

## COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY DISABLED

### Procurement List; Proposed Additions and Deletions

**AGENCY:** Committee for Purchase from People Who Are Blind or Severely Disabled.

**ACTION:** Proposed Additions to and Deletions from Procurement List.

**SUMMARY:** The Committee is proposing to add to the Procurement List products and services to be furnished by nonprofit agencies employing persons who are blind or have other severe disabilities, and to delete products previously furnished by such agencies.

*Comments Must Be Received on or Before:* June 11, 2006.

**ADDRESSES:** Committee for Purchase From People Who Are Blind or Severely Disabled, Jefferson Plaza 2, Suite 10800, 1421 Jefferson Davis Highway, Arlington, Virginia, 22202-3259.

**FOR FURTHER INFORMATION OR TO SUBMIT COMMENTS CONTACT:** Mary-Carolyn Bell, Telephone: (703) 603-7740, Fax: (703) 603-0655, or e-mail [mbell@jwod.gov](mailto:mbell@jwod.gov).

**SUPPLEMENTARY INFORMATION:** This notice is published pursuant to 41 U.S.C 47(a)(2) and 41 CFR 51-2.3. Its purpose is to provide interested persons an opportunity to submit comments on the proposed actions.

### Additions

If the Committee approves the proposed additions, the entities of the Federal Government identified in this notice for each product or service will be required to procure the products and services listed below from nonprofit agencies employing persons who are blind or have other severe disabilities.

### Regulatory Flexibility Act Certification

I certify that the following action will not have a significant impact on a substantial number of small entities. The major factors considered for this certification were:

1. If approved, the action will not result in any additional reporting, recordkeeping or other compliance requirements for small entities other than the small organizations that will furnish the products and services to the Government.

2. If approved, the action will result in authorizing small entities to furnish the products and services to the Government.

3. There are no known regulatory alternatives which would accomplish the objectives of the Javits-Wagner-O'Day Act (41 U.S.C. 46-48c) in

connection with the products and services proposed for addition to the Procurement List.

Comments on this certification are invited. Commenters should identify the statement(s) underlying the certification on which they are providing additional information.

### End of Certification

The following products and services are proposed for addition to Procurement List for production by the nonprofit agencies listed:

#### Products

Product/NSN: Hydration System Carrier Assembly (MOLLE Components) (NTE 40,000 Units)

8465-01-524-8362—Universal Camouflage

8465-01-519-2306—Woodland Camouflage

8465-01-519-2353—Desert Camouflage

NPA: Lions Services, Inc., Charlotte, North Carolina

Contracting Activity: Defense Supply Center Philadelphia, Philadelphia, Pennsylvania

Product/NSN: Keeper w/Slide Adaptor Assembly (MOLLE Components)

8465-01-524-7253—Universal Camouflage

8465-01-491-7443—Desert Camouflage

8465-01-465-2062—Woodland Camouflage

NPA: Lions Services, Inc., Charlotte, North Carolina

Contracting Activity: Defense Supply Center Philadelphia, Philadelphia, Pennsylvania

#### Services

Service Type/Location: Custodial & Grounds Maintenance Immigration and Customs Enforcement Calle Gonzalez Clemente #30, Mayaguez, Puerto Rico

Louis Munoz Marin International Airport, 3rd Floor Carolina, Puerto Rico

Penthouse Floor and Parking Floor 800 Ponce de Leon Avenue, San Juan, Puerto Rico

NPA: The Corporate Source, Inc., New York, New York Contracting Activity: DHS, Immigration and Customs Enforcement San Juan, Puerto Rico

Service Type/Location: Vehicle Maintenance Services Building 386 Dickman Avenue, Fort Riley, Kansas

NPA: Skookum Educational Programs, Port Townsend, Washington

Contracting Activity: GSA, Fleet Management Division, Kansas City, Missouri

### Deletions

#### Regulatory Flexibility Act Certification

I certify that the following action will not have a significant impact on a substantial number of small entities. The major factors considered for this certification were:

1. If approved, the action may result in additional reporting, recordkeeping or other compliance requirements for small entities.

2. If approved, the action may result in authorizing small entities to furnish the products to the Government.

3. There are no known regulatory alternatives which would accomplish the objectives of the Javits-Wagner-O'Day Act (41 U.S.C. 46-48c) in connection with the products proposed for deletion from the Procurement List.

