

In accordance with section 774 of the Act, we will hold a public hearing, if requested, to afford interested parties an opportunity to comment on arguments raised in case or rebuttal briefs. If a request for a hearing is made, we will tentatively hold the hearing two days after the deadline for submission of rebuttal briefs at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230, at a time and in a room to be determined. Parties should confirm by telephone the date, time, and location of the hearing 48 hours before the scheduled date.

Interested parties who wish to request a hearing, or to participate in a hearing if one is requested, must submit a written request to the Assistant Secretary for Import Administration, U.S. Department of Commerce, Room 1870, within 30 days of the date of publication of this notice. Requests should contain: (1) The party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. At the hearing, oral presentations will be limited to issues raised in the briefs. *See* 19 CFR 351.310(c). The Department will make its final determination no later than 75 days after the date of this preliminary determination.

This determination is issued and published in accordance with sections 733(f) and 777(i)(1) of the Act.

Dated: July 10, 2003.

Jeffrey May,

*Acting Assistant Secretary for Grant Aldonas,
Under Secretary.*

[FR Doc. 03-18132 Filed 7-16-03; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-852]

Notice of Preliminary Determination of Sales at Less Than Fair Value: Prestressed Concrete Steel Wire Strand From the Republic of Korea

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

ACTION: Notice of Preliminary Determination of Sales at Less Than Fair Value.

EFFECTIVE DATE: July 17, 2003.

FOR FURTHER INFORMATION CONTACT: Marin Weaver at (202) 482-2336, or Christopher C. Welty at (202) 482-8173; AD/CVD Enforcement Office V, Group II, Import Administration, International Trade Administration, U.S. Department

of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

Preliminary Determination

We preliminarily determine that prestressed concrete steel wire strand (PC strand) from the Republic of Korea (Korea) is being sold, or is likely to be sold, in the United States at less than fair value (LTFV), as provided in section 733 of the Tariff Act of 1930, as amended (the Act). The preliminary margins assigned to Kiswire Ltd.¹ (Kiswire) and Dong-Il Steel Mfg. Co. Ltd. (Dong-Il) are based on adverse facts available (AFA). The estimated margin of sales at LTFV is shown in the *Suspension of Liquidation* section of this notice.

Interested parties are invited to comment on this preliminary determination. We will make our final determination not later than 75 days after the date of this preliminary determination.

Case History

This investigation was initiated on February 20, 2003.² *See Notice of Initiation of Antidumping Duty Investigations: Prestressed Concrete Steel Wire Strand From Brazil, India, the Republic of Korea, Mexico, and Thailand*, 68 FR 9050 (February 27, 2003) (*Initiation Notice*). Since the initiation of the investigation, the following events have occurred:

The U.S. Department of Commerce (the Department) set aside a period for all interested parties to raise issues regarding product coverage. *See Initiation Notice*, 68 FR at 9050. No comments were received from interested parties in this investigation.

The Department issued a letter on March 7, 2003, to interested parties in all of the concurrent PC strand antidumping investigations, providing an opportunity to comment on the Department's proposed model match characteristics and its hierarchy characteristics. The petitioners submitted comments on March 18 and 20, 2003. The Department also received comments on model matching from respondents in the concurrent investigation involving Mexico on

¹ In the *Initiation Notice* and the Respondent Selection Memo, the Department referred to Kiswire as Koryo Steel Company and Korean Iron and Steel Works Ltd., respectively. Upon further examination of the relevant record data the Department has determined that Kiswire Ltd. is a more accurate translation of the second largest Korean producer of PC strand.

² The petitioners in this investigation are American Spring Wire Corp., Insteel Wire Products Company, and Sumiden Wire Products Corp.

March 18, 2003. These comments were taken into consideration by the Department in developing the model matching characteristics and hierarchy for all of the PC strand antidumping investigations.

On March 17, 2003, the United States International Trade Commission (ITC) preliminarily determined that there is a reasonable indication that imports of the products subject to this investigation are materially injuring an industry in the United States producing the domestic like product. *See Prestressed Concrete Steel Wire Strand From Brazil, India, Korea, Mexico, and Thailand*, 68 FR 13952 (March 21, 2003).

