

EFFECTIVE DATE: June 21, 2005.

FOR FURTHER INFORMATION CONTACT: Patrick Edwards or Abdelali Elouaradia, AD/CVD Operations, Office 7, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone (202) 482-8029 or (202) 482-1374, respectively.

SUPPLEMENTARY INFORMATION:

Background

On August 19, 1993, the Department published in the **Federal Register** the antidumping duty order on carbon steel plate from Romania. See *Notice of Antidumping Duty Order: Certain Cut-to-Length Carbon Steel Plate from Romania*, 58 FR 44167 (August 19, 1993) (“*Order*”). On March 14, 2005, Mittal Steel submitted a letter stating that it is the successor-in-interest to Sidex and, as such, is entitled to receive the same antidumping duty treatment previously accorded to Sidex. See *Certain Cut-to-Length Carbon Steel Plate from Romania: Notice of Final Results and Final Partial Rescission of Antidumping Duty Administrative Review*, 70 FR 12651 (March 15, 2005). In that same letter, Mittal Steel explained that on February 7, 2005, Sidex changed its corporate name to Mittal Steel, following the approval of the name change by Sidex’s General Meeting of Shareholders on January 10, 2005. Mittal provided record evidence indicating that the name change was unconditionally recorded and approved by the Trade Register Office of the Galati Tribunal and the National Office of the Trade Registry, a bureau of the Romanian Ministry of Justice, on February 7, 2005. In the March 14, 2005, letter, Mittal Steel also requested that the Department conduct an expedited changed circumstances review of the antidumping duty order on carbon steel plate from Romania pursuant to section 751(b)(1) of the Tariff Act (“the Act”), as amended, and 19 CFR 351.221(c)(3)(ii). Because the record evidence supporting Mittal Steel’s claim was sufficient, the Department found that an expedited review was practicable and, on May 3, 2005, issued a combined notice of initiation with the preliminary results. See *Preliminary Results*.

In its *Preliminary Results*, the Department provided the interested parties with an opportunity to comment or request a public hearing regarding the Department’s finding that Mittal Steel is the successor-in-interest to Sidex. No comments were submitted, nor was a public hearing requested.

Scope of the Order

For a complete description of the scope of the order, see *Certain Cut-to-Length Carbon Steel Plate from Romania: Notice of Final Results and Final Partial Rescission of Antidumping Duty Administrative Review*, 70 FR 12651 (March 15, 2005).

Final Results of Changed Circumstances Review

For the reasons stated in the *Preliminary Results*, and because we received no comments to the contrary, we continue to find that Mittal Steel is the successor-in-interest to Sidex. We will instruct U.S. Customs and Border Protection (“CBP”) to apply the cash deposit rate determination in this changed circumstances review to all entries of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this changed circumstances review. See *Granular Polytetrafluoroethylene Resin from Italy: Final Results of Antidumping Duty Changed Circumstances Review*, 68 FR 25327 (May 12, 2003). The cash deposit rate shall remain in effect until publication of the final results of the next administrative review in which Mittal Steel participates.

This notice also serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of APO is a sanctionable violation.

This notice is in accordance with sections 751(b)(1) and 777(i)(1) of the Act, and 19 CFR 351.216.

Dated: June 13, 2005.

Joseph A. Spetrini,

Acting Assistant Secretary for Import Administration.

[FR Doc. E5-3216 Filed 6-20-05; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-900 and A-580-855]

Initiation of Antidumping Duty Investigations: Diamond Sawblades and Parts Thereof from the People’s Republic of China and the Republic of Korea

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

EFFECTIVE DATE: June 21, 2005.

FOR FURTHER INFORMATION CONTACT: Catherine Bertrand, Carrie Blozy (China) or Mark Manning (Korea), AD/CVD Operations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3207, (202) 482-5403 and (202) 482-5253, respectively.

INITIATION OF INVESTIGATIONS

The Petitions

On May 3, 2005, the Department of Commerce (“Department”) received petitions on imports of diamond sawblades and parts thereof (“diamond sawblades”) from the People’s Republic of China (“PRC”) and the Republic of Korea (“Korea”) filed in proper form by the Diamond Sawblade Manufacturers’ Coalition (“Petitioner”) on behalf of the domestic industry and workers producing diamond sawblades. The period of investigation (“POI”) for the PRC is October 1, 2004, through March 31, 2005. The POI for Korea is April 1, 2004, through March 31, 2005.

