

circles, segments of circles, ovals, rectangles (including squares), triangles, hexagons, octagons, or other convex polygons. SSB includes cold-finished SSBs that are turned or ground in straight lengths, whether produced from hot-rolled bar or from straightened and cut rod or wire, and reinforcing bars that have indentations, ribs, grooves, or other deformations produced during the rolling process.

Except as specified above, the term does not include stainless steel semi-finished products, cut length flat-rolled products (*i.e.*, cut length rolled products which if less than 4.75 mm in thickness have a width measuring at least 10 times the thickness, or if 4.75 mm or more in thickness having a width which exceeds 150 mm and measures at least twice the thickness), wire (*i.e.*, cold-formed products in coils, of any uniform solid cross section along their whole length, which do not conform to the definition

of flat-rolled products), and angles, shapes, and sections.

The SSB subject to these orders is currently classifiable under subheadings 7222.11.00.05, 7222.11.00.50, 7222.19.00.05, 7222.19.00.50, 7222.20.00.05, 7222.20.00.45, 7222.20.00.75, and 7222.30.00.00 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of these orders is dispositive.

**Analysis of Comments Received**

All issues raised in these reviews are addressed in the Issues and Decision Memorandum from Stephen J. Claeys, Deputy Assistant Secretary for Import Administration, to David M. Spooner, Assistant Secretary for Import Administration, dated June 29, 2006, which is hereby adopted by this notice. The issues discussed in the Issues and

Decision Memorandum include the likelihood of continuation or recurrence of dumping and the magnitude of the margins likely to prevail if the orders were to be revoked. Parties can find a complete discussion of all issues raised in these reviews and the corresponding recommendations in this public memorandum which is on file in room B-099 of the main Commerce building.

In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the Web at <http://ia.ita.doc.gov/frn>. The paper copy and electronic version of the Issues and Decision Memorandum are identical in content.

**Final Results of Reviews**

We determine that revocation of the antidumping duty orders on SSB from Brazil, India, Japan, and Spain would be likely to lead to continuation or recurrence of dumping at the following weighted-average percentage margins:

Manufacturers/Exporters/Producers	Weighted-Average Margin (percent)
<b>Brazil.</b>	
Acos Villares, S.A. ....	19.43 percent <i>ad valorem</i>
All Others .....	19.43 percent <i>ad valorem</i>
<b>India.</b>	
Grand Foundry, Ltd. ....	3.87 percent <i>ad valorem</i>
Mukand, Ltd. ....	21.02 percent <i>ad valorem</i>
All Others .....	12.45 percent <i>ad valorem</i>
<b>Japan.</b>	
Aichi Steel Works, Ltd. ....	61.47 percent <i>ad valorem</i>
Daido Steel Co., Ltd. ....	61.47 percent <i>ad valorem</i>
Sanyo Special Steel Co., Ltd. ....	61.47 percent <i>ad valorem</i>
All Others .....	61.47 percent <i>ad valorem</i>
<b>Spain.</b>	
Acenor, S.A. (and all successor companies, including Digeco, S.A. and Clorimax, SRL) .....	62.85 percent <i>ad valorem</i>
Roldan, S.A. ....	7.72 percent <i>ad valorem</i>
All Others .....	25.77 percent <i>ad valorem</i>

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

We are issuing and publishing these results and notice in accordance with sections 751(c), 752, and 777(i)(1) of the Act.

Dated: June 27, 2006.

**David M. Spooner,**  
Assistant Secretary for Import Administration.  
[FR Doc. E6-10479 Filed 7-5-06; 8:45 am]

BILLING CODE 3510-DS-S

**DEPARTMENT OF COMMERCE**

**International Trade Administration**

[A-570-890]

**Wooden Bedroom Furniture from the People's Republic of China: Preliminary Results of 2004-2005 Semi-Annual New Shipper Reviews and Notice of Final Rescission of One New Shipper Review**

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

**SUMMARY:** In response to requests from Shenyang Kunyu Wood Industry Co., Ltd. ("Kunyu"), Dongguan Landmark Furniture Products Ltd. ("Landmark"), Meikangchi (Nantong) Furniture Company Ltd. ("Meikangchi"), and WBE Industries (Hui-Yang) Co., Ltd. ("WBE"), the U.S. Department of Commerce ("the Department") is

conducting new shipper reviews of the antidumping duty order on wooden bedroom furniture from the People's Republic of China ("PRC"). The period of review ("POR") is June 24, 2004, through June 30, 2005.

We have preliminarily determined that sales have been made below normal value ("NV") by Kunyu and Meikangchi. However, we have also preliminarily determined that sales have not been made below normal value by Landmark. If these preliminary results are adopted in our final results of these reviews, we will instruct U.S. Customs and Border Protection ("CBP") to assess antidumping duties on entries of subject merchandise during the POR for which the importer-specific assessment rates are above *de minimis*. Additionally, we have rescinded the new shipper review for WBE.

We invite interested parties to comment on these preliminary results.

Parties who submit comments are requested to submit with each argument a statement of the issue and a brief summary of the argument. We will issue the final results no later than 90 days from the date of publication of this notice.

**EFFECTIVE DATE:** July 6, 2006.

**FOR FURTHER INFORMATION CONTACT:**

Michael Holton or Eugene Degnan, AD/CVD Operations, Office 8, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1324 and (202) 482-0414, respectively.

**SUPPLEMENTARY INFORMATION:**

**Background**

The Department published an antidumping duty order on wooden bedroom furniture from the PRC on January 4, 2005. See *Notice of Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order: Wooden Bedroom Furniture from the People's Republic of China*, 70 FR 329 (January 4, 2005). On July 8, 2005, we received a timely request for a new shipper review from Kunyu. On July 28, 2005, we received timely requests for new shipper reviews from Landmark and Meikangchi. On August 1, 2005, we received a timely request for a new shipper review from WBE. Pursuant to section 751(a)(2)(B) of the Tariff Act of 1930, as amended ("the Act"), and 19 CFR 351.214(d)(1), we initiated the above-mentioned four new shipper reviews for shipments of wooden bedroom furniture from the PRC.

On September 8, 2005, the Department published a notice of the initiation of the new shipper reviews of Kunyu, Landmark, Meikangchi, and WBE. See *Wooden Bedroom Furniture from the People's Republic of China; Initiation of New Shipper Reviews*, 70 FR 53344 (September 8, 2005).

On September 22, 2005, we issued antidumping duty questionnaires to Kunyu, Landmark, Meikangchi, and WBE. In October and November 2005, we received responses to the questionnaires from Kunyu, Landmark, Meikangchi, and WBE. From November 2005 to April 2006, the Department issued supplemental questionnaires to the respondents and received timely responses.

On December 19, 2005, Petitioners<sup>1</sup> requested that the Department conduct

<sup>1</sup> The American Furniture Manufacturers Committee for Legal Trade and its individual members and the Cabinet Makers, Millmen, and Industrial Carpenters Local 721; UBC Southern Council of Industrial Workers Local Union 2305;

verification of the questionnaire responses submitted by Kunyu, Landmark, Meikangchi, and WBE.

On February 28, 2006, we extended the deadline for the issuance of the preliminary results of these new shipper reviews until June 26, 2006. See *Wooden Bedroom Furniture from the People's Republic of China: Extension of Time Limit for the Preliminary Results of New Shipper Reviews*, 71 FR 10010 (February 28, 2006).

