

distinct layer ranging in thickness from 0.062 inch to 0.312 inch with hardness at the surface of the carbide layer in excess of 55 HRC.

The HTSUS item numbers are provided for convenience and Customs purposes. The written description remains dispositive.

### Initiation of Changed Circumstances Review

Pursuant to section 751(b)(1) of the Act, the Department will conduct a changed circumstances review upon receipt of a request from an interested party for a review of an AD duty order which shows changed circumstances sufficient to warrant a review of the order. As noted above, on August 18, 2006, ThyssenKrupp requested for a ruling from the Department in accordance with 19 CFR 351.216(b) to exclude a specific corrosion resistant steel product as described above from this AD order. In addition, as noted above, Mittal Steel, a domestic interested party, has expressed a lack of interest in the order with respect to the product in question, and has stated that it is a major domestic producer of CORE. See Letter to the Department from Mittal Steel dated, August 18, 2006. Therefore, pursuant to section 751(b)(1) of the Act and 19 CFR 351.216(b), we are initiating a changed circumstances review. Interested parties are invited to comment on whether partial revocation of the order is appropriate based on lack of interest by domestic interested parties representing substantially all of the production of the domestic like product.

### Public Comment

Interested parties may submit comments, which the Department will take into account in the preliminary results of this review. The due date for filing any such comments is no later than 15 days after publication of this notice. Responses to those comments may be submitted no later than seven days following submission of the comments. All written comments must be submitted in accordance with 19 CFR 351.303.

The Department will publish in the **Federal Register** a notice of preliminary results of changed circumstances reviews in accordance with 19 CFR 351.221(b)(4) and 351.221(c)(3)(i), which will set forth the Department's preliminary factual and legal conclusions. Pursuant to 19 CFR 351.221(b)(4)(ii), interested parties will have an opportunity to comment on the preliminary results. The Department will issue its final results of review in

accordance with the time limits set forth in 19 CFR 351.216(e).

This notice is published in accordance with sections 751(b)(1) and 777(i)(1) of the Act and section 351.221(b) of the Department's regulations.

Dated: September 5, 2006.

**David M. Spooner,**

*Assistant Secretary for Import Administration.*

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## DEPARTMENT OF COMMERCE

### International Trade Administration

**A-570-888**

#### **Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review**

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

**SUMMARY:** In response to requests from interested parties, the Department of Commerce (the Department) is conducting the first administrative review of the antidumping duty order on floor-standing, metal-top ironing tables and certain parts thereof from the People's Republic of China (PRC). The period of review (POR) is February 3, 2004, through July 31, 2005. We have preliminarily determined that two of the three respondents made sales to the United States of the subject merchandise at prices below normal value. We invite interested parties to comment on these preliminary results. Parties that submit comments are requested to submit with each argument (1) a statement of the issue and (2) a brief summary of the argument(s).

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

**FOR FURTHER INFORMATION CONTACT:** Kristina Boughton or Bobby Wong, AD/CVD Operations, Office 9, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-8173 or (202) 482-0409, respectively.

#### **SUPPLEMENTARY INFORMATION:**

#### **Background**

On August 6, 2004, the Department published in the **Federal Register** an antidumping duty order regarding floor standing, metal-top ironing tables and parts thereof (ironing tables) from the PRC. See *Notice of Amended Final*

*Determination of Sales at Less Than Fair Value and Antidumping Duty Order: Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof From the People's Republic of China*, 69 FR 47868 (August 6, 2004) (*Amended Final FR*).

On August 1, 2005, the Department published a notice of opportunity to request an administrative review of the ironing tables antidumping order. See *Notice of Opportunity to Request an Administrative Review of Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation*, 70 FR 44085 (August 1, 2005). On August 12, 2005, Since Hardware (Guangzhou) Co., Ltd. (Since Hardware) requested, in accordance with 19 CFR 351.213(b)(2), an administrative review of its exports of subject merchandise during the POR. On August 25, 2005, Home Products International Inc. (petitioner) requested an administrative review of the ironing tables produced or exported by Since Hardware during the POR, in accordance with 19 CFR 351.213(b)(1). On August 26, 2005, Shunde Yongjian Housewares Co., Ltd. (Shunde Yongjian) requested a review of its exports of subject merchandise during the POR, and on August 29, 2005, Forever Holdings Ltd. (Forever Holdings) requested a review of its exports of subject merchandise during the POR, in accordance with 19 CFR 351.213(b)(2). On August 31, 2005, Shunde Yongjian sent a letter to the Department stating that it wanted to clarify that its request for an administrative review should also include a variation of the name that may have been used to export subject merchandise during the POR. Shunde Yongjian stated that the name variation is as follows: Foshan Shunde Yongjian Houseware & Hardware Co., Ltd. (Foshan Shunde).