### End of Certification

The following products are proposed for deletion from the Procurement List:

#### Products

Product/NSN: Binder, Loose-leaf

7510-00-285-1765—Binder, Loose-leaf

NPA: ForSight Vision, York, Pennsylvania Contracting Activity: Office Supplies & Paper Products Acquisition Center, New York, NY

Product/NSN: Holder, Toilet Paper

4510-00-364-3035—Holder, Toilet Paper

NPA: Jewish Vocational Services, Inc., Dunwoody, Georgia

Contracting Activity: Defense Supply Center Philadelphia, Philadelphia, Pennsylvania

### G. John Heyer,

*General Counsel.*

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## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-201-817]

#### Certain Oil Country Tubular Goods from Mexico; Preliminary Results of Antidumping Duty Administrative Review and Partial Rescission

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

**SUMMARY:** In response to a request from United States Steel Corporation and Hylsa, S.A. de C.V. (Hylsa), the Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on certain oil country tubular goods (OCTG) from Mexico. The period of review (POR) is August 1, 2004, through July 31, 2005.

We preliminarily find that Hylsa made sales of the subject merchandise at less than normal value (NV). In addition, we are preliminarily rescinding this review with respect to Tubos de Acero de Mexico, S.A. (Tamsa) because Tamsa reported, and we confirmed, that it made no shipments of subject merchandise to the United States during the POR. If these preliminary results are adopted in the final results of this administrative

review, we will instruct U.S. Customs and Border Protection (CBP) to assess antidumping duties based on the difference between constructed value (CV) and the NV for Hylsa.

Interested parties are invited to comment on these preliminary results. Parties who submit argument in this proceeding are requested to submit with the argument: (1) A statement of the issues, (2) a brief summary of the argument, and 3) a table of authorities.

**EFFECTIVE DATE:** May 12, 2006.

**FOR FURTHER INFORMATION CONTACT:**

Stephen Bailey or David Kurt Kraus, 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) 482-0193 or (202) 482-7871, respectively.

**SUPPLEMENTARY INFORMATION:**

**Background**

On August 11, 1995, the Department published the antidumping duty order on OCTG from Mexico. See *Antidumping Duty Order: Oil Country Tubular Goods From Mexico*, 60 FR 41056 (August 11, 1995) (*AD Order*). On August 1, 2005, the Department published the opportunity to request administrative review of, *inter alia*, OCTG from Mexico for the period August 1, 2004, through July 31, 2005. See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 70 FR 44085 (August 1, 2005).

In accordance with 19 CFR 351.213(b), on August 31, 2005, United States Steel Corporation (petitioner) and Hylsa requested that we conduct an administrative review of the sales of subject merchandise of Tamsa and Hylsa. On September 28, 2005, the Department published in the **Federal Register** a notice of initiation of this antidumping duty administrative review covering the period August 1, 2004, through July 31, 2005. See *Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part*, 70 FR 56631 (September 28, 2005).

On October 6, 2005, the Department issued its antidumping duty questionnaire to Hylsa and Tamsa. On October 27, 2005, Tamsa submitted a no-shipment certification letter to the Department explaining that it had no sales of subject merchandise during the POR and requested a rescission of the administrative review with respect to Tamsa. Furthermore, on February 22, 2006, the Department sent a

memorandum to CBP requesting assistance in obtaining copies of the complete entry packages for certain shipments made by Tamsa or believed to be made by Tamsa. See *Partial Rescission of Administrative Review* below for a discussion of this issue.

Hylsa submitted its response to section A of the Department's questionnaire on November 7, 2005, and its response to section C on November 28, 2005. In its section A response, Hylsa informed the Department that it had no viable home market or third country sales to use as NV and was therefore reporting CV data. The Department issued a supplemental sections A and C questionnaire to Hylsa on January 9, 2006. Hylsa submitted its response to the Department's sections A and C supplemental questionnaire on January 30, 2006. On February 6, 2006, Hylsa provided clarifying additional information pertaining to its January 30, 2006, sections A and C supplemental questionnaire response at page 20, footnote 15. The Department issued a second supplemental sections A and C questionnaire on February 22, 2006, and on March 13, 2006, Hylsa submitted its response. The Department issued a third supplemental section C questionnaire to Hylsa on March 23, 2006, and on March 24, 2006, Hylsa submitted its response. We issued a fourth supplemental section C questionnaire to Hylsa on March 31, 2006, and on April 4, 2006, Hylsa submitted its response.