On April 4, 2003, the Department issued its antidumping questionnaire to Kiswire and Dong-Il, specifying that their responses to Section A of the questionnaire would be due on April 25, 2003, and that responses to Sections B-D of the questionnaire would be due May 12, 2003.³ On April 25, 2003, the Department received a letter from Dong-Il stating that it "decided not to submit {its} data and information required in {the Department's} questionnaire for this Anti-Dumping case." *See* Dong-Il submission dated April 25, 2003. Dong-Il provided no further elaboration, nor did it suggest alternatives to meet the Department's requirements pursuant to 782(c) of the Act. *Id.* On June 5, 2003, the Department sent a letter to Kiswire stating that we had not received its questionnaire response and informing Kiswire, that we had confirmed that it received the original questionnaire. *See* Letter from Department to Kiswire, dated June 5, 2003; *see also*, Memorandum from Christopher C. Welty, International Trade Compliance Analyst, to the File, Re: Federal Express tracking information, dated June 18, 2003. In the letter, the Department also informed Kiswire that its failure to provide the Department with the requested information could result in the use of the facts available and an inference that may be adverse to its interests. The Department did not receive a response from Kiswire to the Department's letter.

³ Section A of the questionnaire requests general information concerning a company's corporate structure and business practices, the merchandise under investigation that it sells, and the manner in which it sells that merchandise in all of its markets. Section B requests a complete listing of all home market sales or, if the home market is not viable, of sales in the most appropriate third-country market (this section is not applicable to respondents in non-market economy cases). Section C requests a complete listing of U.S. sales. Section D requests information on the cost of production of the foreign like product and the constructed value of the merchandise under investigation. Section E requests information on further manufacturing.

Selection of Respondents

Section 777A(c)(1) of the Act directs the Department to calculate individual dumping margins for each known exporter and producer of the subject merchandise. Where it is not practicable to examine all known producers/exporters of subject merchandise, section 777A(c)(2) of the Act permits the Department to investigate either: (1) A sample of exporters, producers, or types of products that is statistically valid, based on the information available at the time of selection; or (2) exporters and producers accounting for the largest volume of the subject merchandise that can reasonably be examined.

Upon consideration of the resources available to the Department, we determined that it was not practicable to examine all known producers/exporters of the subject merchandise. Instead, because there were numerous producers/exporters of subject merchandise during the period of investigation (POI), we examined company-specific export data and U.S. Bureau of Customs and Border Protection (BCBP) import data for the POI and selected as mandatory respondents the two companies that accounted for the majority of subject imports from Korea, Kiswire and Dong-Il. See Memorandum from Daniel O'Brien, International Trade Compliance Analyst, to Gary Taverman, Director, Office 5, Re: Selection of Respondents, dated April 4, 2003.

Period of Investigation

The POI is January 1, 2002, through December 31, 2002. This period corresponds to the four most recent fiscal quarters prior to the month of filing of the petition (*i.e.*, January, 2003) involving imports from a market economy, and is in accordance with our regulations. See 19 CFR 351.204(b)(1).

Scope of Investigation

For purposes of this investigation, PC strand is steel strand produced from wire of non-stainless, non-galvanized steel, which is suitable for use in prestressed concrete (both pretensioned and post-tensioned) applications. The product definition encompasses covered and uncovered strand and all types, grades, and diameters of PC strand.

The merchandise under investigation is currently classifiable under subheadings 7312.10.3010 and 7312.10.3012 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 under investigation is dispositive.

Facts Available

For the reasons discussed below, we determine that the use of AFA is appropriate for the preliminary determination with respect to Kiswire and Dong-Il.

A. Use of Facts Available

Section 776(a)(2) of the Act provides that, if an interested party withholds information requested by the Department, fails to provide such information by the deadline or in the form or manner requested, significantly impedes a proceeding, or provides information which cannot be verified, the Department shall use, subject to sections 782(d) and (e) of the Act, facts otherwise available in reaching the applicable determination. Section 782(d) of the Act provides that if the Department determines that a response to a request for information does not comply with the Department's request, the Department shall promptly inform the responding party and provide an opportunity to remedy the deficient submission. Section 782(e) of the Act further states that the Department shall not decline to consider submitted information if all of the following requirements are met: (1) The information is submitted by the established deadline; (2) the information can be verified; (3) the information is not so incomplete that it cannot serve as a reliable basis for reaching the applicable determination; (4) the interested party has demonstrated that it acted to the best of its ability; and (5) the information can be used without undue difficulties.

As discussed above, Kiswire and Dong-Il failed to respond to the Department's request for information, thus the curative provisions of sections 782(d) and (e) of the Act are not applicable. Specifically, because the information that Kiswire and Dong-Il failed to report is critical for calculating preliminary dumping margins the Department must resort to facts otherwise available to ensure that Kiswire and Dong-Il do not obtain a more favorable result than they would by responding to the Department's request for information. The failure of Kiswire and Dong-Il to respond significantly impedes this process because the Department cannot accurately determine a margin for these parties. Thus, in reaching our preliminary determination, pursuant to sections 776(a)(2)(A), (B), and (C) of the Act, we have based Kiswire and Dong-Il's margin rate on facts available.