On September 28, 2005, the Department initiated a review with respect to Since Hardware, Shunde Yongjian (aka Foshan Shunde), and Forever Holdings (collectively, respondents). See *Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part*, 70 FR 56631 (September 28, 2005). On October 19, 2005, the Department issued antidumping duty questionnaires to the three PRC producers/exporters of the subject merchandise covered by this administrative review.

On January 11, 2006, we invited interested parties to comment on the Department's surrogate country selection and/or significant production in the other potential surrogate countries and to submit publicly available information to value the

factors of production. On March 1, 2006, we extended the time limit for submitting surrogate country and surrogate value comments. On April 3, 2006, we received comments from Since Hardware and Forever Holdings. Petitioner commented on surrogate values on April 13, 2006.

On April 19, 2006, in accordance with 751(a)(3)(A) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.213(h)(2), the Department extended the deadline for the preliminary results of review until August 4, 2006. See *Floor-Standing, Metal-Top Ironing Tables and Parts Thereof from the People's Republic of China: Extension of Time Limit for Preliminary Results of the First Administrative Review*, 71 FR 20076 (April 19, 2006).

On July 27, 2006, in accordance with section 751(a)(3)(A) of the Act and 19 CFR 351.213(h)(2), the Department further extended the deadline for the preliminary results of review until August 31, 2006. See *Floor-Standing, Metal-Top Ironing Tables and Parts Thereof from the People's Republic of China: Extension of Time Limit for Preliminary Results of the First Administrative Review*, 71 FR 42627 (July 27, 2006).

The Department received timely filed original and supplemental questionnaire responses from Since Hardware, Foshan Shunde, and Forever Holdings.

#### Scope of the Antidumping Duty Order

For purposes of this order, the product covered consists of floor-standing, metal-top ironing tables, assembled or unassembled, complete or incomplete, and certain parts thereof. The subject tables are designed and used principally for the hand ironing or pressing of garments or other articles of fabric. The subject tables have full-height leg assemblies that support the ironing surface at an appropriate (often adjustable) height above the floor. The subject tables are produced in a variety of leg finishes, such as painted, plated, or matte, and they are available with various features, including iron rests, linen racks, and others. The subject ironing tables may be sold with or without a pad and/or cover. All types and configurations of floor-standing, metal-top ironing tables are covered by this review.

Furthermore, this order specifically covers imports of ironing tables, assembled or unassembled, complete or incomplete, and certain parts thereof. For purposes of this order, the term "unassembled" ironing table means a product requiring the attachment of the leg assembly to the top or the attachment of an included feature such

as an iron rest or linen rack. The term "complete" ironing table means product sold as a ready-to-use ensemble consisting of the metal-top table and a pad and cover, with or without additional features, e.g. iron rest or linen rack. The term "incomplete" ironing table means product shipped or sold as a "bare board" – i.e., a metal-top table only, without the pad and cover with or without additional features, e.g. iron rest or linen rack. The major parts or components of ironing tables that are intended to be covered by this order under the term "certain parts thereof" consist of the metal top component (with or without assembled supports and slides) and/or the leg components, whether or not attached together as a leg assembly. The order covers separately shipped metal top components and leg components, without regard to whether the respective quantities would yield an exact quantity of assembled ironing tables.

Ironing tables without legs (such as models that mount on walls or over doors) are not floor-standing and are specifically excluded. Additionally, tabletop or countertop models with short legs that do not exceed 12 inches in length (and which may or may not collapse or retract) are specifically excluded.