Because Hylsa did not have home market or third country sales of subject merchandise during the POR, Hylsa submitted a section D response on November 28, 2005. We issued a supplemental questionnaire regarding Hylsa's response to section D on February 8, 2006, and on March 3, 2006, Hylsa submitted its response. We issued a second supplemental section D questionnaire on March 22, 2006, and on March 31, 2006, Hylsa submitted its response. On April 6, 2006, we issued a third Section D supplemental questionnaire to Hylsa and on April 13, 2006, Hylsa submitted its response.

**Period of Review**

The POR is August 1, 2004, through July 31, 2005.

**Scope of the Order**

The merchandise covered by this order is oil country tubular goods (OCTG), hollow steel products of circular cross-section, including oil well casing and tubing of iron (other than cast iron) or steel (both carbon and alloy), whether seamless or welded, whether or not conforming to American Petroleum Institute (API) or non-API

specifications, whether finished or unfinished (including green tubes and limited-service OCTG products). This scope does not cover casing or tubing pipe containing 10.5 percent or more of chromium, or drill pipe. The OCTG subject to this order are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers: 7304.29.10.10, 7304.29.10.20, 7304.29.10.30, 7304.29.10.40, 7304.29.10.50, 7304.29.10.60, 7304.29.10.80, 7304.29.20.10, 7304.29.20.20, 7304.29.20.30, 7304.29.20.40, 7304.29.20.50, 7304.29.20.60, 7304.29.20.80, 7304.29.30.10, 7304.29.30.20, 7304.29.30.30, 7304.29.30.40, 7304.29.30.50, 7304.29.30.60, 7304.29.30.80, 7304.29.40.10, 7304.29.40.20, 7304.29.40.30, 7304.29.40.40, 7304.29.40.50, 7304.29.40.60, 7304.29.40.80, 7304.29.50.15, 7304.29.50.30, 7304.29.50.45, 7304.29.50.60, 7304.29.50.75, 7304.29.60.15, 7304.29.60.30, 7304.29.60.45, 7304.29.60.60, 7304.29.60.75, 7305.20.20.00, 7305.20.40.00, 7305.20.60.00, 7305.20.80.00, 7306.20.10.30, 7306.20.10.90, 7306.20.20.00, 7306.20.30.00, 7306.20.40.00, 7306.20.60.10, 7306.20.60.50, 7306.20.80.10, and 7306.20.80.50. The Department has determined that couplings, and coupling stock, are not within the scope of the antidumping order on OCTG from Mexico. See Letter to Interested Parties; Final Affirmative Scope Decision, August 27, 1998, which is on file in the Department's Central Records Unit in Room B-099 of the Main Department building. The HTSUS subheadings are provided for convenience and customs purposes. Our written description of the scope of this order is dispositive.

**Partial Rescission of Administrative Review**

In response to our October 6, 2005, original questionnaire, Tamsa submitted an October 27, 2005, letter claiming it made no exports of the subject merchandise during the POR. We examined CBP data to confirm that Tamsa was not listed as a manufacturer or exporter of the subject merchandise on entries during the POR. We requested and received from CPB entry documents relating to entries that were either produced by Tamsa or related to entries that CBP informed the Department may have been produced by Tamsa. See the Department's February 22, 2006, memorandum "Request for U.S. Entry Documents Oil Country Tubular Goods from Mexico A-201-

817," from Richard Weible, Director Office 7, to Alice J. Buchanan of CBP and the entry documents dated April 10, 2006. After reviewing the information, we determined that the entries either were imported to the United States to a foreign trade zone or Tamsa did not produce the entries in question.

In addition, there is no information on the record to indicate that Tamsa had U.S. sales or exports of subject merchandise during the POR. As a result, we find that Tamsa made no entries, exports, or sales of the subject merchandise during the POR that are subject to the administrative review. Therefore, in accordance with 19 CFR 351.213(d)(3), we are preliminarily rescinding the review with respect to Tamsa.