On June 5, 2006, the Department preliminarily determined to rescind the new shipper review of WBE based on evidence that WBE exported subject merchandise during the period of investigation and, therefore, does not meet the requirements for initiation of a new shipper review pursuant to 19 CFR 351.214(a) and (b). See Memorandum from Wendy J. Frankel, Director Office 8 to Stephen J. Claeys, Deputy Assistant Secretary for Import Administration, *Wooden Bedroom Furniture from The People's Republic of China: Intent to Rescind the New Shipper Review of WBE Industries (Hui-Yang) Co., Ltd. WBE Rescission* ("WBE Rescission Memo"). On June 6, 2006, we issued a letter to all interested parties requesting parties to provide comments on this issue by June 13, 2006, and rebuttal comments by June 16, 2006. Due to the unexpected emergency closure of the main Commerce building on Monday, June 26, 2006, the Department is issuing these preliminary results on June 27, 2006, the next business day. See *Notice of Clarification: Application of "Next Business Day" Rule for Administrative Determination Deadlines Pursuant to the Tariff Act of 1930, As Amended*, 70 FR 24533 (May 10, 2005).

**Period of Review**

The POR is June 24, 2004, through June 30, 2005.

**Scope of the Order**

The product covered by the order is wooden bedroom furniture. Wooden bedroom furniture is generally, but not exclusively, designed, manufactured, and offered for sale in coordinated groups, or bedrooms, in which all of the individual pieces are of approximately the same style and approximately the same material and/or finish. The subject merchandise is made substantially of wood products, including both solid wood and also engineered wood products made from wood particles, fibers, or other wooden materials such as plywood, oriented strand board,

United Steel Workers of America Local 193U; Carpenters Industrial Union Local 2093; and Teamsters, Chauffeurs, Warehousemen and Helpers Local 991 ("Petitioners").

particle board, and fiberboard, with or without wood veneers, wood overlays, or laminates, with or without non-wood components or trim such as metal, marble, leather, glass, plastic, or other resins, and whether or not assembled, completed, or finished.

The subject merchandise includes the following items: (1) wooden beds such as loft beds, bunk beds, and other beds; (2) wooden headboards for beds (whether stand-alone or attached to side rails), wooden footboards for beds, wooden side rails for beds, and wooden canopies for beds; (3) night tables, night stands, dressers, commodes, bureaux, mule chests, gentlemen's chests, bachelor's chests, lingerie chests, wardrobes, vanities, chessers, chiffoniers, and wardrobe-type cabinets; (4) dressers with framed glass mirrors that are attached to, incorporated in, sit on, or hang over the dresser; (5) chests-on-chests<sup>2</sup>, highboys<sup>3</sup>, lowboys<sup>4</sup>, chests of drawers<sup>5</sup>, chests<sup>6</sup>, door chests<sup>7</sup>, chiffoniers<sup>8</sup>, hutches<sup>9</sup>, and armoires<sup>10</sup>; (6) desks, computer stands, filing cabinets, book cases, or writing tables that are attached to or incorporated in the subject merchandise; and (7) other bedroom furniture consistent with the above list.

The scope of the order excludes the following items: (1) seats, chairs, benches, couches, sofas, sofa beds, stools, and other seating furniture; (2) mattresses, mattress supports (including

<sup>2</sup> A chest-on-chest is typically a tall chest-of-drawers in two or more sections (or appearing to be in two or more sections), with one or two sections mounted (or appearing to be mounted) on a slightly larger chest; also known as a tallboy.

<sup>3</sup> A highboy is typically a tall chest of drawers usually composed of a base and a top section with drawers, and supported on four legs or a small chest (often 15 inches or more in height).

<sup>4</sup> A lowboy is typically a short chest of drawers, not more than four feet high, normally set on short legs.

<sup>5</sup> A chest of drawers is typically a case containing drawers for storing clothing.

<sup>6</sup> A chest is typically a case piece taller than it is wide featuring a series of drawers and with or without one or more doors for storing clothing. The piece can either include drawers or be designed as a large box incorporating a lid.

<sup>7</sup> A door chest is typically a chest with hinged doors to store clothing, whether or not containing drawers. The piece may also include shelves for televisions and other entertainment electronics.

<sup>8</sup> A chiffonier is typically a tall and narrow chest of drawers normally used for storing undergarments and lingerie, often with mirror(s) attached.

<sup>9</sup> A hutch is typically an open case of furniture with shelves that typically sits on another piece of furniture and provides storage for clothes.

<sup>10</sup> An armoire is typically a tall cabinet or wardrobe (typically 50 inches or taller), with doors, and with one or more drawers (either exterior below or above the doors or interior behind the doors), shelves, and/or garment rods or other apparatus for storing clothes. Bedroom armoires may also be used to hold television receivers and/or other audio-visual entertainment systems.

box springs), infant cribs, water beds, and futon frames; (3) office furniture, such as desks, stand-up desks, computer cabinets, filing cabinets, credenzas, and bookcases; (4) dining room or kitchen furniture such as dining tables, chairs, servers, sideboards, buffets, corner cabinets, china cabinets, and china hutches; (5) other non-bedroom furniture, such as television cabinets, cocktail tables, end tables, occasional tables, wall systems, book cases, and entertainment systems; (6) bedroom furniture made primarily of wicker, cane, osier, bamboo or rattan; (7) side rails for beds made of metal if sold separately from the headboard and footboard; (8) bedroom furniture in which bentwood parts predominate<sup>11</sup>; (9) jewelry armories<sup>12</sup>; (10) cheval mirrors<sup>13</sup> (11) certain metal parts<sup>14</sup> (12) mirrors that do not attach to, incorporate in, sit on, or hang over a dresser if they are not designed and marketed to be sold in conjunction with a dresser as part of a dresser-mirror set.

Imports of subject merchandise are classified under statistical category 9403.50.9040 of the Harmonized Tariff Schedule of the United States (“HTSUS”) as “wooden...beds” and under statistical category 9403.50.9080 of the HTSUS as “other...wooden furniture of a kind used in the bedroom.” In addition, wooden headboards for beds, wooden footboards for beds, wooden side rails for beds, and wooden canopies for beds may also be entered under statistical category 9403.50.9040 of the HTSUS as “parts of wood” and framed glass mirrors may also be entered under statistical category

<sup>11</sup> As used herein, bentwood means solid wood made pliable. Bentwood is wood that is brought to a curved shape by bending it while made pliable with moist heat or other agency and then set by cooling or drying. See Customs’ Headquarters’ Ruling Letter 043859, dated May 17, 1976.

<sup>12</sup> Any armoire, cabinet or other accent item for the purpose of storing jewelry, not to exceed 24” in width, 18” in depth, and 49” in height, including a minimum of 5 lined drawers lined with felt or felt-like material, at least one side door lined with felt or felt-like material, with necklace hangers, and a flip-top lid with inset mirror. See Memorandum from Laurel LaCivita to Laurie Parkhill, Office Director, *Issues and Decision Memorandum Concerning Jewelry Armoires and Cheval Mirrors in the Antidumping Duty Investigation of Wooden Bedroom Furniture from the People’s Republic of China*, dated August 31, 2004.

<sup>13</sup> Cheval mirrors, *i.e.*, any framed, tiltable mirror with a height in excess of 50” that is mounted on a floor-standing, hinged base.