The subject ironing tables were previously classified under Harmonized Tariff Schedule of the United States (HTSUS) subheading 9403.20.0010. Effective July 1, 2003, the subject ironing tables are classified under new HTSUS subheading 9403.20.0011. The subject metal top and leg components are classified under HTSUS subheading 9403.90.8040. Although the HTSUS subheadings are provided for convenience and for Customs and Border Protection (CBP) purposes, the Department's written description of the scope remains dispositive.

#### Shunde Yongjian (aka Foshan Shunde)

As indicated above, the Department initiated a review on Shunde Yongjian, a respondent in the original less-than-fair-value (LTFV) investigation, and Foshan Shunde. Foshan Shunde (aka Shunde Yongjian) filed a November 23, 2005, Section A response, where the company indicated that it would be answering the Department's questionnaires as Foshan Shunde because Foshan Shunde produced and sold subject merchandise to the United States during the POR. It also stated that Foshan Shunde's owners controlled Shunde Yongjian, which had in July 2004 ceased all production activities and retained only its sales department to dispose of the company's remaining

inventory. Foshan Shunde (aka Shunde Yongjian) further stated that Shunde Yongjian did not sell any subject merchandise to the United States during the POR. Foshan Shunde (aka Shunde Yongjian) reiterated the statement that Shunde Yongjian had no POR shipments of subject merchandise in its February 28, 2006, supplemental questionnaire in response to the Department's request for clarification of Foshan Shunde (aka Shunde Yongjian)'s responses and the relationship between Foshan Shunde and Shunde Yongjian. In their July 13, 2006, supplemental response, Foshan Shunde (aka Shunde Yongjian) confirmed that during the POR Shunde Yongjian did not produce the same model types or control numbers that Foshan Shunde produced and sold to the United States during the POR. The Department has issued an additional questionnaire related to the affiliation between Shunde Yongjian and Foshan Shunde to obtain more information on whether the two entities should be collapsed or whether Foshan Shunde is the successor in interest to Shunde Yongjian. If the Department determines not to collapse the two entities and that Foshan Shunde is not the successor in interest, we intend to rescind the review of Shunde Yongjian based on no shipments.

#### Separate Rates

In proceedings involving non-market economy (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 rate unless an exporter can affirmatively demonstrate an absence of government control, both in law (*de jure*) and in fact (*de facto*), with respect to its export activities. See *Notice of Final Determination of Sales at Less Than Fair Value: Sparklers from the People's Republic of China*, 56 FR 20588 (May 6, 1991) (*Sparklers*). In this review Since Hardware, Foshan Shunde, and Forever Holdings submitted information in support of their claims for company-specific rates.

Accordingly, we have considered whether each of the companies is independent from government control, and therefore 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 Notice of Final Determination of Sales at Less than Fair Value: Certain Cut-to-Length Carbon Steel Plate from Ukraine*, 62 FR 61754, 61757 (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 *Sparklers*, 56 FR 20588 at Comment 1, as amplified by *Notice of Final Determination of Sales at Less than Fair Value: Silicon Carbide from the People's Republic of China*, 59 FR 22585, 22586–87 (May 2, 1994) (*Silicon Carbide*). 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. *See Sparklers*, 56 FR 20588 at Comment 1 and *Silicon Carbide*, 59 FR 22586–87.

Since Hardware, Foshan Shunde, and Forever Holdings provided complete separate-rate information in their responses to our original and supplemental questionnaires. Accordingly, we performed a separate-rates analysis to determine whether these exporters are independent from government control.

#### **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 20588 at Comment 1. As discussed below, our analysis shows that the evidence on the record supports a preliminary finding of *de jure* absence of government control for the three fully responsive companies based on each of these factors.