### Product Comparisons

Because Hylsa had no sales of identical or similar merchandise in the home market or any third country comparison market during the POR, we compared U.S. sales to CV in accordance with section 773(a)(4) of the Tariff Act of 1930, as amended (the Act).

### Fair Value Comparisons

To determine whether Hylsa made sales of OCTG to the United States at less than fair value, we compared export price (EP) to NV, as described in the *Export Price* and *Normal Value* sections of this notice. Because Hylsa had no sales of subject merchandise either in the home market or to third countries during the POR, in accordance with section 773(a)(4) of the Act, we compared the EP of U.S. transactions falling within the period of review to CV.

### Export Price

Section 772(a) of the Act defines EP as the price at which the subject merchandise is first sold (or agreed to be sold) before the date of importation by the producer or exporter of the subject merchandise outside of the United States to an unaffiliated purchaser in the United States or to an unaffiliated purchaser for exportation to the United States, as adjusted under section 772(c). In contrast, section 772(b) of the Act defines constructed export price (CEP) as the price at which the subject merchandise is first sold (or agreed to be sold) in the United States before or after the date of importation by, or for the account of, the producer or exporter of such merchandise, or by a seller affiliated with the producer or exporter, to a purchaser not affiliated with the producer or exporter, as adjusted under sections 772(c) and (d).

For sales to the United States, we have used EP in accordance with section 772(a) of the Act because the subject merchandise was sold directly to an unaffiliated purchaser prior to importation.

We calculated EP based on the prices charged to the first unaffiliated customer in the United States. We used the date of invoice as the date of sale. We based EP on the packed delivered duty paid prices to the first unaffiliated purchasers in the United States. We made deductions for movement expenses in accordance with section 772(c)(2)(A) of the Act, including: foreign inland freight, foreign brokerage and handling, transport insurance expense, U.S. inland freight and U.S. brokerage and handling.

Consistent with the Department's practice, we limited our universe to EP sales entered during the POR. See *Notice of Final Results of Antidumping Duty Administrative Review: Certain Hot-Rolled Carbon Flat Steel Flat Products from the Netherlands*, 69 FR 33630 (June 16, 2004). Therefore, we excluded certain U.S. sales that entered the U.S. after the current POR. See *Notice of Final Results and Partial Rescission of Antidumping Duty Administrative Review: Certain Oil Country Tubular Goods from Mexico*, 70 FR 60492 (October 18, 2005). For a further discussion of this issue and the margin programming language see Analysis Memorandum for the Preliminary Results of Administrative Review of the Antidumping Duty Order on Oil Country Tubular Goods from Mexico: Hylsa S.A. de C.V. (Hylsa), from Stephen Bailey and David Kurt Kraus to the File, dated May 3, 2006 (Analysis Memorandum).

The Department has determined that brokerage and handling services provided by Hylsa's affiliate Galvak, S.A. de C.V. (Galvak) in Mexico were not made at arm's length. The Department calculated a simple average of brokerage and handling expenses incurred from affiliated (Galvak) and unaffiliated brokers, which showed that services provided by Galvak were lower than those charged by unaffiliated brokers. Because these charges were not made at arm's length, the Department has not used Hylsa's reported brokerage and handling expenses incurred from Galvak. See exhibit 1 of Hylsa's February 6, 2006, submission for the list of sales for which Galvak provided brokerage and handling services. Instead, we are using information available on the record; specifically, we are using brokerage and handling expenses Hylsa incurred from its unaffiliated brokerage and handling

providers, to calculate an average brokerage and handling expense to apply to all U.S. sales for which Galvak provided these services. See *Notice of Final Determination of Sales at Less Than Fair Value: Bottle-Grade Polyethylene Terephthalate (PET) Resin From Indonesia*, 70 FR 13456 (March 21, 2005). For a further discussion of this issue including the margin programming language and the calculation of average brokerage and handling expenses for affiliated and unaffiliated brokers, see Analysis Memorandum.