<sup>14</sup> Metal furniture parts and unfinished furniture parts made of wood products (as defined above) that are not otherwise specifically named in this scope (*i.e.*, wooden headboards for beds, wooden footboards for beds, wooden side rails for beds, and wooden canopies for beds) and that do not possess the essential character of wooden bedroom furniture in an unassembled, incomplete, or unfinished form. Such parts are usually classified in subheading 9403.90.7000, HTSUS.

7009.92.5000 of the HTSUS as “glass mirrors...framed.” This order covers all wooden bedroom furniture meeting the above description, regardless of tariff classification. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this proceeding is dispositive.

#### Rescission of Review

On June 5, 2006, the Department preliminarily determined to rescind the new shipper review of WBE based on evidence that WBE exported subject merchandise during the period of investigation and, therefore, does not meet the requirements for initiation of a new shipper review pursuant to 19 CFR 351.214(a) and (b). See *WBE Rescission Memo*. We requested comments on our preliminary rescission. The Department did not receive any comments. Therefore, we are rescinding the new shipper review of WBE based on evidence that WBE exported subject merchandise during the period of investigation and, therefore, does not meet the requirements for initiation of a new shipper review pursuant to our regulations.

#### New Shipper Status

Consistent with our practice, we investigated whether the sales made by Kunyu, Landmark, and Meikangchi for these new shipper reviews were *bona fide*. See, *e.g.*, *Notice of Rescission of Antidumping Duty New Shipper Review: Honey from the People’s Republic of China*, 70 FR 59031 (October 11, 2005). For Kunyu, Landmark, and Meikangchi, we found no evidence that the sale(s) in question are not bona fide sale(s). In our examination of Kunyu, Landmark, and Meikangchi’s sales, we found the sales prices to be within the range of POR sales prices, and that these entities received timely payment for their POR sales. Based on our investigation into the bona fide nature of the sales, the questionnaire responses submitted by Kunyu, Landmark, and Meikangchi, and our verification thereof, we preliminarily determine that Kunyu, Landmark, and Meikangchi have met the requirements to qualify as new shippers during the POR. See Memorandum to Wendy J. Frankel, Office Director, *Antidumping Duty New Shipper Reviews of the Antidumping Duty Order on Wooden Bedroom Furniture from the People’s Republic of China: Bona Fide Analysis of Shenyang Kunyu Wood Industry Co., Ltd.* (“Kunyu”), *Dongguan Landmark Furniture Products Ltd.* (“Landmark”), and *Meikangchi (Nantong) Furniture Company Ltd.* (“Meikangchi”), dated

June 26, 2006. In addition, we have preliminarily determined that based on the information submitted, Kunyu, Landmark, and Meikangchi each made their first sale and/or shipment of subject merchandise to the United States during the POR, none exported subject merchandise during the period of investigation, and none was affiliated with any exporter or producer that had previously shipped subject merchandise to the United States. Therefore, for purposes of these preliminary results of review, we are treating the respective sales of wooden bedroom furniture to the United States as appropriate transactions to be examined in the context of these new shipper reviews. See Section 751 (a)(2)(B) of the Act and 19 CFR 351.214(a); See also “*Separate Rates*”; section below.

#### Verification of Responses

As provided in section 782(i) of the Act, we verified information provided by Kunyu, Landmark, and Meikangchi. We used standard verification procedures, including on-site inspection of the manufacturers’ and exporters’ facilities, and examination of relevant sales and financial records. Our verification results are outlined in the verification reports identified, the public versions of which are on file in the Central Records Unit (“CRU”), Room B-099 of the main Department building. See *Verification of Sales and Factors of Production Reported by Kunyu Wood Industry Co., Ltd.* (“Kunyu”) in the *Antidumping Duty New Shipper Review of Wooden Bedroom Furniture from the People’s Republic of China*, dated June 26, 2006 (“Kunyu Verification Report”); *Verification of Sales and Factors of Production Reported by Dongguan Landmark Furniture Products Ltd.* (“Landmark”) in the *Antidumping Duty New Shipper Review of Wooden Bedroom Furniture from the People’s Republic of China*, dated June 26, 2006; *Verification of Sales and Factors of Production Reported by Meikangchi (Nantong) Furniture Company Ltd.* (“Meikangchi”) in the *Antidumping Duty New Shipper Review of Wooden Bedroom Furniture from the People’s Republic of China*, dated June 26, 2006 (“Meikangchi Verification Report”); and *Verification of the Constructed Export Sales Reported by Up Country in the Antidumping Duty New Shipper Review of Wooden Bedroom Furniture from the People’s Republic of China*, dated June 26, 2006 (“Up Country Verification Report”).

### Surrogate Value Information

On December 7, 2005, Landmark submitted comments on the appropriate surrogate values ("SV") to be applied to the factors of production ("FOP") in this review. On April 11, 2006, Petitioners submitted Indian financial statements for determining financial ratios for this review. No other party to the proceeding provided comments on surrogate values or financial ratios during the course of this review.

### Non-market Economy Country Status

In every case conducted by the Department involving the PRC, the PRC has been treated as a non-market economy ("NME") country. In accordance with section 771(18)(C)(i) of the Act, any determination that a foreign country is an NME country shall remain in effect until revoked by the administering authority. See *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From the People's Republic of China: Preliminary Results 2001-2002 Administrative Review and Partial Rescission of Review*, 68 FR 7500 (February 14, 2003). None of the parties to this proceeding has contested such treatment. Accordingly, we calculated normal value ("NV") in accordance with section 773(c) of the Act, which applies to NME countries.

### Surrogate Country

When the Department is investigating imports from an NME country, section 773(c)(1) of the Act directs it to base NV, in most circumstances, on the NME producer's FOPs, valued in a surrogate market economy country or countries considered to be appropriate by the Department. In accordance with section 773(c)(4) of the Act, in valuing the FOPs, the Department shall utilize, to the extent possible, the prices or costs of FOPs in one or more market economy countries that are: (1) at a level of economic development comparable to that of the NME country; and (2) significant producers of comparable merchandise. The sources of the SVs are discussed under the "Normal Value" section below and in the Memorandum to the File, *Factors Valuations for the Preliminary Results of the New Shipper Reviews*, dated June 26, 2006 ("Factor Valuation Memorandum"), which is on file in the CRU.

The Department has determined that India, Indonesia, Sri Lanka, the Philippines, and Egypt are countries comparable to the PRC in terms of economic development. See *Memorandum to the File, New Shipper Reviews of Wooden Bedroom Furniture*

*from the People's Republic of China (PRC): Request for a List of Surrogate Countries*, dated October 14, 2005, which is on file in the CRU.

On November 1, 2005, Meikangchi submitted comments regarding the selection of a surrogate country. Meikangchi argued that India is not an important producer of subject merchandise or comparable merchandise. Meikangchi asserted that India produces primarily furniture in the style indigenous to India. Meikangchi asserts that it is also an importer of wooden bedroom furniture through its U.S. affiliate, Up Country Inc., and, as an importer, it would not consider India as a source for the subject merchandise in this review. Meikangchi argued that India is known for textiles and metal work, and has not demonstrated the ability to manufacture the type of furniture under review. Meikangchi asserts that of the countries chosen by the Department as being at a level of economic development comparable to that of the PRC, Indonesia is the most appropriate choice as a surrogate country. Meikangchi argues that, although it has no evidence to support its choice, in its experience as an importer, only Indonesia is known, in the furniture industry, to produce large amounts of wooden furniture. Therefore, Meikangchi stated that Indonesia is the best choice for a surrogate country.

