon steel pipes and tubes within the physical description outlined above are included in the scope of this order, except for line pipe, oil country tubular goods, boiler tubing, cold-drawn or cold-rolled mechanical tubing, pipe and tube hollows for redraws, finished scaffolding, and finished rigid conduit.

Imports of these products are currently classifiable under the following Harmonized Tariff Schedule of the United States (“HTSUS”) subheadings: 7306.30.10.00, 7306.30.50.25, 7306.30.50.32, 7306.30.50.40, 7306.30.50.55, 7306.30.50.85, and 7306.30.50.90. Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of this proceeding is dispositive.

**The Yucel Group Companies**

On June 25, 2009, the Yucel Group companies submitted timely-filed certifications indicating that they had no shipments of subject merchandise to the United States during the POR. We have not received any comments on the Yucel Group companies’ submission. We confirmed that Yucel Group companies’ claim of no shipments by issuing a “No Shipment Inquiry” to CBP and by reviewing electronic CBP data. *See* Memo to Melissa Skinner, through James Terpstra, from Joy Zhang and Christopher Hargett, “Welded Carbon Steel Pipe and Tube from Turkey Period of Review: May 1, 2008, through April 30, 2009: No Shipment Analysis for Yucel Group Companies,” dated April 30, 2010.

With regard to the Yucel Group companies’ claim of no shipments, our practice since implementation of the 1997 regulations concerning no-shipment respondents has been to rescind the administrative review if the respondent certifies that it had no shipments and we have confirmed

<sup>3</sup> Cayirova Boru Sanayi ve Ticaret A.S., Yucel Boru ve Profil Endustrisi A.S., and Yucelboru Ihracat Ithalat ve Pazarlama A.S. (collectively “Yucel Group Companies”).

<sup>4</sup> The questionnaire consists of sections A (general information), B (sales in the home market or to third countries), C (sales to the United States), D (cost of production/constructed value), and E (cost of further manufacturing or assembly performed in the United States).

through our examination of CBP data that there were no shipments of subject merchandise during the POR. *See* Antidumping Duties; Countervailing Duties, 62 FR 27296, 27393 (May 19, 1997), and *Oil Country Tubular Goods from Japan: Preliminary Results of Antidumping Duty Administrative Review and Partial Rescission of Review*, 70 FR 53161, 53162 (September 7, 2005), unchanged in *Oil Country Tubular Goods from Japan: Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 71 FR 95 (January 3, 2006). As a result, in such circumstances, we normally instruct CBP to liquidate any entries from the no-shipment company at the deposit rate in effect on the date of entry.

In our May 6, 2003, “automatic assessment” clarification, we explained that, where respondents in an administrative review demonstrate that they had no knowledge of sales through resellers to the United States, we would instruct CBP to liquidate such entries at the all-others rate applicable to the proceeding. *See* Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties, 68 FR 23954 (May 6, 2003).

Based on the Yucel Group companies’ assertion of no shipments and confirmation of that claim by CBP data, we preliminarily determine that the Yucel Group companies had no sales to the United States during the POR.

Because “as entered” liquidation instructions do not alleviate the concerns which the May 2003 clarification was intended to address, we find it appropriate in this case to instruct CBP to liquidate any existing entries of merchandise produced by the Yucel Group companies and exported by other parties at the all-others rate should we continue to find at the time of our final results that the Yucel Group companies had no shipments of subject merchandise from the Russian Federation. *See, e.g., Certain Frozen Warmwater Shrimp from India: Partial Rescission of Antidumping Duty Administrative Review*, 73 FR 77610, 77612 (December 19, 2008). In addition, the Department finds that it is more consistent with the May 2003 clarification not to rescind the review in part in these circumstances but, rather, to complete the review with respect to the Yucel Group companies and issue appropriate instructions to CBP based on the final results of the review. *See* the Assessment Rates section of this notice below.

### Product Comparisons

We compared the EP to the NV, as described in the *Export Price* and *Normal Value* sections of this notice. 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 in the United States and comparison market that were identical with respect to the following characteristics: (1) grade; (2) nominal pipe size; (3) wall thickness; (4) surface finish; and (5) end finish. When there were no sales of identical merchandise in the home market to compare with U.S. sales, we compared U.S. sales with the most similar merchandise based on the characteristics listed above in order of priority listed.