### Calculation of Constructed Value

Hylsa reported that it had no viable home or third country market during the POR. Therefore, in accordance with section 773(a)(4) of the Act, we based NV for Hylsa on CV. In accordance with section 773(e)(1) of the Act, we calculated CV based on the sum of the costs of materials, labor, overhead, selling, general and administrative (SG&A), profit, interest expenses, and U.S. packing costs. Section 773(e)(2)(A) states that SG&A and profit are to be based on the actual amounts incurred in connection with sales of a foreign like product. In the event such data are not available, section 773(e)(2)(B) of the Act sets forth three alternatives for computing profit and SG&A without establishing a hierarchy or preference among the alternative methods. The alternative methods are: (1) Calculate SG&A and profit incurred by the producer based on the sale of merchandise of the same general type as the exports in question; (2) average SG&A and profit of other producers of the foreign like product for sales in the home market; or (3) any other reasonable method, capped by the amount normally realized on sales in the foreign country of the general category of the products. In addition, the Statement of Administrative Action accompanying the Uruguay Round Agreements Act, H.R. Rep. 103-316, Vol. 1, at 841 (1994), states that, if the Department does not have the data to determine amounts for profit under alternatives one and two, or a profit cap under alternative three, it still may apply alternative three (without the cap) on the basis of the "facts available."

In this case, because Hylsa did not have a viable home market or third country market for this product, we based Hylsa's profit and indirect selling expenses on the following methodology. In accordance with section 773(e)(2)(B)(iii) of the Act, we calculated indirect selling expenses incurred and profit realized by the producer based on the sale of

merchandise of the same general types as the exports in question. Specifically, we based our profit calculations and indirect selling expenses on the income statement of Hylsa's tubular products division, a general pipe division that produces OCTG and products in the same general category. We calculated a CV profit using Hylsa's tubular products division financial statements for 2004 (*i.e.*, tubular products division profit 2004 divided by tubular products division 2004 cost of goods sold). We deducted packing expenses allocated to Hylsa's tubular products division from the cost of goods sold denominator when we calculated CV profit and indirect selling expenses.

For the preliminary results we recalculated Hylsa's G&A expense, based on the 2004 tubular products division financial statement, by deducting packing expenses from the cost of goods sold. We used the financial statements of Alfa, S.A. de C.V., Hylsa's parent company, to calculate financial expenses. Additionally, we adjusted the transfer price for a major input, *i.e.*, iron ore, purchased by Hylsa from affiliated suppliers to reflect the higher of the transfer price or the cost of production pursuant to section 773(f)(3) of the Act. See Analysis Memorandum and Preliminary Calculation Memorandum, to Neal Halper, Director with the Office of Accounting, from Christopher J. Zimpo, Analyst with the Office of Accounting, through Peter S. Scholl, Program Manager with the Office of Accounting; Analysis and adjustments to the section D costs submitted by Hylsa, S.A. de C.V., dated May 3, 2006, for further discussion.

As there were no home market sales during the POR, there were no allegations of below-cost sales for Hylsa. Consequently, we did not initiate a cost of production (COP) analysis for Hylsa.

#### Price-to-CV Comparisons

For price-to-CV comparisons, we made circumstance-of-sale adjustments by adding to CV U.S. direct selling expenses (*i.e.*, imputed credit, commissions, and other direct selling expenses) in accordance with section 773(a)(8) of the Act and 19 CFR 351.401(c). For computing credit expenses, it is the Department's normal practice to use an interest rate applicable to loans in the same currency as that in which the sales are denominated. See *Notice of Final Determination of Sales at Less Than Fair Value: Stainless Steel Plate in Coils ("SSPC") from the Republic of Korea*, 64 FR 15443 (March 31, 1999), and

accompanying Issues and Decision Memorandum at comment 6. Because Hylsa had no short-term borrowings in U.S. dollars, the credit expense for Hylsa's U.S. sales was calculated using the average U.S. prime rate during the POR. See Hylsa's section C response dated November 28, 2005, at exhibit 7.

#### Currency Conversion

We made currency conversions into U.S. dollars, in accordance with section 773A(a) of the Act, based on the exchange rates in effect on the dates of the U.S. sales, as certified by the Federal Reserve Bank.