On November 2, 2005, Petitioners provided comments and information<sup>15</sup> regarding the selection of a surrogate country. Petitioners argue that India is the appropriate surrogate country for the PRC because India is at a level of economic development comparable to that of the PRC and is a significant producer of the subject merchandise. Additionally, Petitioners state that the Department has consistently used India as the surrogate for the PRC. Further, Petitioners argue that the size of the Indian furniture industry, the types of materials used by the Indian furniture industry, and the number of producers in the Indian furniture industry all make India a significant producer of both identical and comparable merchandise. No other party to the proceeding submitted comments or information concerning the selection of a surrogate country.

On February 16, 2006, the Department issued its surrogate country memorandum in which we addressed both interested parties comments. See

<sup>15</sup> See Petitioners' submission dated November 2, 2005, "Antidumping Duty New Shipper Review of Wooden Bedroom Furniture from The Peoples's Republic of China/Comments on Selection of Surrogate Country."

Memorandum to the File, *Antidumping Duty New Shipper Review of Wooden Bedroom Furniture from the People's Republic of China: Selection of a Surrogate Country*, dated February 16, 2006 ("Surrogate Country Memorandum"), which is on file in the CRU. Thus, the Department has evaluated all parties' concerns and comments and has determined that India is the appropriate surrogate country to use in these new shipper reviews. The Department based its decision on the following facts: 1) India is at a level of economic development comparable to that of the PRC; 2) India is a significant producer of comparable merchandise; and, 3) India provides the best opportunity to use quality, publicly available data to value the FOPs. See *Surrogate Country Memorandum*.

Therefore, we have selected India as the surrogate country and, accordingly, we have calculated NV using Indian prices to value the respondents' FOPs, when available and appropriate. We have obtained and relied upon publicly available information wherever possible. See ("Factor Valuation Memorandum"). In accordance with 19 CFR 351.301(c)(3)(ii), for the final results in an antidumping new shipper review, interested parties may submit publicly available information to value FOPs within 20 days after the date of publication of these preliminary results.

### Separate Rates

In proceedings involving NME countries, the Department begins with a rebuttable presumption that all companies within the country are subject to government control and, thus, should be assigned a single antidumping duty deposit rate. It is the Department's policy to assign all exporters of merchandise subject to review in an NME country this single rate unless an exporter can demonstrate that it is sufficiently independent so as to be entitled to a separate rate. The three respondents (*i.e.*, Kunyu, Landmark, and Meikangchi) have provided company-specific information and each has stated that it meets the standards for the assignment of a separate rate.

We have considered whether each of the three companies referenced above is eligible for a separate rate. The Department's separate-rate test to determine whether the exporters are independent from government control does not consider, in general, macroeconomic/border-type controls, *e.g.*, export licenses, quotas, and minimum export prices, particularly if these controls are imposed to prevent dumping. The test focuses, rather, on

controls over the investment, pricing, and output decision-making process at the individual firm level. *See, e.g., Certain Cut-to-Length Carbon Steel Plate from Ukraine: Final Determination of Sales at Less than Fair Value*, 62 FR 61754, 61758 (November 19, 1997); and *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China: Final Results of Antidumping Duty Administrative Review*, 62 FR 61276, 61279 (November 17, 1997).

To establish whether a firm is sufficiently independent from government control of its export activities to be entitled to a separate rate, the Department analyzes each entity exporting the subject merchandise under a test arising from the *Final Determination of Sales at Less Than Fair Value: Sparklers from the People's Republic of China*, 56 FR 20588 (May 6, 1991) ("*Sparklers*"), as amplified by *Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the People's Republic of China*, 59 FR 22585 (May 2, 1994). In accordance with the separate-rates criteria, the Department assigns separate rates in NME cases only if respondents can demonstrate the absence of both *de jure* and *de facto* government control over export activities.

#### 1. Absence of De Jure Control

The Department considers the following *de jure* criteria in determining whether an individual company may be granted a separate rate: (1) an absence of restrictive stipulations associated with an individual exporter's business and export licenses; (2) any legislative enactments decentralizing control of companies; and (3) other formal measures by the government decentralizing control of companies. *See Sparklers*, 56 FR at 20589.

#### 2. Absence of De Facto Control

Through previous cases, the Department has learned that certain enactments of the PRC central government have not been implemented uniformly among different sectors and/or jurisdictions in the PRC. *See Final Determination of Sales at Less Than Fair Value: Certain Preserved Mushrooms from the People's Republic of China*, 63 FR 72255 (December 31, 1998). Therefore, the Department has determined that an analysis of *de facto* control is critical in determining whether respondents are, in fact, subject to a degree of government control which would preclude the Department from assigning separate rates. The Department considers four factors in evaluating whether each respondent is

subject to *de facto* government control of its export functions: (1) whether the exporter sets its own export prices independent of the government and without the approval of a government authority; (2) whether the respondent has the authority to negotiate and sign contracts, and other agreements; (3) whether the respondent has autonomy from the government in making decisions regarding the selection of its management; and (4) whether the respondent retains the proceeds of its export sales and makes independent decisions regarding disposition of profits or financing of losses.

#### Kunyu

Kunyu placed on the record statements and documents to demonstrate absence of *de jure* control. In its questionnaire responses, Kunyu reported that it does not have any relationship with the central, provincial, or local governments. *See Kunyu's* October 18, 2005, Section A questionnaire response ("*Kunyu AQR*"). Kunyu submitted a copy of its business license and stated it is renewed annually and The Bureau of Industry and Commerce examines the license yearly. Kunyu reported that the subject merchandise did not appear on any government list regarding export provisions or export licensing, and the subject merchandise is not subject to export quotas. *See Kunyu AQR*. Kunyu explained that the license imposes no other limitations on Kunyu, nor grants any entitlements to the company by its license. Through the questionnaire responses, we examined each of the related laws and Kunyu's business license and preliminarily determine that they demonstrate the absence of *de jure* control over the export activities and evidence in favor of the absence of government control associated with Kunyu's business license.

In support of an absence of *de facto* control, Kunyu reported the following: (1) During the POR, Kunyu explained that it sold the subject merchandise in the United States directly to unaffiliated U.S. customers. The prices are not subject to review by, or guidance from, any other entity, including any government organization; (2) Kunyu explained that its sales transactions are not subject to the review or approval of any organization outside the company; (3) Kunyu is not required to notify any government authorities of its management selection; and (4) Kunyu is free to spend its export revenues and its profit can be used for any lawful purpose. *See Kunyu AQR*.

The evidence placed on the record of this new shipper review by Kunyu

demonstrates an absence of government control, both in law and in fact, with respect to Kunyu's exports of the merchandise under review. As a result, for the purposes of these preliminary results, the Department is granting a separate, company-specific rate to Kunyu, the exporter which shipped the subject merchandise to the United States during the POR.