#### **Since Hardware:**

Since Hardware has placed on the record a number of documents to demonstrate absence of *de jure* control, including documentation substantiating

its claims that it is a wholly foreign-owned enterprise registered in China, the "Foreign Trade Law of the People's Republic of China" (May 12, 1994) (*Foreign Trade Law*), and "Administrative Regulations of the People's Republic of China Governing the Registration of Legal Corporations" (June 3, 1988) (*Legal Corporations Regulations*). *See* Since Hardware's November 22, 2005, submission (Since Hardware Section A) at Exhibits 2, 4, and 6. Since Hardware also submitted a copy of its business license, which was issued by the Guangzhou Municipal Industrial and Commercial Administration. *See* Since Hardware Section A at Exhibit 5. Since Hardware explains that its business license ensures that Since Hardware maintains sufficient capital and operating capacity to engage in normal business operations and that only Since Hardware may use its business license. *See* Since Hardware Section A at pages 5–6. Since Hardware affirms that its business license does not impose limitations on the company or grant any entitlements to Since Hardware beyond the company's basic right to operate within the parameters outlined in the business license. *See id.* The license may be revoked, according to Since Hardware, if a situation arises consistent with those outlined in Articles 20 and 22 of the *Legal Corporations Regulations*. *See id.* Further, Since Hardware states that to obtain a renewal, it must submit relevant documents, such as financial statements, to the issuing authority. *See id.*

#### **Foshan Shunde:**

Foshan Shunde has placed on the record a number of documents to demonstrate absence of *de jure* control, including documentation substantiating its claims that it is a wholly foreign-owned enterprise registered in China, the *Foreign Trade Law*, and the *Legal Corporations Regulations*. *See* Foshan Shunde's November 25, 2005, submission (Foshan Shunde Section A) at Exhibit 2, 3, and 5. Foshan Shunde also submitted a copy of its business license, which was issued by Foshan City Shunde District Municipal Industrial and Commercial Administration. *See* Foshan Shunde Section A at Exhibit 4. Foshan Shunde explains that its business license ensures that Foshan Shunde maintains the necessary capital and functional capacity to engage in business operations and that only Foshan Shunde may use its business license. *See* Foshan Shunde Section A at pages 4–5. Foshan Shunde affirms that its business license does not impose limitations on the

company or create any entitlements to Foshan Shunde beyond the right of the Administration to revoke a business license if the enterprise engages in activities prohibited by Article 30 of the *Legal Corporations Regulations*. *See id.* The license may be revoked, according to Foshan Shunde, if a situation arises as provided for in Articles 20 and 22 of the *Legal Corporations Regulations*. *See id.* Further, Foshan Shunde states that to obtain a renewal, it must submit relevant documents, such as financial statements, to the issuing authority. *See id.*

#### **Forever Holdings:**

Forever Holdings has placed on the record a number of documents to demonstrate absence of *de jure* control, including documentation substantiating its claims that it is a foreign-invested joint-venture, the "Company Law of the People's Republic of China" (December 29, 1993) (*Company Law*), the *Foreign Trade Law*, and the *Legal Corporations Regulations*. *See* Forever Holdings' November 9, 2005, submission (Forever Holdings Section A) at Exhibits 2 and 3. Forever Holdings also submitted a copy of its business license, which was issued by Foshan Shunde Industrial and Commercial Administration Bureau. *See* Forever Holdings Section A at Exhibit 3. Forever Holdings explains that its business license is for registration purposes, defines the scope of the company's business activities, and that only Forever Holdings may use its business license. *See* Forever Holdings Section A at pages 6–7. Forever Holdings affirms that its business license entitles it to conduct business and imposes no limitations on the operation of Forever Holdings, defines the types of business activities the licensee can engage in, and can be amended if the licensee wishes to expand its business scope. *See id.*, at page 8. Forever Holdings states that the license may be revoked if the company has insufficient capital, engages in illegal activities, or is bankrupt. *See id.*, at pages 8–9. Further, Forever Holdings states that to obtain a renewal, it must apply for a renewal and provide a copy of its most recent financial statements to the issuing authority. *See id.*, at page 9.