In accordance with section 732(b) of the Tariff Act of 1930, as amended (“the Act”), Petitioner alleged that imports of diamond sawblades from the PRC and Korea are being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Act, and that such imports are materially injuring and threaten to injure an industry in the United States.

Scope of Investigations

The products covered by these investigations are all finished circular sawblades, whether slotted or not, with a working part that is comprised of a diamond segment or segments, and parts thereof, regardless of specification or size, except as specifically excluded below. Within the scope of these investigations are semifinished diamond sawblades, including diamond sawblade cores and diamond sawblade segments. Diamond sawblade cores are circular steel plates, whether or not attached to

non-steel plates, with slots. Diamond sawblade cores are manufactured principally, but not exclusively, from alloy steel. A diamond sawblade segment consists of a mixture of diamonds (whether natural or synthetic, and regardless of the quantity of diamonds) and metal powders (including, but not limited to, iron, cobalt, nickel, tungsten carbide) that are formed together into a solid shape (from generally, but not limited to, a heating and pressing process).

Sawblades with diamonds directly attached to the core with a resin or electroplated bond, which thereby do not contain a diamond segment, are not included within the scope of the investigations. Diamond sawblades and/or sawblade cores with a thickness of less than 0.025 inches, or with a thickness greater than 1.1 inches, are excluded from the scope of the investigations. Circular steel plates that have a cutting edge of non-diamond material, such as external teeth that protrude from the outer diameter of the plate, whether or not finished, are excluded from the scope of these investigations. Diamond sawblade cores with a Rockwell C hardness of less than 25 are excluded from the scope of the petition. Diamond sawblades and/or diamond segment(s) with diamonds that predominantly have a mesh size number greater than 240 (such as 250 or 260) are excluded from the scope of the investigations.

Merchandise subject to these investigations is typically imported under heading 8202.39.00.00 of the Harmonized Tariff Schedule of the United States ("HTSUS"). When packaged together as a set for retail sale with an item that is separately classified under headings 8202 to 8205 of the HTSUS, diamond sawblades or parts thereof may be imported under heading 8206.00.00.00 of the HTSUS. The tariff classification is provided for convenience and U.S. Customs and Border Protection purposes; however, the written description of the scope of these investigations is dispositive.

Comments on Scope of Investigations

During our review of the Petitions, we discussed the scope with Petitioner to ensure that it accurately reflects the product for which the domestic industry is seeking relief. Moreover, as discussed in the preamble to the Department's regulations, we are setting aside a period for interested parties to raise issues regarding product coverage. See *Antidumping Duties; Countervailing Duties; Final Rule*, 62 FR 27295, 27323 (1997). The Department encourages all interested parties to submit such

comments within 20 calendar days of publication of this initiation notice. Comments should be addressed to Import Administration's Central Records Unit in Room 1870, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230 - Attn: Mark Manning. The period of scope consultations is intended to provide the Department with ample opportunity to consider all comments and consult with interested parties prior to the issuance of the preliminary determinations.

Determination of Industry Support for the Petitions

Section 732(b)(1) of the Act requires that a Petition be filed by or on behalf of the domestic industry. In order to determine whether a petition has been filed by or on behalf of the industry the Department, pursuant to section 732(c)(4)(A) of the Act, determines whether a minimum percentage of the relevant industry supports the Petition. A Petition meets this requirement if the domestic producers or workers who support the Petition account for: (i) at least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the Petition. Moreover, section 732(c)(4)(D) of the Act provides that, if the Petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, the Department shall: (i) poll the industry or rely on other information in order to determine if there is support for the Petition, as required by subparagraph (A), or (ii) determine industry support using a statistically valid sampling method.