#### Landmark

Landmark placed on the record statements and documents to demonstrate absence of *de jure* control. In its questionnaire responses, Landmark reported that it does not have any relationship with the central, provincial, or local governments with respect to ownership, internal management, and daily business operations. *See Landmark's* October 13, 2005, Section A questionnaire response ("*Landmark AQR*"). Landmark submitted a copy of its business license. Landmark reported that the subject merchandise did not appear on any government list regarding export provisions or export licensing, and the subject merchandise is not subject to export quotas. *See Landmark AQR*. Landmark explained that the license imposes no other limitations on Landmark, nor grants any entitlements to the company by its license. Through the questionnaire responses, we examined the related laws and Landmark's business license and preliminarily determine that they demonstrate the absence of *de jure* control over the export activities and evidence in favor of the absence of government control associated with Landmark's business license.

In support of an absence of *de facto* control, Landmark reported the following: (1) During the POR, Landmark explained that it sold the subject merchandise in the United States directly to unaffiliated U.S. customers; (2) Landmark explained that its sales prices are not subject to the review or approval of any organization outside the company; (3) Landmark is not required to notify any government authorities of its management selection; and (4) Landmark is free to spend its export revenues and its profit can be used for any lawful purpose. *See Landmark AQR*.

The evidence placed on the record of this new shipper review by Landmark demonstrates an absence of government control, both in law and in fact, with respect to Landmark's exports of the merchandise under review. As a result, for the purposes of these preliminary results, the Department is granting a separate, company-specific rate to

Landmark, the exporter which shipped the subject merchandise to the United States during the POR.

#### *Meikangchi*

Meikangchi placed on the record statements and documents to demonstrate absence of *de jure* control. In its questionnaire responses, Meikangchi reported that it does not have any relationship with the central, provincial, or local governments. See Meikangchi's October 12, 2005, Section A questionnaire response ("Meikangchi AQR"). Meikangchi submitted a copy of its business license and stated it is renewed annually and the Industrial and Commercial Administration Bureau of Nantong, Jiangsu Province examines the license yearly. Meikangchi reported that the subject merchandise did not appear on any government list regarding export provisions or export licensing, and the subject merchandise is not subject to export quotas. See Meikangchi AQR. Meikangchi explained that the license imposes no other limitations on Meikangchi, nor grants any entitlements to the company by its license. Through the questionnaire responses, we examined each of the related laws and Meikangchi's business license and preliminarily determine that they demonstrate the absence of *de jure* control over the export activities and evidence in favor of the absence of government control associated with Meikangchi's business license.

In support of an absence of *de facto* control, Meikangchi reported the following: (1) During the POR, Meikangchi explained that it sold the subject merchandise in the United States through its U.S. affiliated company, Up Country, Inc. The prices are not subject to review by, or guidance from, any other entity, including any government organization; (2) Meikangchi explained that it set its sales prices and they are not subject to the review or approval of any organization outside the company; (3) Meikangchi is not required to notify any government authorities of its management selection; and (4) Meikangchi is free to spend its export revenues and its profit can be used for any lawful purpose. See Meikangchi AQR.

The evidence placed on the record of this new shipper review by Meikangchi demonstrates an absence of government control, both in law and in fact, with respect to Meikangchi's exports of the merchandise under review. As a result, for the purposes of these preliminary results, the Department is granting a separate, company-specific rate to Meikangchi, the exporter which shipped

the subject merchandise to the United States during the POR.

#### **Facts Available**

Section 776(a)(1) and (2) of the Act provides that the Department shall apply "facts otherwise available" where necessary information is not on the record or an interested party or any other person (A) withholds information that has been requested, (B) fails to provide information within the deadlines established, or in the form and manner requested by the Department, subject to subsections (c)(1) and (e) of section 782, (C) significantly impedes a proceeding, or (D) provides information that cannot be verified as provided by section 782(i) of the Act.

Where the Department determines that a response to a request for information does not comply with the request, section 782(d) of the Act provides that the Department shall so inform the party submitting the response and shall, to the extent practicable, provide that party the opportunity to remedy or explain the deficiency. If the party fails to remedy the deficiency within the applicable time limits, subject to section 782(e) of the Act, the Department may disregard all or part of the original and subsequent responses, as appropriate. Section 782(e) of the Act provides that the Department "shall not decline to consider information that is submitted by an interested party and is necessary to the determination but does not meet all applicable requirements established by the administering authority" if the information is timely, can be verified, is not so incomplete that it cannot be used, and if the interested party acted to the best of its ability in providing the information. Where all of these conditions are met, the statute requires the Department to use the information if it can do so without undue difficulties.

We have determined that the use of facts available is warranted for Kunyu's consumption rates for certain FOPs in the determination of NV. During Kunyu's FOP verification, we determined that Kunyu was unable to wholly reproduce its total consumption of certain inputs that it had provided in its questionnaire responses. See *Kunyu Verification Report*. However, most consumption rates obtained at verification were close to the consumption rates Kunyu reported in its responses, with certain differences appearing to be due to rounding errors. Also, due to Kunyu's small size and rudimentary factory operations, the company explained that it does not maintain product-specific records reflecting gross consumption, nor does

it maintain inventory withdrawal documentation or production records that allow for per-unit or product-specific allocation of gross consumption. Additionally, based on Kunyu's responsiveness and cooperation at verification, and relying on the Department's experience in examining other furniture companies, it is evident that Kunyu has not benefitted from its reported consumption rates. Further, in its responses and at verification, the Department observes that Kunyu has made every effort to act to the best of its ability and to provide the Department with the requested information. Kunyu is a *pro se* respondent previously unfamiliar with our proceedings. We note, however, that in future reviews of this proceeding, all respondents, including Kunyu, must comply with all requests for information by the Department, and therefore, should maintain the appropriate books and records to comply with these requests and should provide the requisite supporting documentation. If respondents are unable to comply with such requests in the future, the Department may resort to the use of adverse facts available if appropriate.

For the above reasons and pursuant to section 776(a)(1)(D) of the Act, we have resorted to the facts otherwise available to determine the consumption rates for certain inputs. The Department finds that Kunyu acted to the best of its ability in complying with the Department's numerous requests for information. Thus, we find an adverse inference is not warranted for the consumption rates for the above inputs pursuant to section 776(b) of the Act. The Department is applying facts available for birchwood, plywood, woodscrews, dowels, glue, finishes, drawerslides, sandpaper, boxes, package paper, and tape. As facts available, we are using the reported information obtained at verification for each of the above inputs. See Memorandum to the file from Michael Holton, Case Analyst, through Robert Bolling, Program Manager, *Preliminary Results of New Shipper Review of Wooden Bedroom Furniture from the People's Republic of China: Program Analysis for the Preliminary Results of Review: Shenyang Kunyu Wood Industry Co., Ltd. ("Kunyu")*, dated June 26, 2006, ("*Kunyu Prelim Analysis Memorandum*").

#### **Date of Sale**

Section 351.401(i) of the Department's regulations provides that the Department will normally use the date of invoice, as recorded in the exporter or producer's records kept in the normal course of business, as the date of sale of

the subject merchandise. However, the Department may use a date other than the date of invoice if it is satisfied that a different date better reflects the date on which the exporter or producer establishes the material terms of sale. 19 CFR 351.401(i); *see also Allied Tube and Conduit Corp. v. United States*, 132 F. Supp. 2d 1087, 1090 (CIT 2001).

After examining the questionnaire responses and the sales documentation that Kunyu, Landmark, and Meikangchi placed on the record, we preliminarily determine that invoice date is the most appropriate date of sale for Kunyu, Landmark, and Meikangchi. We made this determination based on record evidence which demonstrates that Kunyu, Landmark, and Meikangchi's invoices establish the material terms of sale to the extent required by our regulations.