### Export Price

Because Borusan and Toscelik sold subject merchandise directly to the first unaffiliated purchaser in the United States prior to importation, and constructed export price (“CEP”) methodology was not otherwise warranted based on the record facts of this review, in accordance with section 772(a) of the Act, we used EP as the basis for all of Borusan and Toscelik’s sales.

We calculated EP using, as starting price, the packed, delivered price to unaffiliated purchasers in the United States. In accordance with section 772(c)(2)(A) of the Act, we made the following deductions from the starting price (gross unit price), where appropriate: foreign inland freight from the mill to port, foreign brokerage and handling, international freight, marine insurance, U.S. brokerage, U.S. duty, and other related movement charges.

In addition, Borusan reported an amount for duty drawback which represents the amount of duties on imported raw materials associated with a particular shipment of subject merchandise to the United States that is exempted upon export. Borusan requested that we add the amount to the starting price. *See* page C-34 of Borusan’s August 29, 2009, original response. To determine if a duty drawback adjustment is warranted, the Department has employed a two-prong test which determines whether: (1) the rebate and import duties are dependent upon one another, or in the context of an exemption from import duties, if the exemption is linked to the exportation of the subject merchandise; and (2) the respondent has demonstrated that there are sufficient imports of the raw material to account for the duty drawback on the exports of the subject

merchandise. *See Allied Tube & Conduit Corp. v. United States*, 29 C.I.T. 502, 506 (Ct. Int’l Trade 2005). *See also Certain Steel Concrete Reinforcing Bars from Turkey: Preliminary Results of Antidumping Duty Administrative Review and New Shipper Review and Notice of Intent to Revoke in Part*, 72 FR 25253, 25256 (May 4, 2007), unchanged in *Certain Steel Concrete Reinforcing Bars From Turkey: Final Results of Antidumping Duty Administrative Review and New Shipper Review and Determination To Revoke in Part*, 72 FR 62630 (November 6, 2007).

After analyzing the facts on the record of this case, we find that Borusan has adequately demonstrated that import duties for raw materials and rebates granted on exports are linked under the Government of Turkey’s duty drawback scheme. Additionally, Borusan has provided evidence that the imports of hot-rolled coil are sufficient to account for the duty drawback claimed on the export of subject merchandise. At Borusan’s sales verification, we reviewed and obtained copies of documents that demonstrated that Borusan has passed the Department’s two-prong test: 1) The Internal Processing Permit Certificate which shows all imports covered by the program (which are sufficient to cover the volume of exports), 2) The Letter of Export Commitment which shows the actual exports covered by the program, and 3) The Duty Drawback Certificate, which demonstrates that the imports, exports, and drawback are all linked under the program. *See* Exhibit C-8 of Borusan’s August 29, 2009, response, and Sales Verification Report<sup>5</sup> at page 15. Therefore, consistent with our determination in the 2007–2008 administrative review, we are granting Borusan a duty drawback adjustment for purposes of the preliminary results. *See Notice of Preliminary Results of Antidumping Duty Administrative Review: Certain Welded Carbon Steel Pipe and Tube From Turkey*, 74 FR 6368 (February 9, 2009), unchanged in *Certain Welded Carbon Steel Pipe and Tube from Turkey: Notice of Final Results of Antidumping Duty Administrative Review*, 74 FR 22883 (May 15, 2009) (“2007–08 Administrative Review”).

<sup>5</sup>Memorandum to File: “Verification of the Sales Response of the Borusan Group in the Antidumping Review of Certain Welded Carbon Steel Standard Pipe from Turkey” from Christopher Hargett and Joy Zhang, analysts, through James Terpstra, Program Manager, and Melissa Skinner, Office Director, dated April 19, 2010 (“Sales Verification Report”).

## Normal Value

### A. Selection of Comparison Market

In order to determine whether there was a sufficient volume of sales in the home market to serve as a viable basis for calculating NV, we compared Borusan and Toscelik's volume of home market sales of the foreign like product to the volume of its U.S. sales of the subject merchandise, in accordance with section 773(a)(1)(C) of the Act. Because Borusan and Toscelik's aggregate volume of home market sales of the foreign like product was greater than five percent of its aggregate volume of U.S. sales of the subject merchandise, we determined that the home market was viable. We calculated NV as noted in the "Calculation of NV Based on Comparison Market Prices" section of this notice. *See also* Borusan and Toscelik's calculation memos.