We note that Forever Holdings states that it is governed by the *Company Law*, which it claims governs the establishment of limited liability companies and provides that such a company shall operate independently and be responsible for its own profits and losses. *See id.*, at page 5. Since Hardware, Foshan Shunde, and Forever Holdings have all placed on the record the *Foreign Trade Law* and state that

this law allows them full autonomy from the central authority in governing their business operations. See Since Hardware Section A at page 4; Foshan Shunde Section A at page 3; and Forever Holdings Section A at page 5. We have reviewed Article 11 of Chapter II of the *Foreign Trade Law*, which states, “foreign trade dealers shall enjoy full autonomy in their business operation and be responsible for their own profits and losses in accordance with the law.” As in prior cases, we have analyzed such PRC laws and found that they establish an absence of *de jure* control. See, e.g., *Preliminary Results of New Shipper Review: Certain Preserved Mushrooms From the People’s Republic of China*, 66 FR 30695, 30696 (June 7, 2001), unchanged in *Final Results of New Shipper Review: Certain Preserved Mushrooms From the People’s Republic of China*, 66 FR 45006 (August 27, 2001). Therefore, we preliminarily determine that there is an absence of *de jure* control over the export activities of Since Hardware, Foshan Shunde, and Forever Holdings.

#### Absence of De Facto Control

Typically, the Department considers four factors in evaluating whether a respondent is subject to *de facto* government control of its export functions: (1) whether the export prices are set by, or subject to, the approval of a government authority; (2) whether the respondent has 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. See *Silicon Carbide*, 59 FR at 22587.

As stated in previous cases, there is some evidence that certain enactments of the PRC central government have not been implemented uniformly among different sectors and/or jurisdictions in the PRC. See *id.* 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. See *id.*

Since Hardware has asserted the following: (1) it is a wholly foreign- and privately owned company; (2) there is no government participation in its setting of export prices; (3) its general manager has the authority to bind sales contracts; (4) the company’s general

manager appoints the company’s management and it does not have to notify government authorities of its management selection; (5) there are no restrictions on the use of its export revenue; and (6) its board of directors decides how profits will be used. See Since Hardware Section A at pages 4, 6–9. We have examined the documentation provided and note that it does not suggest that pricing is coordinated among exporters of PRC ironing tables.

Foshan Shunde has asserted the following: (1) it is a wholly foreign- and privately owned company; (2) there is no government participation in its setting of export prices; (3) the general manager has the authority to bind sales contracts; (4) the general manager selects management and the company does not have to notify government authorities of its management selection; (5) there are no restrictions on the use of its export revenue; and (6) its board of directors decides how profits will be used. See Foshan Shunde Section A at pages 2, 6–8. We have examined the documentation provided and note that it does not suggest that pricing is coordinated among exporters of PRC ironing tables.

Forever Holdings has asserted the following: (1) it is a privately owned company; (2) there is no government participation in its setting of export prices; (3) its owners have the authority to bind sales contracts; (4) the board of directors appoints the company’s management and it does not have to notify government authorities of its management selection; (5) there are no restrictions on the use of its export revenue; and (6) the owners and board of directors decide how profits will be used. See Forever Holdings Section A at pages 2, 10–13. We have examined the documentation provided and note that it does not suggest that pricing is coordinated among exporters of PRC ironing tables.

Consequently, because evidence on the record indicates an absence of government control, both in law and in fact, over each respondent’s export activities, we preliminarily determine that Since Hardware, Foshan Shunde, and Forever Holdings have each met the criteria for the application of a separate rate.

#### Normal Value Comparisons

To determine whether the respondents’ sales of the subject merchandise to the United States were made at prices below normal value, we compared their United States prices to normal values, as described in the “U.S.

Price” and “Normal Value” sections of this notice.

#### U.S. Price

##### Export Price

For Since Hardware, Foshan Shunde, and Forever Holdings, we based U.S. price on export price (EP) in accordance with section 772(a) of the Act, because the first sale to an unaffiliated purchaser was made prior to importation, and constructed export price (CEP) was not otherwise warranted by the facts on the record. We calculated EP based on the packed price from the exporter to the first unaffiliated customer in the United States. Where applicable, we deducted foreign inland freight, foreign brokerage and handling expenses, and U.S. import duties and brokerage and handling from the starting price (gross unit price), in accordance with section 772(c) of the Act.