### Normal Value Comparisons

To determine whether sales of wooden bedroom furniture to the United States by Kunyu, Landmark, and Meikangchi were made at less than NV, we compared export price ("EP") or constructed export price ("CEP") to NV, as described in the "Export Price," "Constructed Export Price" and "Normal Value" sections of this notice.

### Export Price

In accordance with section 772(a) of the Act, EP is 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) of the Act. In accordance with section 772(a) of the Act, we used EP for Kunyu and Landmark's U.S. sales because the subject merchandise was sold directly to the unaffiliated customers in the United States prior to importation and because CEP was not otherwise indicated.

### Constructed Export Price

In accordance with section 772(b) of the Act, CEP is 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). In accordance with section 772(b) of the Act, we used CEP for Meikangchi's sales because it sold subject merchandise to

its affiliated company in the United States, which in turn sold subject merchandise to unaffiliated U.S. customers.

We compared NV to individual EP and CEP transactions, in accordance with section 772(d)(2) of the Act.

### Kunyu

For Kunyu's EP sales, we based the EP on delivered prices to unaffiliated purchasers in the United States. In accordance with section 772(c)(2)(A) of the Act, we made deductions from the starting price for movement expenses. Movement expenses include expenses for foreign inland freight from the plant to the port of exportation, domestic brokerage and handling, international freight and marine insurance. *See* the proprietary discussion of this issue in the *Kunyu Prelim Analysis Memorandum*.

### Landmark

For Landmark's EP sales, we based the EP on delivered prices to unaffiliated purchasers in the United States. In accordance with section 772(c)(2)(A) of the Act, we made deductions from the starting price for movement expenses. Movement expenses include expenses for foreign inland freight from the plant to the port of exportation, and domestic brokerage and handling. *See* the proprietary discussion of this issue in the Memorandum from Eugene Degnan, Case Analyst, through Robert Bolling, Program Manager, to the File, *Preliminary Results of New Shipper Review of Wooden Bedroom Furniture from the People's Republic of China: Program Analysis for the Preliminary Results of Review: Dongguan Landmark Furniture Products Ltd. ("Landmark")*, dated June 26, 2006.

### Meikangchi

For Meikangchi's CEP sales, we based the CEP on delivered prices to unaffiliated purchasers in the United States. In accordance with section 772(c)(2)(A) of the Act, we made deductions from the starting price for movement expenses. Movement expenses include expenses for foreign inland freight from the plant to the port of exportation, domestic brokerage and handling, international freight, marine insurance, U.S. brokerage and handling, U.S. duty, and inland freight from the warehouse to the unaffiliated U.S. customer. In accordance with section 772(d)(1) of the Act, the Department additionally deducted credit expenses, inventory carrying costs and indirect selling expenses from the U.S. price, all of which relate to commercial activity in

the United States. Finally, we determined and deducted CEP profit in accordance with sections 772(f) and 772(d)(3) of the Act. *See* the proprietary discussion of these issues in the Memorandum from Michael Holton, Case Analyst, through Robert Bolling, Program Manager, to the File, *Preliminary Results of New Shipper Review of Wooden Bedroom Furniture from the People's Republic of China: Program Analysis for the Preliminary Results of Review: Meikangchi (Nantong) Furniture Company Ltd. ("Meikangchi")*, dated June 26, 2006 (*"Meikangchi Prelim Analysis Memorandum"*).

At verification, we found that Up Country (Meikangchi's U.S. affiliate) incorrectly calculated its indirect selling expenses by limiting its numerator of selling expenses to only a few expenses and by applying an incorrect denominator. *See Up Country Verification Report*. Thus, for the preliminary results, we have recalculated indirect selling expenses based on information from Up Country's verification. *See Meikangchi Prelim Analysis Memorandum*.

As all foreign inland freight and foreign brokerage and handling expenses (where applicable) were provided by PRC service providers or paid for in renminbi, we valued these services using Indian SVs (*see "Factor Valuations"* section below for further discussion). *See Factor Valuation Memorandum*.

### Normal Value

Section 773(c)(1) of the Act provides that the Department shall determine the NV using a FOP methodology if: (1) the merchandise is exported from an NME country; and (2) the information does not permit the calculation of NV using home-market prices, third-country prices, or constructed value under section 773(a) of the Act. When determining NV in an NME context, the Department will base NV on FOP, because the presence of government controls on various aspects of these economies renders price comparisons and the calculation of production costs invalid under our normal methodologies. Under section 772(c)(3) of the Act, FOP include but are not limited to: (1) hours of labor required; (2) quantities of raw materials employed; (3) amounts of energy and other utilities consumed; and (4) representative capital costs. We used FOP reported by respondents for materials, energy, labor and packing.

In accordance with 19 CFR 351.408(c)(1), the Department will normally use publicly available

information to value FOPs, but when a producer sources an input from a market-economy and pays for it in market-economy currency, the Department will normally value the factor using the actual price paid for the input. See 19 CFR 351.408(c)(1); see also *Lasko Metal Products, Inc. v. United States*, 43 F.3d 1442, 1446 (Fed. Cir. 1994). However, when the Department has reason to believe or suspect that such prices may be distorted by subsidies, the Department will disregard the NME purchase prices and use SVs to determine the NV. See *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From the People's Republic of China; Final Results of the 1998-1999 Administrative Review, Partial Rescission of Review, and Determination Not to Revoke Order in Part*, 66 FR 1953 (January 10, 2001) ("TRBs 1998-1999"), and accompanying *Issues and Decision Memorandum* at Comment 1.

It is the Department's consistent practice that, where the facts developed in the United States or third-country countervailing duty findings include the existence of subsidies that appear to be used generally (in particular, broadly available, non-industry specific export subsidies), it is reasonable for the Department to consider that it has particular and objective evidence to support a reason to believe or suspect that prices of the inputs from the country granting the subsidies may be subsidized. See *TRBs 1998-1999* and accompanying *Issues and Decision Memorandum at Comment 1*; see also *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From the People's Republic of China; Final Results of 1999-2000 Administrative Review, Partial Rescission of Review, and Determination Not To Revoke Order in Part*, 66 FR 57420 (November 15, 2001), and accompanying *Issues and Decision Memorandum at Comment 1*; see also *China National Machinery Imp. & Exp. Corp. v. United States*, 293 F. Supp. 2d 1334, 1338-39 (CIT 2003).

With regard to the Indian import-based SVs, we have disregarded import prices that we have reason to believe or suspect may be subsidized. We have reason to believe or suspect that prices of inputs from Indonesia, South Korea, and Thailand may have been subsidized. We have found in other proceedings that these countries maintain broadly available, non-industry-specific export subsidies and, therefore, it is reasonable to infer that all exports to all markets from these countries may be subsidized. See *TRBs 1998-1999* and accompanying *Issues and Decision Memorandum at Comment*

1. In avoiding the use of prices that may be subsidized the Department does not conduct a formal investigation to ensure that such prices are not subsidized. See also H.R. Rep. 100-576, at 590 (1988), reprinted in 1988 U.S.C.A.N. 1547, 1623-24. Rather, the Department bases its decision on information that is available to it at the time of its determination. *Id.* Accordingly, we have not used prices from Indonesia, South Korea and Thailand in calculating the Indian import-based SVs.