B. Application of Adverse Inferences for Facts Available

In applying facts otherwise available, section 776(b) of the Act provides that the Department may use an inference adverse to the interests of a party that has failed to cooperate by not acting to the best of its ability to comply with the Department's requests for information. See, *e.g.*, *Notice of Final Determination of Sales at Less Than Fair Value and Final Negative Critical Circumstances: Carbon and Certain Alloy Steel Wire Rod from Brazil*, 67 FR 55792, 55794-96 (August 30, 2002). Adverse inferences are appropriate "to ensure that the party does not obtain a more favorable result by failing to cooperate than if it had cooperated fully." See Statement of Administrative Action accompanying the Uruguay Round Agreements Act, H.R. Rep. No. 103-316, at 870 (1994) (SAA). Furthermore, "{a}ffirmative evidence of bad faith on the part of respondent is not required before the Department may make an adverse inference." See *Antidumping Countervailing Duties: Final Rule*, 62 FR 27296, 27340 (May 19, 1997). In this case, Kiswire and Dong-Il have failed to cooperate to the best of their ability by failing to respond to the Department's antidumping questionnaires. In addition, neither company made an effort to provide an explanation for its failure to respond, nor proposed an alternate form of submitting the required data. These omissions constitute a failure on the part of both of these companies to cooperate "to the best of {their} ability to comply with a request for information" by the Department within the meaning of section 776 of the Act. Therefore, the Department has preliminarily determined that in selecting from among the facts otherwise available, an adverse inference is warranted. See, *e.g.*, *Notice of Final Determination of Sales at Less than Fair Value: Circular Seamless Stainless Steel Hollow Products from Japan*, 65 FR 42985, 42986 (July 12, 2000) (the Department applied total AFA where respondent failed to respond to the antidumping questionnaires).

C. Selection and Corroboration of Information Used as Facts Available

Where the Department applies AFA because a respondent failed to cooperate by not acting to the best of its ability to comply with a request for information, section 776(b) of the Act authorizes the Department to rely on information derived from the petition, a final determination, a previous administrative review, or other

information placed on the record. See also 19 CFR 351.308(c); SAA at 829–831. In this case, because we are unable to calculate margins for any of the respondents in this investigation, we assign to Kiswire and Dong-Il the highest margin from the proceeding, which is the highest margin alleged for Korea in the petition, as recalculated in the initiation and described in detail below. See *Initiation Notice*, 68 FR at 9052–53.

When using facts otherwise available, section 776(c) of the Act provides that, when the Department relies on secondary information (such as the petition) in using facts otherwise available, it must, to the extent practicable, corroborate that information from independent sources that are reasonably at its disposal. The SAA clarifies that “corroborate” means that the Department will satisfy itself that the secondary information to be used has probative value. See SAA at 870. The Department’s regulations state that independent sources used to corroborate such evidence may include, for example, published price lists, official import statistics and customs data, and information obtained from interested parties during the particular investigation. See 19 CFR 351.308(d); see also SAA at 870.

To assess the reliability of the petition margin for the purposes of this investigation, to the extent appropriate information was available, we reviewed the adequacy and accuracy of the information in the petition for both this preliminary determination and during our pre-initiation analysis. See Office of AD/CVD Enforcement Initiation Checklist, at 15 (February 20, 2003) (Initiation Checklist). Also, as discussed below, we examined evidence supporting the calculations in the petition to determine the probative value of the margins in the petition for use as AFA for purposes of this preliminary determination. In accordance with section 776(c) of the Act, to the extent practicable, we examined the key elements of the export price (EP) and normal value (NV) calculations on which the margins in the petition were based. See Memorandum from Christopher C. Welty, International Trade Compliance Analyst, to Gary Taverman, Director Office 5, Re: Corroboration of Data Contained in the Petition for Assigning Facts Available Rates (Corroboration Memo), dated July 10, 2003.

1. Corroboration of Export Price

The petitioners based EP on prices within the POI for sales of PC strand produced by two Korean companies and

offered for sale to an unaffiliated U.S. customer. The petitioners averaged the gross prices, by company, and deducted from the average prices international freight and insurance expenses, U.S. customs duties, U.S. harbor maintenance and merchandise processing fees, and the U.S. inland freight expenses.

We compared the U.S. market price quotes with official U.S. import statistics and U.S. customs data, and found the prices used by the petitioners to be reliable. See Corroboration Memo at 2.