Section 771(4)(A) of the Act defines the "industry" as the producers of a domestic like product. Thus, to determine whether a Petition has the requisite industry support, the statute directs the Department to look to producers and workers who produce the domestic like product. The International Trade Commission ("ITC"), which is responsible for determining whether "the domestic industry" has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both the Department and the ITC must apply the same statutory definition regarding the domestic like product (section 771(10) of the Act), they do so for different purposes and pursuant to a separate and distinct authority. In addition, the Department's

determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to law. See *USEC, Inc. v. United States*, 132 F. Supp. 2d 1, 8 (CIT 2001), citing *Algoma Steel Corp. Ltd. v. United States*, 688 F. Supp. 639, 642-44 (CIT 1988).

Section 771(10) of the Act defines the domestic like product as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title." Thus, the reference point from which the domestic like product analysis begins is "the article subject to an investigation," *i.e.*, the class or kind of merchandise to be investigated, which normally will be the scope as defined in the Petition.

With regard to the domestic like product, Petitioner does not offer a definition of domestic like product distinct from the scope of the investigations. Based on our analysis of the information submitted in the Petitions, we have determined there is a single domestic like product, diamond sawblades, which is defined further in the "Scope of the Investigations" section above, and we have analyzed industry support in terms of that domestic like product.

Based on information provided in the Petitions, the share of total estimated U.S. production of the domestic like product in calendar year 2004 represented by Petitioner did not account for more than 50 percent of the total production of the domestic like product. Therefore, in accordance with 732(c)(4)(D) of the Act, we polled the industry. See *Notice of Request for Information and Extension of the Deadline for Determining the Adequacy of the Petitions for: Diamond Sawblades and Parts Thereof From the People's Republic of China and the Republic of Korea*, 70 FR 29478 (May 23, 2005).

On May 18, 20, 23, and 25, 2005, we issued polling questionnaires to all known producers of diamond sawblades identified in the Petitions, submission from other interested parties, and found on the internet by the Department. The questionnaires are on file in the Central Records Unit ("CRU") in room B-099 of the main Department of Commerce building. Additionally, the questionnaires were available on the Import Administration website. We requested that each company complete the polling questionnaire and certify their responses by faxing their responses to the Department by the due date. Late responses were not included in our analysis. For a detailed discussion of the

responses received please see the *Initiation Checklists* at Attachment I.

Our analysis of the data indicates that the domestic producers of diamond sawblades who support the Petitions account for at least 25 percent of the total production of the domestic like product and more than 50 percent of the production (by U.S. dollar sales value) of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the Petition. See *Initiation Checklist* at Attachment I. Accordingly, the Department determines that the industry support requirements of section 732(c)(4)(A) of the Act have been met. Therefore, the Department determines that Petitioner filed these petitions on behalf of the domestic industry because it is an interested party as defined in section 771(9)(F) of the Act and it has demonstrated sufficient industry support with respect to the antidumping investigations that it is requesting the Department initiate. See *Initiation Checklists* at Attachment I (Industry Support).

U.S. Price and Normal Value

The following is a description of the allegation of sales at less than fair value upon which the Department based its decision to initiate these investigations on Korea and the PRC. The sources of data for the deductions and adjustments relating to the U.S. price, home-market price (Korea only) and the factors of production (PRC only) are also discussed in the country-specific *Initiation Checklist*. See *Korea Initiation Checklist* and *PRC Initiation Checklist*. Should the need arise to use any of this information as facts available under section 776 of the Act in our preliminary or final determinations, we may reexamine the information and revise the margin calculations, if appropriate.

PRC

Export Price

Petitioner based export price on a price quotation from a Chinese producer/exporter of diamond sawblades. Based on information provided by the Petitioner, contained in a price quote sheet from a Chinese producer/exporter of diamond sawblades, the Department recalculated the price. See proprietary *PRC Initiation Checklist* for details of recalculation. The Department deducted from this price the costs associated with exporting and delivering the product, including freight expense, inland insurance, and brokerage and handling. The Department adjusted this price

quotation to the PRC. See proprietary *PRC Initiation Checklist*.