#### Factor Valuations

In accordance with section 773(c) of the Act, we calculated NV based on FOPs reported by respondents for the POR. To calculate NV, we multiplied the reported per-unit factor quantities by publicly available Indian SVs (except as noted below). In selecting the surrogate values, we considered the quality, specificity, and contemporaneity of the data. As appropriate, we adjusted input prices by including freight costs to make them delivered prices. Specifically, we added to Indian import SVs a surrogate freight cost using the shorter of the reported distance from the domestic supplier to the factory or the distance from the nearest seaport to the factory where appropriate (*i.e.*, where the sales terms for the market-economy inputs were not delivered to the factory). See *Sigma Corp. v. United States*, 117 F.3d 1401, 1408 (Fed. Cir. 1997). For a detailed description of all SVs used to value the respondent's reported FOPs, see *Factor Valuation Memorandum*.

The respondent's reported that all of their inputs to production were sourced from suppliers in NME countries and paid for in NME currency. See *Factor Valuation Memorandum* for a listing of these inputs. Therefore, we did not use respondents' actual prices for any raw materials purchases. In accordance with past practice, we used data from the Indian Import Statistics as published by the *World Trade Atlas*, or from the *2003/2004 Tata Energy Research Institute's Energy Data Directory & Yearbook* in order to calculate surrogate values for Kunyu, Landmark, and Meikangchi. See *Preliminary Determination of Sales at Less Than Fair Value: Certain Artist Canvas from the People's Republic of China*, 70 FR 67412, 67420 (November 7, 2005); see also *Polyvinyl Alcohol from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review*, 70 FR 67434, 67439 (November 7, 2005).

In selecting the best available information for valuing FOPs in

accordance with section 773(c)(1) of the Act, the Department's practice is to select, to the extent practicable, surrogate values which are non-export average values, most contemporaneous with the POR, product-specific, and tax-exclusive. See, *e.g.*, *Notice of Preliminary Determination of Sales at Less Than Fair Value, Negative Preliminary Determination of Critical Circumstances and Postponement of Final Determination: Certain Frozen and Canned Warmwater Shrimp From the Socialist Republic of Vietnam*, 69 FR 42672, 42682 (July 16, 2004), unchanged in *Final Determination of Sales at Less Than Fair Value: Certain Frozen and Canned Warmwater Shrimp From the Socialist Republic of Vietnam*, 69 FR 71005 (December 8, 2004).

Where we could not obtain publicly available information contemporaneous with the POR with which to value factors, we adjusted the SVs using, where appropriate, the Indian Wholesale Price Index as published in the *International Financial Statistics* of the International Monetary Fund. See *Factor Valuation Memorandum*; see also *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China: Final Results of 2003-2004 Administrative Review and Partial Rescission of Review*, 71 FR 2517, 2522 (January 17, 2006) ("TRBs 2003-2004"). The Department used the Indian Import Statistics to value the following raw material inputs and packing materials that the respondents used to produce the subject merchandise during the POR, such as: birchwood, plywood, woodscrews, dowels, glue, finishes, drawerslide, sandpaper, and packaging materials. For a complete list of all the raw material inputs the Department valued using the Indian Import Statistics, see the *Factor Valuation Memorandum*.

For direct labor, indirect labor and and packing labor, consistent with 19 CFR 351.408(c)(3), we used the PRC regression-based wage rate as reported on Import Administration's website, Import Library, Expected Wages of Selected NME Countries, revised in November 2005, <http://ia.ita.doc.gov/wages/index.html>. The source of these wage-rate data is the Yearbook of Labour Statistics 2002, ILO (Geneva: 2003), Chapter 5B: Wages in Manufacturing. The years of the reported wage rates range from 1996 to 2003. Because this regression-based wage rate does not separate the labor rates into different skill levels or types of labor, we have applied the same wage rate to all skill levels and types of labor



reported by the respondent. *See Factor Valuation Memorandum.*

The Department valued water using data from the Maharashtra Industrial Development Corporation ([www.midcindia.org](http://www.midcindia.org)) as it includes a wide range of industrial water tariffs. This source provides 386 industrial water rates within the Maharashtra province from June 2003: 193 rates for the “inside industrial areas” usage category and 193 rates for the “outside industrial areas” usage category. *See TRBs 2003–2004*, 71 FR at 2522.

To value electricity and diesel, we used data from the International Energy Agency *Key World Energy Statistics* (2003 edition). Because the values for water, electricity and diesel were not contemporaneous with the POR, we adjusted the values for inflation. *See Factor Valuation Memorandum.*

The Department used two sources to calculate a SV for domestic brokerage expenses. The Department averaged December 2003–November 2004 data contained in Essar

Steel’s February 28, 2005, public version response submitted in the antidumping administrative review of hot-rolled carbon steel flat products from India with February 2004–January 2005 data contained in Agro Dutch’s May 24, 2005, public version response submitted in the antidumping investigation of certain preserved mushrooms from India. The brokerage expense data reported by Essar Steel and Agro Dutch in their public versions is ranged data. The Department first derived an average per-unit amount from the source. Then, the Department averaged the two per-unit amounts to derive an overall average rate for the POR. *See Factor Valuation Memorandum* at page 7.

We used Indian transport information in order to value the freight-in cost of the raw materials. The Department determined the best available information for valuing truck and rail freight to be from [www.infreight.com](http://www.infreight.com). This source provides daily rates from six major points of origin to five destinations in India during the POR. The Department obtained a price quote on the first day of each month of the POR from each point of origin to each destination and averaged the data accordingly. *See Factor Valuation Memorandum.*

To value factory overhead, selling, general, and administrative expenses (“SG&A”), and profit, we used the 2004–2005 financial statements of Indian Furniture Products, Ltd. (“IFP”), and the audited financial statements for the fiscal year ending March 31, 2003, from the following producers: IFP,

Raghbir Interiors Pvt. Ltd., Nizamuddin Furnitures Pvt. Ltd., Fusion Design Private Ltd., Jayaraja Furniture Group, Akriti Perfections India Pvt. Ltd., Swaran Furnitures Ltd., Evergreen International Limited, and D’nD’s Fine Furniture Pvt. Ltd., all of which are Indian producers of comparable merchandise. From this information, we were able to determine factory overhead as a percentage of the total raw materials, labor and energy (“ML&E”) costs; SG&A as a percentage of ML&E plus overhead (*i.e.*, cost of manufacture); and the profit rate as a percentage of the cost of manufacture plus SG&A. For further discussion, see *Factor Valuation Memorandum.*

#### Preliminary Results of Review

We preliminarily determine that the following weighted-average dumping margins exist for the period June 24, 2004, through June 30, 2005:

#### WOODEN BEDROOM FURNITURE FROM THE PRC

Producer/Exporter	Weighted-Average Margin (Percent)
Kunyu .....	222.04
Landmark .....	0.00
Meikangchi .....	1.25

#### Disclosure

The Department will disclose calculations performed for these preliminary results to the parties within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). Interested parties may submit case briefs and/or written comments no later than 30 days after the date of publication of these preliminary results of review. *See* 19 CFR 351.309(c)(ii). Rebuttal briefs and rebuttals to written comments, limited to issues raised in such briefs or comments, may be filed no later than 35 days after the date of publication. *See* 19 CFR 351.309(d). Further, parties submitting written comments should provide the Department with an additional copy of those comments on diskette. Any interested party may request a hearing within 30 days of publication of these preliminary results. *See* 19 CFR 351.310(c). Any hearing, if requested, will be held seven days after the scheduled date for submission of rebuttal briefs. *See* 19 CFR 351.310(d).