2. Corroboration of Normal Value

With respect to NV, the petitioners provided home market prices based on prices within the POI for sales of PC strand produced by two Korean companies and offered for sale to an unaffiliated customer in Korea. The price quotes are based on information gathered by a market researcher familiar with the Korean sales. See Memorandum to the File Re: Telephone Conversation with Market Researcher Regarding the Petitions for Imposition of Antidumping Duties: Prestressed Concrete Steel Wire Strand from Korea (February 11, 2003). To calculate the NV, the petitioners deducted inland freight from the home market prices and, consistent with our statutory EP circumstances-of-sale calculation methodology, adjusted the home market prices for imputed credit and commissions by deducting home market credit expenses from the home market prices and adding the U.S. imputed credit and U.S. commission expenses to these prices.

The petitioners also provided information demonstrating reasonable grounds to believe or suspect that sales of PC strand in the home market were made at prices below the fully absorbed cost of production (COP), within the meaning of section 773(b) of the Act, and requested that the Department conduct a country-wide sales-below-cost investigation.

Pursuant to section 773(b)(3) of the Act, COP consists of the cost of manufacturing (COM), selling, general, and administrative (SG&A) expenses, financial expenses, and packing expenses. The petitioners calculated COM based on their own production experience, adjusted for known differences between costs incurred to produce PC strand products in the United States and Korea using publicly available data. To calculate SG&A and interest expenses, the petitioners relied upon amounts reported in the 2001 financial statements of Kiswire and Dong-Il. Based upon a comparison of the

price of the foreign like product in the home market to the calculated COP of the product, we found reasonable grounds to believe or suspect that sales of the foreign like product were made below the COP, within the meaning of section 773(b)(2)(A)(i) of the Act. Accordingly, the Department initiated a country-wide cost investigation. For initiation purposes and for the purposes of this preliminary determination, we recalculated the labor and electricity costs by first indexing the costs in the foreign denominated currency and then converting the costs to U.S. dollars based on the prevailing exchange rate for the comparison period. In addition, we adjusted the petitioners’ COP and constructed value (CV) calculations to be based on the currency rates from the Import Administration website rather than on Federal Reserve Bank currency rates. See Initiation Checklist at 16 and Attachments II and III.

Pursuant to sections 773(a)(4), 773(b) and 773(e) of the Act, the petitioners based NV for sales in Korea on CV. The petitioners calculated CV using the same COM, SG&A and interest expense figures used to compute the Korean home market costs. Consistent with 773(e)(2) of the Act, the petitioners included in CV an amount for profit. The petitioners based Kiswire’s profit ratio on amounts reported in Kiswire’s 2001 financial statements. For Dong-Il, no profit margin was calculated because the company was not profitable in either 2001 or 2000.

The Department was provided with no useful information by the respondents or other interested parties and is aware of no other independent source of information that would enable it to further corroborate the margin calculations in the petition. Specifically, we attempted to locate both home market prices through publicly available sources and U.S. producer costs upon which the CV was based, but we were unable to do so. See Corroboration Memo at 3 and 4.

The implementing regulation for section 776 of the Act, at 19 CFR 351.308(d) states, “{t}he fact that corroboration may not be practicable in a given circumstance will not prevent the Secretary from applying an adverse inference as appropriate and using the secondary information in question.” Additionally, we note that the SAA at 870 specifically states that, where “corroboration may not be practicable in a given circumstance,” the Department need not “prove that the facts available are the best alternative.”

Therefore, based on our efforts, described above, to corroborate information contained in the petition,

and in accordance with 776(c) of the Act, we consider the margins in the petition to be corroborated to the extent practicable for purposes of this preliminary determination.

Accordingly, in selecting AFA with respect to Kiswire and Dong-Il, we have applied the margin rate of 54.19 percent, which is the highest estimated dumping margin set forth in the notice of initiation. See *Initiation Notice*, 68 FR at 9053.

D. All Others Rate

Section 735(c)(5)(B) of the Act provides that, where the estimated weighted-averaged dumping margins established for all exporters and producers individually investigated are zero, *de minimis*, or are determined entirely under section 776 of the Act, the Department may use any reasonable method to establish the estimated all-others rate for exporters and producers not individually investigated. This provision contemplates that we weight-average margins other than zero, *de minimis*, and facts available margins to establish that "All Others" rate. Where the data do not permit weight-averaging such rates, the SAA provides that we use other reasonable methods. See SAA at 873. Because the petition contained four estimated dumping margins which we subsequently adjusted in our pre-initiation analysis, we have used these adjusted dumping margins to create an "All Others" rate based on a simple average. See, e.g., *Notice of Preliminary Determination of Sales at Less Than Fair Value: Polyvinyl Alcohol from Germany*, 68 FR 7980, 7983 (February 19, 2003). Specifically, in this case we have used the simple average of both the price-to-price margins and the price-to-CV margins from the initiation notice, which takes into account the Department's pre-initiation adjustments to the labor and utility values alleged in the petition. Therefore, we have calculated a margin of 35.64 percent as the "All Others" rate.