Normal Value

Petitioner asserted that the PRC is a non-market economy ("NME") and no determination to the contrary has yet been made by the Department. In previous investigations, the Department has determined that the PRC is a NME. See *Notice of Final Determination of Sales at Less Than Fair Value: Magnesium Metal from the People's Republic of China*, 70 FR 9037 (February 24, 2005), *Notice of Final Determination of Sales at Less Than Fair Value: Certain Tissue Paper Products from the People's Republic of China*, 70 FR 7475 (February 14, 2005), and *Notice of Final Determination of Sales at Less Than Fair Value: Certain Frozen and Canned Warmwater Shrimp from the People's Republic of China*, 69 FR 70997 (December 8, 2004). In accordance with section 771(18)(C)(i) of the Act, the presumption of NME status remains in effect until revoked by the Department. The presumption of NME status for the PRC has not been revoked by the Department and remains in effect for purposes of the initiation of this investigation. Accordingly, the normal value ("NV") of the product is appropriately based on factors of production valued in a surrogate market economy country in accordance with section 773(c) of the Act. In the course of this investigation, all parties will have the opportunity to provide relevant information related to the issues of the PRC's NME status and the granting of separate rates to individual exporters.

Petitioner selected India as the surrogate country. Petitioner argued that, pursuant to section 773(c)(4) of the Act, India is an appropriate surrogate because it is a market-economy country that is at a comparable level of economic development to the PRC and is a significant producer and exporter of diamond sawblades. See Petition, Vol. II at 9 and 10. Based on the information provided by Petitioner, we believe that its use of India as a surrogate country is appropriate for purposes of initiating this investigation. After the initiation of the investigation, we will solicit comments regarding surrogate country selection. Also, pursuant to 19 CFR 351.301(c)(3)(i) of the Department's regulations, interested parties will be provided an opportunity to submit publicly available information to value factors of production within 40 days after the date of publication of the preliminary determination.

Petitioner explained that the production process for diamond sawblades takes place in two stages: 1) the production of diamond blade cores;

and 2) the production of the finished diamond blade, which includes the production of diamond segments. Petitioner stated that Chinese manufacturers of diamond sawblades may either produce both cores and finished blades, or may purchase sawblade cores from other Chinese entities. See Petition Vol. II at 12. In building-up the factors of production, Petitioner started with a complete core as the primary input in finished diamond sawblades.

Petitioner provided a dumping margin calculation using the Department's NME methodology as required by 19 CFR 351.202(b)(7)(i)(C). See Petition at Exhibit II-21, see also, June 1, 2005, Amendment to the Petition, at Exhibit 3, and June 8, 2005, Amendment to the Petition, at Exhibit 4. To determine the quantities of inputs used by the PRC producers to produce a finished diamond sawblade, Petitioner relied on the production experience and actual consumption rates of a U.S. diamond sawblade producer for the period October 2004 through March 2005. Petitioner stated that the product selected was chosen because it is commonly offered for sale by Chinese producers and sold in the United States. See Petition Vol. II at 3.

In accordance with section 773(c)(4) of the Act, Petitioner valued factors of production, where possible, on reasonably available, public surrogate country data. To value certain factors of production, Petitioner used official Indian government import statistics, excluding those values from countries previously determined by the Department to be NME countries and excluding imports into India from Indonesia, Korea and Thailand, because the Department has previously excluded prices from these countries because they maintain broadly-available, non-industry specific export subsidies. See *Automotive Replacement Glass Windshields From the People's Republic of China: Final Results of Administrative Review*, 69 FR 61790 (October 21, 2004), and accompanying Issues and Decision Memorandum at Comment 5.

For inputs valued in Indian rupees and not contemporaneous with the POI, Petitioner used information from the wholesale price indices ("WPI") in India as published by the International Monetary Fund in the *International Financial Statistics* to determine the appropriate adjustments for inflation. In addition, Petitioner made currency conversions, where necessary, based on the average rupee/U.S. dollar exchange rate for the POI as reported on the Department's website.

To value electricity, the Petitioner relied on information collected by the International Energy Agency during the year 2000 concerning prices paid by industrial users. Petitioner revised this data to adjust for inflation using the Indian WPI in effect during the POI.