#### Preliminary Results of Review

As a result of our review, we preliminarily find the weighted-average dumping margin for the period August 1, 2004, through July 31, 2005, to be as follows:

Manufacturer / Exporter	Margin (percent)
Hylsa, S.A. de C.V. ....	0.68

The Department will disclose calculations performed in connection with these preliminary results of review within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). Pursuant to section 351.309 of the Department's regulations, interested parties may submit written comments in response to these preliminary results. Unless extended by the Department, case briefs are to be submitted within 30 days after the date of publication of this notice, and rebuttal briefs, limited to arguments raised in case briefs, are to be submitted no later than five days after the time limit for filing case briefs. Parties submitting arguments in this proceeding are requested to submit with the argument: (1) A statement of the issue, (2) a brief summary of the argument, and (3) a table of authorities. Case and rebuttal briefs and comments must be served on interested parties in accordance with section 351.303(f) of the Department's regulations.

Also, an interested party may request a hearing within 30 days of the date of publication of this notice. See section 351.310(c) of the Department's regulations. Unless otherwise specified, the hearing, if requested, will be held two days after the date for submission of rebuttal briefs, or the first business day thereafter. The Department will issue the final results of this administrative review, including the results of its analysis of the issues raised in any briefs or comments at a hearing, within 120 days of publication of these preliminary results.

#### Assessment Rates

The Department shall determine, and CBP shall assess, antidumping duties on all appropriate entries. In accordance with 19 CFR 351.212(b)(1), we have calculated, whenever possible, an exporter/importer (or customer)-specific assessment rate or value for merchandise subject to this 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 POR produced by the company included in these preliminary results for which the reviewed company 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.

#### Cash Deposit Requirements

The following deposit requirements will be effective upon completion of the final results of this administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(1) of the Act: (1) The cash deposit rate 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 be the company-specific rate established for the most recent period; (3) if the exporter is not a firm covered in this review, a prior review, or the LTFV investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the subject merchandise; and (4) if neither the exporter nor the manufacturer is a firm covered in this review, any previous reviews, or the LTFV investigation, the cash deposit rate will be 23.79 percent, the "all others" rate established in the LTFV investigation. See *AD Order*, 60 FR at 41056. These deposit rates, when imposed, shall remain in effect until publication of the final results of the next administrative review.

#### Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping

duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

We are issuing and publishing this notice in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: May 3, 2006.

**David M. Spooner,**

*Assistant Secretary for Import Administration.*

[FR Doc. E6-7284 Filed 5-11-06; 8:45 am]

**Billing Code: 3510-DS-S**

## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-580-834]

#### Notice of Initiation and Preliminary Results of Changed Circumstances Antidumping Duty Review: Stainless Steel Sheet and Strip in Coils from the Republic of Korea

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

**SUMMARY:** The Department of Commerce (the Department) has received information sufficient to warrant initiation of a changed circumstances review of the antidumping duty order on stainless steel sheet and strip in coils (SSSSC) from the Republic of Korea (Korea). Based on this information, we preliminarily determine that: (1) Hyundai Steel Company (Hyundai) is the successor-in-interest to INI Steel Company (INI), formerly Inchon Iron and Steel Co., Ltd. (Inchon), a respondent in the less-than-fair-value (LTFV) investigation; and (2) merchandise from Hyundai should be excluded from the antidumping duty order. Interested parties are invited to comment on these preliminary results.

**EFFECTIVE DATE:** May 12, 2006.

**FOR FURTHER INFORMATION CONTACT:** Irina Itkin or Brianne Riker, AD/CVD Operations, Office 2, Import Administration, International Trade Administration, U.S. Department of Commerce, 14<sup>th</sup> Street and Constitution Avenue, NW., Washington, DC 20230; telephone (202) 482-0656 and (202) 482-0629, respectively.

**SUPPLEMENTARY INFORMATION:**

#### Background

On July 27, 1999, the Department published in the **Federal Register** (64 FR 40555) the antidumping duty order

on SSSSC from Korea. Inchon was excluded from the order because its dumping margin was *de minimis* in the LTFV investigation. In 2001, INI requested that the Department conduct a changed circumstances review to confirm that INI was the successor-in-interest to Inchon. On June 28, 2002, the Department found that INI was the successor-in-interest to Inchon and that INI should be excluded from the antidumping order on SSSSC from Korea consistent with the exclusion determination for Inchon in the LTFV investigation. See *Stainless Steel Sheet and Strip in Coils from the Republic of Korea: Notice of Final Results of Changed Circumstances Antidumping Duty Administrative Review*, 67 FR 43583 (June 28, 2002). On March 22, 2006, Hyundai submitted a written request that the Department conduct a changed circumstances review to confirm that Hyundai is the successor-in-interest to INI and that subject merchandise produced by this entity should not be subject to antidumping duties. On April 7, 2006, April 13, 2006, and April 24, 2006, the Department requested additional information from Hyundai to supplement its request for a changed circumstances review. Hyundai submitted information to address the additional questions raised by the Department on April 11, 2006, April 20, 2006, and April 27, 2006, respectively.