### B. Cost Reporting Period

The Department's normal practice is to calculate an annual weighted-average cost for the entire period of investigation or period of review. *See, e.g., Notice of Final Results of Antidumping Duty Administrative Review: Certain Pasta from Italy*, 65 FR 77852 (December 13, 2000), and accompanying Issues and Decision Memorandum at Comment 18, and *Notice of Final Results of Antidumping Duty Administrative Review: Carbon and Certain Alloy Steel Wire Rod from Canada*, 71 FR 3822 (January 24, 2006), and accompanying Issues and Decision Memorandum at Comment 5 (explaining the Department's practice of computing a single weighted-average cost for the entire period). This methodology is predictable and generally applicable in all proceedings. However, the Department recognizes that possible distortions may result if our normal annual weighted-average cost method is used during a period of significant cost changes.

In determining whether to deviate from our normal methodology of calculating an annual weighted average cost, the Department evaluates the case-specific record evidence using two primary factors: (1) the change in the cost of manufacturing ("COM") recognized by the respondent during the POI must be significant; and (2) the record evidence must indicate that sales during the shorter averaging periods reasonably link to the cost of production ("COP") or constructed value ("CV") during the same shorter averaging periods. *See, e.g., Stainless Steel Plate in Coils From Belgium: Final Results of Administrative Review*, 73 FR 75398, 75399 (December 11, 2008) and

*Stainless Steel Sheet and Strip in Coils from Mexico: Final Results of Administrative Review*, 75 FR 6627 (February 10, 2010).

#### a. Significance of Cost Changes

Record evidence shows that both Borusan and Toscelik experienced significant changes in the total COM during the POR and that the changes in COM are primarily attributable to the price volatility for hot-rolled coils, the main input consumed in the production of the merchandise under consideration. *See* Memorandum to Neal M. Halper, "Cost of Production and Constructed Value Calculation Adjustments for the Preliminary Results Borusan," dated June 7, 2010 ("Borusan Preliminary Cost Memorandum"), and Memorandum to Neal M. Halper, "Cost of Production and Constructed Value Calculation Adjustments for the Preliminary Determination Toscelik" dated June 7, 2010 ("Toscelik Preliminary Cost Memorandum").

The record indicates that hot-rolled prices changed dramatically throughout the POR. *Id.* Specifically, the record data shows that the percentage difference between the high and low quarterly costs for welded carbon pipe and tube products exceeded 25 percent during the POR. *Id.* As a result, we have determined that for the preliminary results the changes in COM for Borusan and Toscelik are significant.

#### b. Linkage between Cost and Sales Information

The Department evaluates whether there is evidence of linkage between the cost changes and the sales prices for the given POI/POR. Our definition of linkage does not require direct traceability between specific sales and their specific production cost, but rather relies on whether there are correlative elements which would indicate a reasonable correlation between the underlying costs and the final sales prices levied by the company. These correlative elements may be measured and defined in a number of ways depending on the associated industry, and the overall production and sales processes. *See, e.g., Stainless Steel Bar from India: Preliminary Results of Antidumping Duty Administrative Review* 75 FR 12204 (March 15, 2010).

Based on record evidence we find that the cost changes and sales prices for Borusan and Toscelik appear to be reasonably correlated. Because the data on which we base our analysis contains business proprietary information, a detailed analysis is included in Borusan Preliminary Cost Memorandum and

Toscelik Preliminary Cost Memorandum.

In light of the two factors discussed above, we preliminarily determined that it is appropriate to rely on a shorter cost periods with respect to Borusan and Toscelik. Thus, we used quarterly indexed annual average raw material costs and annual weighted-average fabrication costs in the COP and CV calculations. *See* Borusan Preliminary Cost Memorandum and Toscelik Preliminary Cost Memorandum.

### C. Cost of Production Analysis

Because the Department disregarded sales below the COP in the last completed review of Borusan and Toscelik, we have reasonable grounds to believe or suspect that sales of the foreign like product under consideration for the determination of NV in this review may have been made at prices below the COP as provided by section 773(b)(2)(A)(ii) of the Act. Therefore, pursuant to section 773(b)(1) of the Act, we initiated a COP investigation of sales by Borusan and Toscelik in the home market. *See 2007-08 Administrative Review.*

#### 1. Calculation of Cost of Production

Before making any comparisons to NV, we conducted a quarterly COP analysis of Borusan and Toscelik's sales pursuant to section 773(b)(3) of the Act to determine whether Borusan and Toscelik's comparison market sales were made at prices below the COP. We calculated the COP based on the sum of the cost of materials and fabrication for the foreign like product, plus amounts for SG&A expenses and packing, in accordance with section 773(b)(3) of the Act.