To value cores as an input of finished diamond saw blades, Petitioner utilized imports of cores imported into India during the period October 2004 through March 2005 as reported by www.infodriveindia.com, which is a fee-based website providing Indian customs data. See June 8, 2005, Amendment to the Petition at 2. Petitioner explained that it excluded from the calculation Indian imports of cores with average unit values above Rs. 1500.00 because cores above this price point are likely to be larger than the models examined in the Petition. We note that the infodrive data submitted by Petitioner, which for some observations indicates the size of the cores, demonstrates that cores above 1500 Rs are likely to be a larger size. Petitioner did not include imports from NME countries and from Thailand, Korea, and Indonesia. Petitioner explained that the infodrive data is one of the only publicly available data sources for import values which permits disaggregation at a detailed level and is the best information reasonably available to Petitioner to obtain product specific information to value sawblade cores for finished sawblades.

While Petitioner previously submitted Indian import statistics from the Indian Ministry of Commerce publication *Monthly Statistics of the Foreign Trade of India* ("MSFTI") to value cores, we noted that the applicable HTS category (8202.39.00), can include both cores and finished diamond sawblades. See June 1, 2005, Amendment to the Petition at 2. We find that the use of the MSFTI import data could result in a potential under-statement or over-statement of normal value depending on the relative composition of cores to other merchandise imported under this HTS category. Given: (1) that the record currently contains insufficient detail to resolve this potential drawback regarding the MSFTI data; (2) that the infodrive data, although it may be incomplete, appears to be both specific to the input in question as well as contemporaneous; (3) that there is no better data currently on the record to value this input; (4) that the statutory standard Petitioner bears at initiation involving the provision of data reasonably available to it appears to be satisfied by the infodrive data; (5) that Petitioner's methodology of disregarding higher-valued importations is an

inherently conservative approach; and finally, (6) that using either the MSFTI or infodrive data source provide adequate evidence of dumping at the initiation stage, we find that for initiation purposes in this instance, it is appropriate to use Petitioner's submitted infodrive data to value cores. However, should the need arise to use the petition margin as facts available under section 776 of the Act in our preliminary or final determinations, we will re-examine the valuation of cores for the purposes of relying on the petition margin.

The Department calculates and publishes the surrogate values for labor to be used in NME cases. Therefore, to value labor, Petitioner used a labor rate of \$0.93 per hour, in accordance with the Department's regulations. See 19 CFR 351.408(c)(3) and Petition Vol. II at 20.

Petitioner calculated surrogate financial ratios (overhead, SG&A and profit) using information obtained from the Reserve Bank of India publication *Reserve Bank of India Bulletin* published in August 2004, for the period 2002–2003. Petitioner stated that it was unable to obtain financial reports from an Indian diamond sawblade producer. See Petition Vol. II at 22. The Department agrees with Petitioner's contention that, in the absence of surrogate financial data for the specific subject merchandise, the Department may consider other financial data, such as the *Reserve Bank of India Bulletin*. See *Heavy Forged Hand Tools, Finished or Unfinished, With or Without Handles, From the People's Republic of China: Preliminary Results of Administrative Reviews and Preliminary Partial Rescission of Antidumping Duty Administrative Reviews*, 70 FR 11934 (March 10, 2005). In this case, the Department has accepted the financial information from the *Reserve Bank of India Bulletin* for the purposes of initiation, because these data appear to be the best information on such expenses currently available to Petitioner.

The Department's practice in NME proceedings is to add to surrogate values based on import statistics a surrogate freight cost calculated using the shorter of the reported distance from the domestic supplier to the factory or the distance from the nearest seaport to the factory. This adjustment is in accordance with the Court of Appeals for the Federal Circuit's decision in *Sigma Corp. v. United States*, 117 F. 3d 1401, 1408 (Fed. Cir. 1997). Here, the Department has adjusted Petitioner's NV calculation to remove the raw material freight expense. Petitioner was unable to

obtain the actual supplier distances to the Chinese producer, and instead used the distance from the port of exportation to the Chinese company, 265 kilometers, to calculate raw material supplier freight expense. As the Petitioner was unable to provide reasonably available information to demonstrate that 265 kilometers was the shorter of the two distances, see May 11, 2005, Amendment to the Petition at 7, the Department removed all supplier freight expenses from the NV calculation.