The Department will issue the final results of these new shipper reviews, which will include the results of its analysis of issues raised in the briefs, within 90 days of publication of these preliminary results, in accordance with

19 CFR 351.214(i)(1), unless the time limit is extended.

#### Assessment Rates

Upon issuance of the final results, the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries. The Department will issue appropriate assessment instructions directly to CBP within 15 days of publication of the final results of these new shipper reviews. In accordance with 19 CFR 351.212(b)(1), we have calculated an exporter/importer-or customer specific assessment rate or value for merchandise subject to these reviews. For these preliminary results we divided the total dumping margins for the reviewed sales by the total entered quantity of those reviewed sales for each applicable importer. In these reviews, if these preliminary results are adopted in our final results of review, we will direct CBP to assess the resulting rate against the entered customs value for the subject merchandise on each importer’s/customer’s entries during the POR.

#### Cash Deposit Requirements

Bonding will no longer be permitted to fulfill security requirements for shipments of wooden bedroom furniture from the PRC exported by Kunyu, Landmark, and Meikangchi that are entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of these new shipper reviews. The following cash deposit requirements will be effective upon publication of the final results of these new shipper reviews for shipments of subject merchandise from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) for Kunyu, Landmark, and Meikangchi, the cash deposit rate will be that established in the final results of these reviews; (2) for previously investigated or reviewed PRC and non-PRC exporters not listed above that have separate rates, the cash deposit rate will continue to be the exporter-specific rate published for the most recent period; (3) for all PRC exporters of subject merchandise which have not been found to be entitled to a separate rate, the cash deposit rate will be the PRC-wide rate of 198.08 percent; and (4) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporters that supplied that non-PRC exporter. These deposit requirements, 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.

These new shipper reviews and this notice are published in accordance with sections 751(a)(2)(B) and 777(i)(1) of the Act and 19 CFR 351.214(h).

Dated: June 27, 2006.

**David M. Spooner,**

*Assistant Secretary for Import Administration.*

[FR Doc. E6-10488 Filed 7-5-06; 8:45 am]

**BILLING CODE 3510-DS-S**

---

## DEPARTMENT OF COMMERCE

### International Trade Administration

[C-122-815]

#### Revocation of the Countervailing Duty Orders: Pure Magnesium and Alloy Magnesium from Canada

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

**SUMMARY:** On July 1, 2005, the Department of Commerce ("the Department") initiated its sunset reviews of the countervailing duty ("CVD") orders on pure magnesium and alloy magnesium from Canada. *See Initiation of Five-year ("Sunset") Reviews*, 70 FR 38101 (July 1, 2005). Pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"), the International Trade Commission ("the ITC"), in its sunset reviews, determined that revocation of the CVD orders on pure magnesium and alloy magnesium from Canada would not be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time. *See Pure and Alloy Magnesium from Canada*, 71 FR 36359 (June 26, 2006). Therefore, pursuant to section 751(d)(2) of the Act and 19 CFR 351.222(i)(1)(iii), the Department is revoking the CVD orders on pure magnesium and alloy magnesium from Canada.

**EFFECTIVE DATE:** August 16, 2005.

#### FOR FURTHER INFORMATION CONTACT:

Andrew McAllister or Brandon Farlander, AD/CVD Operations, Office 1, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1174 and (202) 482-0182, respectively.

#### SUPPLEMENTARY INFORMATION:

##### Scope of the Orders

The products covered by these orders are shipments of pure and alloy magnesium from Canada. Pure magnesium contains at least 99.8 percent magnesium by weight and is sold in various slab and ingot forms and sizes. Magnesium alloys contain less than 99.8 percent magnesium by weight with magnesium being the largest metallic element in the alloy by weight, and are sold in various ingot and billet forms and sizes.

The pure and alloy magnesium subject to the orders is currently classifiable under items 8104.11.0000 and 8104.19.0000, respectively, of the Harmonized Tariff Schedule of the United States ("HTSUS"). Although the HTSUS subheadings are provided for convenience and customs purposes, the written descriptions of the merchandise subject to the orders are dispositive.

Secondary and granular magnesium are not included in the scope of these orders. Our reasons for excluding granular magnesium are summarized in *Preliminary Determination of Sales at Less Than Fair Value: Pure and Alloy Magnesium From Canada*, 57 FR 6094 (February 20, 1992).

##### Background

On August 31, 1992, the Department issued the CVD orders on pure magnesium and alloy magnesium from Canada. *See Countervailing Duty Orders: Pure Magnesium and Alloy Magnesium from Canada*, 57 FR 39392 (August 31, 1992). On July 1, 2005, the Department initiated, and the ITC instituted, the second sunset reviews of the CVD orders on pure magnesium and alloy magnesium from Canada. *See Initiation of Five-year ("Sunset") Reviews*, 70 FR 38101 (July 1, 2005). As a result of its CVD sunset reviews, the Department found that revocation of the CVD orders would be likely to lead to continuation or recurrence of a countervailable subsidy, and notified the ITC of the level of subsidy likely to prevail were the orders to be revoked. *See Final Results of Expedited Sunset Reviews of the Countervailing Duty Orders: Pure Magnesium and Alloy Magnesium from Canada*, 70 FR 67140 (November 4, 2005). On June 26, 2006, the ITC

determined, pursuant to section 751(c) of the Act, that revocation of the CVD orders on pure magnesium and alloy magnesium from Canada would not be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time. *See Pure and Alloy Magnesium from Canada*, 71 FR 36359 (June 26, 2006) and USITC Publication 3859 (June 2006), entitled *Pure and Alloy Magnesium from Canada* (Inv. Nos. 701-TA-309-A-B).

#### Determination

As a result of the determination by the ITC that revocation of these CVD orders is not likely to lead to continuation or recurrence of material injury to an industry in the United States, the Department, pursuant to section 751(d) of the Act, is revoking the CVD orders on pure magnesium and alloy magnesium from Canada. Pursuant to section 751(c)(6)(A)(iii) of the Act and 19 CFR 351.222(i)(2)(i), the effective date of revocation is August 16, 2005 (*i.e.*, the fifth anniversary of the date of publication in the **Federal Register** of the notice of continuation of these CVD orders). The Department will notify U.S. Customs and Border Protection to discontinue suspension of liquidation and collection of cash deposits on entries of the subject merchandise entered or withdrawn from warehouse on or after August 16, 2005, the effective date of revocation of the CVD orders. The Department will complete any pending administrative reviews of these orders and will conduct administrative reviews of subject merchandise entered prior to the effective date of revocation in response to appropriately filed requests for review.

These five-year sunset reviews and notice are in accordance with section 751(d)(2) and published pursuant to section 777(i)(1) of the Act.

Dated: June 29, 2006.

**David M. Spooner,**

*Assistant Secretary for Import Administration.*

[FR Doc. E6-10567 Filed 7-5-06; 8:45 am]

**BILLING CODE 3510-DS-S**

---

## DEPARTMENT OF COMMERCE

### National Institute of Standards and Technology

#### Judges Panel of the Malcolm Baldrige National Quality Award

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