The Department relied on the COP data submitted by Borusan and Toscelik and their supplemental section D questionnaire responses for the COP calculation, except for the following instances:

Borusan:

- a) We excluded packing costs from Borusan's the cost of goods sold ("COGS") in the financial expense rate ratio calculation.
- b) We adjusted Borusan's general administrative expense ("G&A") calculation by excluding an amount for doubtful accounts and included this amount in the calculations of indirect selling expenses.

For additional details, *see* Borusan Preliminary Cost Memorandum. No adjustments were made to Toscelik's reported cost data.

## 2. Test of Comparison Market Sales Prices

As required under section 773(b)(2) of the Act, we compared the quarterly weighted average COP to the per-unit price of the comparison market sales of the foreign like product to determine whether these sales had been made at prices below the COP within an extended period of time in substantial quantities, and whether such prices were sufficient to permit the recovery of all costs within a reasonable period of time. We determined the net comparison market prices for the below cost test by subtracting from the gross unit price any applicable movement charges, discounts, rebates, direct and indirect selling expenses (also subtracted from the COP), and packing expenses.

## 3. Results of the COP Test

Pursuant to section 773(b)(2)(C)(i) of the Act, where less than 20 percent of sales of a given product were at prices less than the COP, we did not disregard any below-cost sales of that product because we determined that the below-cost sales were not made in "substantial quantities." Where 20 percent or more of the respondent's home market sales of a given model were at prices less than the COP, we disregarded the below-cost sales because: (1) they were made within an extended period of time in "substantial quantities," in accordance with sections 773(b)(2)(B) and (C) of the Act; and (2) based on our comparison of prices to the indexed POR weighted-average COPs, they were at prices which would not permit the recovery of all costs within a reasonable period of time, in accordance with section 773(b)(2)(D) of the Act.

Therefore, for Borusan and Toscelik, we disregarded below-cost sales of a given product of 20 percent or more and used the remaining sales as the basis for determining NV, in accordance with section 773(b)(1) of the Act. *See* Borusan and Toscelik's calculation memos.

### D. Calculation of NV Based on Comparison Market Prices

For Borusan and Toscelik, for those comparison products for which there were sales at prices above the COP, we based NV on home market prices. In these preliminary results, we were able to match all U.S. sales to contemporaneous sales, made in the ordinary course of trade, of either an identical or a similar foreign like product, based on matching characteristics. We calculated NV based on free on board ("FOB") mill or delivered prices to unaffiliated

customers, or prices to affiliated customers which were determined to be at arm's length (*see* discussion below regarding these sales). We made deductions, where appropriate, from the starting price for billing adjustments, discounts, rebates, and inland freight. Additionally, we added interest revenue. In accordance with section 773(a)(6) of the Act, we deducted home market packing costs and added U.S. packing costs.

In accordance with section 773(a)(6)(C)(iii) of the Act, we adjusted for differences in the circumstances of sale. These circumstances included differences in imputed credit expenses and other direct selling expenses, such as the expense related to bank charges and factoring. We also made adjustments, where appropriate, for physical differences in the merchandise in accordance with section 773(a)(6)(C)(ii) of the Act.

### E. Calculation of Normal Value Based on Constructed Value ("CV")

When we could not determine the NV based on comparison market sales because there were no contemporaneous sales of a comparable product, we compared the EP to CV. In accordance with section 773(e) of the Act, we calculated CV based on the sum of the COM of the product sold in the United States, plus amounts for SG&A expenses, profit, and U.S. packing costs. In accordance with section 773(e)(2)(A) of the Act, we based SG&A expenses and profit on the amounts incurred by Borusan in connection with the production and sale of the foreign like product in the comparison market.

For price to CV comparisons, we made adjustments to CV for circumstances of sale ("COS") differences, in accordance with section 773(a)(8) of the Act and 19 CFR 351.410. We made COS adjustments by deducting direct selling expenses incurred on comparison market sales and adding U.S. direct selling expenses.