Based on comparisons of EP to NV, calculated in accordance with section 773(c) of the Act, the estimated recalculated dumping margin for diamond sawblades from the PRC is 164.09 percent.

Korea

Constructed Export Price

Petitioner based U.S. price on constructed export price ("CEP") because it stated that Korean producers of diamond blades typically sell subject merchandise through affiliated trading companies. See Volume III of the Petition at page 2. Specifically, Petitioner calculated CEP based on offers of diamond sawblades manufactured in Korea by Ehwa Diamond Industrial Tool Co., Ltd. ("Ehwa"), a large Korean manufacturer of diamond sawblades, and offered for sale in the United States by General Tool, Inc. ("General Tool"), Ehwa's U.S. sales affiliate. See Supplement to the Petition, dated May 13, 2005 at Exhibit 6. Petitioner identified two sizes of diamond sawblades commonly sold in the U.S. market and obtained price quotes for each size from General Tool. *Id.* Petitioner calculated net U.S. prices by deducting ocean freight/insurance, harbor maintenance tax and merchandise processing fee, U.S. domestic freight, imputed credit expense, commission fees, and an amount for CEP profit. *Id.* at Exhibit 7. The petitioner made no adjustments to CEP for packing expenses. *Id.* at page 20.

We reviewed Petitioner's data and adjusted its calculation of CEP by disallowing the deduction of commission fees from the starting U.S. price. Specifically, Petitioner did not adjust NV for commission fees because it stated that sales in the Korean market were offered for sale directly by Ehwa with no distributor involved. See Volume III of the Petition at Exhibit III-13. For CEP sales, Petitioner states that General Tool sells sawblades to end-users, distributors, and U.S. producers of diamond blades. See Supplement to the Petition, dated May 13, 2005 at Exhibit 6. Further, Petitioner's U.S.

price quotes are based upon a negotiation of sales terms between a petitioning U.S. company and an employee of General Tool. *Id.* Based upon the affidavit provided in Exhibit 6 of the Supplement to the Petition, dated May 13, 2005, it is reasonable to infer that the sales offers in the United States were negotiated and offered without the benefit of an outside sales agent. Therefore, since the price quotes obtained in the Korean market were directly from the Korean manufacturer, and the price quotes obtained in the U.S. market were directly from the Korean manufacturer's affiliate, the Department is disallowing the adjustment for commission fees. *See* Checklist at Attachments IV and V for the re-calculation of CEP and the dumping margins.

Normal Value

To calculate NV, Petitioner provided two price quotes, for two different sizes of diamond sawblades, obtained through foreign market research regarding products manufactured by Ehwa and offered for sale in the Korean market. *See* Volume III of the Petition at pages 14–15 and Exhibit III–13. These sales prices were offered by Ehwa without the involvement of a distributor or agent. *Id.* Petitioner did not deduct imputed credit expense from NV due to a business proprietary reason. *See Korea Initiation Checklist* for a discussion of this issue. Petitioner made no adjustment to the prices quotes, nor did it adjust NV for packing expenses. *See* Volume III of the Petition at page 15; *see* Supplement to the Petition, dated May 13, 2005 at page 20.

Based on a comparison of CEP to NV, calculated in accordance with section 773(a) of the Act, the estimated recalculated dumping margin for diamond sawblades from Korea is 63.61 percent to 67.59 percent.

Fair Value Comparisons

Based on the data provided by Petitioner, there is reason to believe that imports of diamond sawblades from the PRC and Korea are being, or are likely to be, sold in the United States at less than fair value. Based upon comparisons of export price to the NV, calculated in accordance with section 773(c) of the Act, the estimated recalculated dumping margin for diamond sawblades from the PRC is 164.09 percent. Based upon comparisons of CEP to the NV, calculated in accordance with section 773(c) of the Act, the estimated recalculated dumping margins for diamond sawblades from Korea range from 63.61 percent to 67.59 percent.