Suspension of Liquidation

In accordance with section 733(d)(2) of the Act, we are directing the BCBP to suspend liquidation of all entries of PC strand from Korea, that are entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the **Federal Register**. We are also instructing the BCBP to require a cash deposit or the posting of a bond equal to the dumping margin as indicated in the chart below. These instructions suspending liquidation will remain in effect until further notice.

The dumping margins are as follows:

Producer/exporter	Margin (percentage)
Kiswire Ltd	54.19
Dong-Il Steel Mfg. Co. Ltd	54.19
All Others	35.64

International Trade Commission Notification

In accordance with section 733(f) of the Act, we have notified the ITC of the Department's preliminary affirmative determination. If the final determination in this proceeding is affirmative, the ITC will determine before the later of 120 days after the date of this preliminary determination or 45 days after the final determination whether imports of PC strand from Korea are materially injuring, or threaten material injury, to the U.S. industry.

Public Comment

Interested parties are invited to comment on the preliminary determination. Interested parties may submit case briefs within 30 days of the date of publication of this notice. See 19 CFR 351.309(c)(1)(i). Rebuttal briefs, the content of which is limited to the issues raised in the case briefs, must be filed within five days after the deadline for the submission of case briefs. See 19 CFR 351.309(d). A list of authorities used, 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. Further, we request that parties submitting briefs and rebuttal briefs provide the Department with a copy of the public version of such briefs on diskette.

In accordance with section 774 of the Act, we will hold a public hearing, if requested, to afford interested parties an opportunity to comment on arguments raised in case or rebuttal briefs. If a request for a hearing is made, we will tentatively hold the hearing two days after the deadline for submission of rebuttal briefs at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230, at a time and in a room to be determined. Parties should confirm by telephone the date, time, and location of the hearing 48 hours before the scheduled date.

Interested parties who wish to request a hearing, or to participate in a hearing if one is requested, must submit a written request to the Assistant Secretary for Import Administration, U.S. Department of Commerce, Room 1870, within 30 days of the date of publication of this notice. Requests should contain: (1) The party's name, address, and telephone number; (2) the

number of participants; and (3) a list of the issues to be discussed. At the hearing, oral presentations will be limited to issues raised in the briefs. See 19 CFR 351.310(c). The Department will make its final determination no later than 75 days after the date of this preliminary determination.

This determination is issued and published in accordance with sections 733(f) and 777(I)(1) of the Act.

Dated: July 10, 2003.

Jeffrey May,

Acting Assistant Secretary for Grant Aldonas, Under Secretary.

[FR Doc. 03-18133 Filed 7-16-03; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

Export Trade Certificate of Review

AGENCY: International Trade Administration, Commerce.

ACTION: Notice of initiation of process to revoke Export Trade Certificate of Review No. 01-00005.

SUMMARY: On January 7, 2002, the Secretary of Commerce issued an Export Trade Certificate of Review to Vinex International, Inc. Because this certificate holder has failed to file an annual report as required by law the Department is initiating proceedings to revoke the certificate. This notice summarizes the notification letter sent to Vinex International, Inc.

FOR FURTHER INFORMATION CONTACT: Jeffrey Anspacher, Director, Office of Export Trading Company Affairs, International Trade Administration, (202) 482-5131. This is not a toll-free number.

SUPPLEMENTARY INFORMATION: Title III of the Export Trading Company Act of 1982 ("the Act") (15 U.S.C. 4011-21) authorizes the Secretary of Commerce to issue Export Trade Certificates of Review. The regulations implementing Title III ("the Regulations") are found at 15 CFR part 325. Pursuant to this authority, a Certificate of Review was issued on January 7, 2002 to Vinex International, Inc.

A certificate holder is required by law (Section 308 of the Act, 15 U.S.C. 4018) to submit to the Department of Commerce annual reports that update financial and other information relating to business activities covered by its certificate. The annual report is due within 45 days after the anniversary date of the issuance of the Certificate of Review (§§ 325.14 (a) and (b) of the Regulations). Failure to submit a