### F. Calculation of Arm's-Length Sales

We included in our analysis Borusan and Toscelik's home market sales to affiliated customers only where we determined that such sales were made at arm's-length prices, i.e., at prices comparable to prices at which Borusan and Toscelik sold identical merchandise to their unaffiliated customers. Borusan and Toscelik's sales to affiliates constituted less than five percent of overall home market sales. To test whether the sales to affiliates were made at arm's-length prices, we compared the starting prices of sales to affiliated and unaffiliated customers net of all

movement charges, direct selling expenses, discounts, and packing. Where the price to that affiliated party was, on average, within a range of 98 to 102 percent of the price of the same or comparable merchandise sold to the unaffiliated parties, we determined that the sales made to the affiliated party were at arm's-length. *See Notice of Preliminary Results and Partial Rescission of Antidumping Duty Administrative: Ninth Administrative Review of the Antidumping Duty Order on Certain Pasta from Italy*, 71 FR 45017, 45020 (August 8, 2006) (*unchanged in Notice of Final Results of the Ninth Administrative Review of the Antidumping Duty Order on Certain Pasta from Italy*, 72 FR 7011 (February 14, 2007)); 19 CFR 351.403(c). Conversely, where we found that the sales to an affiliated party did not pass the arm's-length test, then all sales to that affiliated party have been excluded from the NV calculation. *See Antidumping Proceedings: Affiliated Party Sales in the Ordinary Course of Trade*, 67 FR 69186, 69187 (November 15, 2002).

### Level of Trade

As set forth in section 773(a)(1)(B)(i) of the Act and in the Statement of Administrative Action ("SAA") accompanying the Uruguay Round Agreements Act, at 829-831 (*see* H.R. Doc. No. 316, 103d Cong., 2d Sess. 829-831 (1994)), to the extent practicable, the Department calculates NV based on sales at the same level of trade ("LOT") as U.S. sales, either EP or CEP. When the Department is unable to find sale(s) in the comparison market at the same LOT as the U.S. sale(s), the Department may compare sales in the U.S. and foreign markets at different LOTs. The NV LOT is that of the starting price sales in the home market. To determine whether home market sales are at a different LOT than U.S. sales, we examine stages in the marketing process and selling functions along the chain of distribution between the producer and the unaffiliated customer. *See Honey from Argentina: Preliminary Results of Antidumping Duty Administrative Review and Intent to Revoke Order in Part*, 73 FR 79802, 79805 (December 30, 2008) ("*Honey from Argentina*"). If the comparison-market sales are 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 make an LOT adjustment under section 773(a)(7)(A) of the Act. *See Honey from Argentina*, 73 FR at 79805.

In implementing these principles, we examined information from Borusan and Toscelik regarding the marketing stages involved in the reported home market and EP sales, including a description of the selling functions performed by Borusan and Toscelik for the channels of distribution in the home market and U.S. market. In our analysis, we grouped the reported selling functions into the following sales function category: sales process and marketing support, freight and delivery, inventory maintenance, and quality assurance/warranty service.

For home market sales, we found that Borusan's mill-direct sales comprised one LOT. Furthermore, Borusan provided similar selling functions to each type of customer (*i.e.* trading companies/distributors and industrial end-users/construction companies), with the exception of rebates grouped into the sales process and marketing category which were given to trading companies/distributors. See pages A-18 and A-21 of Borusan's September 25, 2009, response.

We found that Borusan's U.S. sales were also made at only one LOT. Borusan reports one channel of distribution, and sales are negotiated on an order-by-order basis with an unaffiliated trading company. See page A-17 of Borusan's September 25, 2009, response.

We then compared Borusan's home market LOT and with the U.S. LOT. We note the selling functions do not differ for the activities falling under inventory maintenance (*i.e.*, forward inventory maintenance and sales from warehouse), quality assurance/warranty service (*i.e.*, provide warranty service), and freight and delivery (*i.e.*, act as agent or coordinate production/delivery for customer with mill and coordinate freight and delivery arrangement). Furthermore, we note that the selling functions grouped under sales process and marketing, such as customer advice/product information, discounts, advertising, and rebates only differ somewhat between the home market LOT and U.S. LOT. See page A-9 of Borusan's September 25, 2009, response. Therefore, we compared all U.S. sales to an identical home market LOT and did not find it necessary to make an LOT adjustment.

In the home market, Toscelik reported that they sold through one channel of distribution; ex works. Toscelik also reported that they sold to one customer category: distributors. Toscelik reported the following selling activities in the home market: (1) Packing, (2) Order Input/Processing, (3) Direct Sales Personnel, (4) Sales/Marketing Support,

and (5) Warranty Service. See Toscelik's section A D antidumping questionnaire response ("Toscelik QR response"), dated September 4, 2009, at page 14. We found Toscelik's home market sales constitute one level of trade.