#### Scope of Order

The products covered are certain stainless steel sheet and strip in coils. Stainless steel is an alloy steel containing, by weight, 1.2 percent or less of carbon and 10.5 percent or more of chromium, with or without other elements. The subject sheet and strip is a flat-rolled product in coils that is greater than 9.5 millimeters in width and less than 4.75 millimeters in thickness, and that is annealed or otherwise heat treated and pickled or otherwise descaled. The subject sheet and strip may also be further processed (e.g., cold-rolled, polished, aluminized, coated, etc.) provided that it maintains the specific dimensions of sheet and strip following such processing.

The merchandise subject to this order is classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheadings: 7219.13.0031, 7219.13.0051, 7219.13.0071, 7219.1300.81,<sup>1</sup> 7219.14.0030, 7219.14.0065, 7219.14.0090, 7219.32.0005, 7219.32.0020,

7219.32.0025, 7219.32.0035, 7219.32.0036, 7219.32.0038, 7219.32.0042, 7219.32.0044, 7219.33.0005, 7219.33.0020, 7219.33.0025, 7219.33.0035, 7219.33.0036, 7219.33.0038, 7219.33.0042, 7219.33.0044, 7219.34.0005, 7219.34.0020, 7219.34.0025, 7219.34.0030, 7219.34.0035, 7219.35.0005, 7219.35.0015, 7219.35.0030, 7219.35.0035, 7219.90.0010, 7219.90.0020, 7219.90.0025, 7219.90.0060, 7219.90.0080, 7220.12.1000, 7220.12.5000, 7220.20.1010, 7220.20.1015, 7220.20.1060, 7220.20.1080, 7220.20.6005, 7220.20.6010, 7220.20.6015, 7220.20.6060, 7220.20.6080, 7220.20.7005, 7220.20.7010, 7220.20.7015, 7220.20.7060, 7220.20.7080, 7220.20.8000, 7220.20.9030, 7220.20.9060, 7220.90.0010, 7220.90.0015, 7220.90.0060, and 7220.90.0080. Although the HTSUS subheadings are provided for convenience and customs purposes, the Department's written description of the merchandise under review is dispositive.

Excluded from the scope of this order are the following: (1) Sheet and strip that is not annealed or otherwise heat treated and pickled or otherwise descaled; (2) sheet and strip that is cut to length; (3) plate (*i.e.*, flat-rolled stainless steel products of a thickness of 4.75 millimeters or more); (4) flat wire (*i.e.*, cold-rolled sections, with a prepared edge, rectangular in shape, of a width of not more than 9.5 millimeters); and (5) razor blade steel. Razor blade steel is a flat-rolled product of stainless steel, not further worked than cold-rolled (cold-reduced), in coils, of a width of not more than 23 millimeters and a thickness of 0.266 millimeters or less, containing, by weight, 12.5 to 14.5 percent chromium, and certified at the time of entry to be used in the manufacture of razor blades. See Chapter 72 of the HTSUS, "Additional U.S. Note" 1(d).

Flapper valve steel is also excluded from the scope. Flapper valve steel is defined as stainless steel strip in coils containing, by weight, between 0.37 and 0.43 percent carbon, between 1.15 and 1.35 percent molybdenum, and between 0.20 and 0.80 percent manganese. This steel also contains, by weight, phosphorus of 0.025 percent or less, silicon of between 0.20 and 0.50 percent, and sulfur of 0.020 percent or less. The product is manufactured by means of vacuum arc remelting, with inclusion controls for sulphide of no more than 0.04 percent and for oxide of

<sup>1</sup> Due to changes to the HTSUS numbers in 2001, 7219.13.0030, 7219.13.0050, 7219.13.0070, and 7219.13.0080 are now 7219.13.0031, 7219.13.0051, 7219.13.0071, and 7219.13.0081, respectively.