Allegations and Evidence of Material Injury and Causation

With regard to the PRC and Korea, Petitioner alleges that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the individual and cumulated imports of the subject merchandise sold at less than NV. Petitioner contends that the industry's injured condition is illustrated by the decline in customer base, market share, domestic shipments, prices and profit. We have assessed the allegations and supporting evidence regarding material injury and causation, and we have determined that these allegations are properly supported by adequate evidence and meet the statutory requirements for initiation. *See Initiation Checklists.*

Separate Rates and Quantity and Value Questionnaire

The Department recently modified the process by which exporters and producers may obtain separate-rate status in NME investigations. This change is described in *Policy Bulletin 05.1: Separate-Rates Practice and Application of Combination Rates in Antidumping Investigations Involving Non-Market Economy Countries*, (April 5, 2005), (“*Policy Bulletin 05.1*”) available at <http://ia.ita.doc.gov/>. Although the process has changed, now requiring submission of a separate-rate status application, the standard for eligibility for a separate rate (which is whether a firm can demonstrate an absence of both *de jure* and *de facto* governmental control over its export activities) has not changed.

The specific requirements for submitting a separate-rates application are outlined in detail in the application itself, and in *Policy Bulletin 05.1*, which is also available on the Department's website at <http://ia.ita.doc.gov/policy/bull05-1.pdf>. Regarding deadlines, *Policy Bulletin 05.1* explains that “(a)ll applications are due sixty calendar days after publication of the initiation notice. This deadline applies equally to NME-owned and wholly foreign-owned firms for completing the applicable provisions of the application and for submitting the required supporting documentation.” *See Policy Bulletin 05.1* at page 5.

The deadline for submitting a separate-rates application applies equally to NME-owned firms, wholly foreign-owned firms, and foreign sellers who purchase the subject merchandise and export it to the United States. Therefore, this notice constitutes public notification to all firms eligible to seek separate-rate status in the investigation

of diamond sawblades from the PRC that they must submit a separate-rates application within 60 calendar days of the date of publication of this initiation notice in the **Federal Register**. All potential respondents should also bear in mind that firms to which the Department issues a Quantity and Value (“Q&V”) questionnaire must respond both to this questionnaire and to the separate-rates application by the respective deadlines in order to receive consideration for a separate-rate status. In other words, the Department will not give consideration to any separate rate-status application made by parties that were issued a Q&V questionnaire by the Department but failed to respond to that questionnaire within the established deadline. The particular separate-rate status application for this investigation is available on the Department's web site <http://ia.ita.doc.gov>.

Use of Combination Rates in an NME Investigation

The Department will calculate combination rates for certain respondents that are eligible for a separate rate in this investigation. The Separate Rates and Combination Rates Bulletin, states:

“(w)hile continuing the practice of assigning separate rates only to exporters, all separate rates that the Department will now assign in its NME investigations will be specific to those producers that supplied the exporter during the period of investigation. Note, however, that one rate is calculated for the exporter and all of the producers which supplied subject merchandise to it during the period of investigation. This practice applies both to mandatory respondents receiving an individually calculated separate rate as well as the pool of non-investigated firms receiving the weighted-average of the individually calculated rates. This practice is referred to as the application of “combination rates” because such rates apply to specific combinations of exporters and one or more producers. The cash-deposit rate assigned to an exporter will apply only to merchandise both exported by the firm in question and produced by a firm that supplied the exporter during the period of investigation.”

Separate Rates and Combination Rates Bulletin, at page 6.

Initiation of Antidumping Investigations

Based upon our examination of the Petitions on diamond sawblades and parts thereof from the PRC and Korea, we find that these Petitions meet the requirements of section 732 of the Act. Therefore, we are initiating antidumping duty investigations to determine whether imports of diamond sawblades from the PRC and Korea are being, or are likely to be, sold in the United States at less than fair value. Unless postponed, we will make our preliminary determinations no later than 140 days after the date of these initiations.

Distribution of Copies of the Petition

In accordance with section 732(b)(3)(A) of the Act, a copy of the public version of the Petition has been provided to the Government of the PRC and the Government of Korea.

International Trade Commission Notification

We have notified the International Trade Commission ("ITC") of our initiations, as required by section 732(d) of the Act.