In the U.S. market, Toscelik made direct sales on an EP basis through one channel of distribution to unaffiliated trading companies. Toscelik identified the following selling activities in the U.S. market: (1) Packing, (2) Order Input/Processing, (3) Direct Sales Personnel, (4) Sales/Marketing Support, and (5) Warranty Service. *Id.* We found that Toscelik's sales to the United States were made to one level of trade. Further, we find only minor differences between the sole home market LOT and that of Toscelik's U.S. LOT. Accordingly, we preliminarily determine that Toscelik's home market LOT and U.S. LOT were comparable, and that a LOT adjustment is not appropriate for Toscelik in this case.

**Currency Conversion**

The Department's preferred source for daily exchange rates is the Federal Reserve Bank. However, the Federal Reserve Bank does not track or publish exchange rates for the Turkish lira. Therefore, we made currency conversions based on the daily exchange rates from the Dow Jones Business Information Services.

Section 773A(a) of the Act directs the Department to use a daily exchange rate in order to convert foreign currencies into U.S. dollars, unless the daily rate involves a "fluctuation." It is the Department's practice to find that a fluctuation exists when the daily exchange rate differs from a benchmark rate by 2.25 percent. The benchmark rate is defined as the rolling average of the rates for the past 40 business days. When we determine that a fluctuation existed, we generally utilize the benchmark rate instead of the daily rate, in accordance with established practice. We did not find a fluctuation existed during the POR in this case.

**Preliminary Results of Review**

As a result of this review, we preliminarily determine that the following margin exists for the period May 1, 2008, through April 30, 2009:

| Manufacturer/Exporter          | Weighted-Average Margin (percent) |
|--------------------------------|-----------------------------------|
| Borusan .....                  | 5.44                              |
| Toscelik .....                 | 0.00                              |
| Yucel Group <sup>6</sup> ..... | 3.28                              |

| Manufacturer/Exporter | Weighted-Average Margin (percent) |
|-----------------------|-----------------------------------|
| All Others .....      | 14.74                             |

<sup>6</sup>No shipments or sales subject to this review. The firm has an individual rate from the last segment of the proceeding (the 2004-2005 review) in which the firm had shipments or sales.

We will disclose the calculations used in our analysis to parties to this proceeding within five days of the publication date of this notice. See section 351.224(b) of the Department's regulations. Interested parties are invited to comment on the preliminary results. Interested parties may submit case briefs within 30 days of the date of publication of this notice. Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than 37 days after the date of publication of this notice. Parties who submit arguments are requested to submit with each argument: (1) a statement of the issue, (2) a brief summary of the argument, and (3) a table of authorities. Further, parties submitting written comments should provide the Department with an additional copy of the public version of any such comments on a diskette. Any interested party may request a hearing within 30 days of publication of this notice. See section 351.310(c) of the Department's regulations. If requested, a hearing will be held 44 days after the publication of this notice, or the first workday thereafter. The Department will publish a notice of the final results of this administrative review, which will include the results of its analysis of issues raised in any written comments or hearing, within 120 days from publication of this notice.

**Assessment**

The Department will determine, and CBP shall assess, antidumping duties on all appropriate entries, pursuant to section 751(a)(1)(B) of the Act and 19 CFR 351.212(b). The Department calculated importer-specific duty assessment rates on the basis of the ratio of the total antidumping duties calculated for the examined sales to the total entered value of the examined sales for that importer. Where the assessment rate is above *de minimis*, we will instruct CBP to assess duties on all entries of subject merchandise by that importer. The Department intends to issue assessment instructions to CBP 15 days after the date of publication of the final results of review.

The Department clarified its "automatic assessment" regulation on May 6, 2003. See *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68

FR 23954 (May 6, 2003). This clarification will apply to entries of subject merchandise during the period of review 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

The following cash deposit rates will be effective upon publication of the final results of this administrative review for all shipments of welded pipe and tube from Turkey entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(1) of the Act: (1) the cash deposit rate for the company listed above will be the rate established in the final results of this review; (2) for previously reviewed or investigated companies not listed above, the cash deposit rate will continue to be the company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in this review, a prior review, or the less-than-fair-value ("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; and (4) if neither the exporter nor the manufacturer is a firm covered in this or any previous review or the LTFV investigation conducted by the Department, the cash deposit rate will be 14.74 percent, the "All Others" rate established in the LTFV investigation. These cash deposit requirements, when imposed, shall remain in effect until further notice.