Preliminary Determination by the ITC

The ITC will preliminarily determine, within 25 days after the date on which it receives notice of these initiations, whether there is a reasonable indication that imports of diamond sawblades and parts thereof from China and Korea are causing material injury, or threatening to cause material injury, to a U.S. industry. See section 733(a)(2) of the Act. A negative ITC determination will result in the investigations being terminated; otherwise, these investigations will proceed according to statutory and regulatory time limits.

This notice is issued and published pursuant to section 777(i) of the Act.

Dated: June 13, 2005.

Joseph A. Spetrini,

Acting Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-001]

Continuation of Antidumping Duty Order; Potassium Permanganate from the People's Republic of China

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

SUMMARY: As a result of the determinations by the Department of Commerce ("the Department") and the International Trade Commission ("ITC") that revocation of the antidumping duty order on potassium permanganate from the People's Republic of China ("China") would likely lead to continuation or recurrence of dumping, and material injury to an industry in the United States, the Department is publishing notice of the continuation of this antidumping duty order.

EFFECTIVE DATE: June 21, 2005.

FOR FURTHER INFORMATION CONTACT:

Martha V. Douthit or Dana Mermelstein, AD/CVD Operations, Office 6, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-5050 or (202) 482-1391, respectively.

SUPPLEMENTARY INFORMATION:

Background

On October 1, 2004, the Department initiated and the ITC instituted a sunset review of the antidumping duty order on potassium permanganate from China, pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act").¹ As a result of its review, the Department found that revocation of the antidumping duty order would likely lead to continuation or recurrence of dumping and notified the ITC of the magnitude of the margins likely to prevail were the order to be revoked.² On June 2, 2005, the ITC determined, pursuant to section 751(c) of the Act, that revocation of the antidumping duty order on potassium permanganate from China would likely lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.³

Scope of the Order

Imports covered by this antidumping duty order are shipments of potassium permanganate, an inorganic chemical produced in free-flowing, technical, and pharmaceutical grades. Potassium permanganate is currently classifiable under item 2841.61.00 of the Harmonized Tariff Schedule (HTS). The HTS item number is provided for convenience and customs purposes;

¹ See *Initiation of Five-year ("Sunset") Reviews*, 69 FR 58890 (October 1, 2004), and ITC *Investigation No. 731-TA-125 (Second Review)*, 69 FR 58955 (October 1, 2004).

² See *Potassium Permanganate from the People's Republic of China; Five Year ("Sunset") Review of Antidumping Duty Order: Final Results*, 70 FR 24520 (May 10, 2005).

³ See *Investigation No. 731-TA-125 (Second Review)*, 70 FR 32372 (June 2, 2005).

however, the written description remains dispositive.

Determination

As a result of the determinations by the Department and the ITC that revocation of this antidumping duty order would likely lead to continuation or recurrence of dumping and material injury to an industry in the United States, pursuant to section 751(d)(2) of the Act, the Department hereby orders the continuation of the antidumping duty order on potassium permanganate from China.

U.S. Customs and Border Protection will continue to collect antidumping duty deposits at the rates in effect at the time of entry for all imports of subject merchandise. The effective date of continuation of this order will be the date of publication in the **Federal Register** of this Notice of Continuation. Pursuant to section 751(c)(2) and 751(c)(6)(A) of the Act, the Department intends to initiate the next five-year review of this order not later than May 2010.

This five-year (sunset) review and notice are in accordance with section 751(c) of the Act.

Dated: June 9, 2005.

Joseph A. Spetrini,

Acting Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-122-838]

Notice of Final Results of Antidumping Duty Changed Circumstances Review: Certain Softwood Lumber Products from Canada

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

SUMMARY: The Department of Commerce (the Department) has determined, pursuant to section 751(b) of the Tariff Act of 1930, as amended (the Act), that Winton Global Lumber Ltd. (Winton Global) is the successor-in-interest to The Pas Lumber Company Ltd. (The Pas) and, as a result, should be accorded the same treatment previously accorded to The Pas in regard to the antidumping order on certain softwood lumber products from Canada as of the date of publication of this notice in the **Federal Register**.

EFFECTIVE DATE: June 21, 2005.

FOR FURTHER INFORMATION CONTACT:

Daniel O'Brien or David Neubacher, at