This notice serves as a preliminary reminder to importers of their responsibility under section 351.402(f)(2) of the Department's regulations to file a certificate regarding the reimbursement of antidumping and/or countervailing 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 and/or countervailing duties occurred and the subsequent assessment of double antidumping duties.

This determination is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: June 4, 2010.

**Ronald K. Lorentzen,**

*Deputy Assistant Secretary for Import Administration.*

[FR Doc. 2010-14106 Filed 6-10-10; 8:45 am]

**BILLING CODE 3510-DS-S**

## DEPARTMENT OF COMMERCE

### National Institute of Standards and Technology

[Docket Number: 100407180-0225-02]

#### Technology Innovation Program (TIP) Notice of Availability of Funds; Amendment

**AGENCY:** National Institute of Standards and Technology (NIST), Department of Commerce.

**ACTION:** Notice of availability of funds; amendment.

**SUMMARY:** On April 19, 2010, the National Institute of Standards and Technology (NIST) published a notice in the **Federal Register** announcing the solicitation of proposals for the fiscal year 2010 Technology Innovation Program (TIP) competition. NIST is issuing this notice to correct the award start date, to correct the description of a nonresponsive proposal listed under Element 3 of the Manufacturing Area of Critical National Need addressed in the notice, and to clarify the function of the white paper referenced in the notice.

**DATES:** The due date for submission of proposals for the fiscal year 2010 TIP competition is 11:59 p.m. Eastern Time, Thursday, July 15, 2010.

**ADDRESSES:** Proposals must be submitted to TIP as follows:

*Paper submission:* Send to National Institute of Standards and Technology, Technology Innovation Program, 100 Bureau Drive, Stop 4750, Gaithersburg, MD 20899-4750.

*Electronic submission:* <http://www.grants.gov>.

#### FOR FURTHER INFORMATION CONTACT:

Thomas Wiggins via e-mail at [thomas.wiggins@nist.gov](mailto:thomas.wiggins@nist.gov) or telephone 301-975-5416.

**SUPPLEMENTARY INFORMATION:** On April 19, 2010, NIST published a notice announcing the solicitation of proposals for the fiscal year 2010 TIP competition (75 FR 20326-34). NIST is issuing this notice to make two corrections and one clarification to that notice. NIST corrects the start date for funding projects. In the April 19, 2010 notice, NIST erroneously indicated in the

section entitled Funding Availability that the anticipated start date is January 1, 2010. The correct anticipated start date for funding of proposals under this solicitation is January 1, 2011. The revised Funding Availability section is stated below in its entirety for the public's convenience.

*Funding Availability:* Fiscal year 2010 appropriations include funds in the amount of approximately \$25 million for new TIP awards. The anticipated start date is January 1, 2011. The period of performance depends on the R&D activity proposed. A single company can receive up to a total of \$3 million with a project period of performance of up to 3 years. A joint venture can receive up to total of \$9 million with a project period of performance of up to 5 years. Continuation of funding after the initial award is based on satisfactory performance, availability of funds, continued relevance to program objectives, and is at the sole discretion of NIST.

In addition, NIST revises the April 19, 2010 notice to correct an example of a nonresponsive proposal listed under Element 3 of the Manufacturing Area of Critical National Need. Due to a drafting error, NIST incorrectly indicated that projects with a primary focus on device development are considered nonresponsive projects. NIST's intent was to indicate that projects without a primary focus on addressing specific process bottlenecks are considered nonresponsive. This error is corrected by replacing the last bullet under the examples of proposals addressing critical process advances that will be considered nonresponsive. The language "Projects with a primary focus (people, equipment, time and/or funds) on device development." is replaced with "Projects that do not have a primary focus (people, equipment, time and/or funds) on addressing specific process bottlenecks." The entire revised bulleted list under the examples of proposals addressing critical process advances that will be considered nonresponsive is restated below for the public's convenience.

Examples of proposals addressing critical process advances that will be considered nonresponsive are:

- Any manufacturing process that offers only incremental improvement over existing processes;
- Processes that are intended primarily for military/weaponry applications (e.g. warhead manufacture, chemical/biological warfare materials production);
- Manufacturing processes that cannot be performed in the U.S. due to existing laws or regulations;