Specifically, for Since Hardware we deducted foreign inland freight, foreign brokerage and handling expenses, and other discounts, where applicable, from the starting price (gross unit price) in accordance with section 772(c) of the Act. Also, we added to the gross unit price billing adjustments for origin receiving charges and freight revenue, where applicable. We have preliminarily determined to accept these billing adjustments on the basis of the statements and documentation provided by Since Hardware indicating that these charges were separately listed on the sales invoice and paid for by the customer. For Foshan Shunde, we deducted foreign inland freight and foreign brokerage and handling expenses from the starting price (gross unit price) in accordance with section 772(c) of the Act. For Forever Holdings, we deducted foreign inland freight, foreign brokerage and handling expenses and U.S. import duties and brokerage and handling from the starting price (gross unit price), where applicable, in accordance with section 772(c) of the Act.

Where foreign inland freight or foreign brokerage and handling were provided by PRC service providers or paid for in renminbi, we valued these services using Indian surrogate values (see “Factors of Production” section below for further discussion). For those expenses that were provided by a market–economy provider and paid for in market–economy currency, we used the reported expense, pursuant to 19 CFR 351.408(c)(1).

*Normal Value***Non-Market-Economy Status**

Pursuant to 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. In every case conducted by the Department involving the PRC, the PRC has been treated as a NME country. *See, e.g., 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), unchanged in *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China: Final Results of 2001–2002 Administrative Review and Partial Rescission of Review*, 68 FR 70488 (December 18, 2003). None of the parties to these reviews 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**

Section 773(c)(4) of the Act requires the Department to value an NME producer's factors of production, to the extent possible, in one or more market-economy countries that: (1) are at a level of economic development comparable to that of the NME country, and (2) are significant producers of comparable merchandise. India is among the countries comparable to the PRC in terms of overall economic development, as identified in the "Memorandum from the Office of Policy to James C. Doyle," issued on January 9, 2006.<sup>1</sup> In addition, based on information from the investigation of ironing tables, India is a significant producer of comparable merchandise. *See Notice of Initiation of Antidumping Investigation: Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof from the People's Republic of China*, 68 FR 44040, 44042 (July 25, 2003), unchanged in *Notice of Preliminary Determination of Sales at Less Than Fair Value: Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof from the People's Republic of China*, 69 FR 5127 (February 3, 2004) and *Amended Final FR*.

Accordingly, we considered India the surrogate country for purposes of

valuing the factors of production because it meets the Department's criteria for surrogate-country selection. *See* "Memorandum to the File: Selection of a Surrogate Country," dated August 31, 2006 (Surrogate Country Memo).

**Factors of Production**

In accordance with section 773(c) of the Act, we calculated NV based on the factors of production which included, but were not limited to: (A) hours of labor required; (B) quantities of raw materials employed; (C) amounts of energy and other utilities consumed; and (D) representative capital costs, including depreciation. We used the factors of production reported by the producer for materials, energy, labor, and packing. To calculate NV, we multiplied the reported unit factor quantities by publicly available Indian values.

Certain of Since Hardware's and Foshan Shunde's inputs into the production of the merchandise under review were purchased from market economy suppliers and paid for in market economy currencies. We used the weight-averaged market economy prices paid by Since Hardware and Foshan Shunde when the inputs were obtained from a market economy, paid for in a market economy currency, and were a significant portion of the total purchases of that input. For purposes of the preliminary results we have determined that all of Since Hardware's and Foshan Shunde's market economy purchases were a significant portion of total purchases of that input and have used the reported prices in our calculations.

Since Hardware, Foshan Shunde, and Forever Holdings all reported by-product sales. With respect to the application of the by-product offset to normal value, consistent with the Department's determination in diamond sawblades from the PRC, because our surrogate financial statements contain no references to the treatment of by-products and because all three companies reported that they sold their by-products, we will deduct the surrogate value of the by-product from normal value. This is consistent with accounting principles based on a reasonable assumption that if a company sells a by-product, the by-product necessarily incurs expenses for overhead, SG&A, and profit. *See Final Determination of Sales at Less Than Fair Value and Final Partial Affirmative Determination of Critical Circumstances: Diamond Sawblades and Parts Thereof from the People's Republic of China*, 71 FR 29303 (May

22, 2006), unchanged in *Notice of Amended Final Determination of Sales at Less Than Fair Value: Diamond Sawblades and Parts Thereof from the People's Republic of China*, 71 FR 35864 (June 22, 2006).

In selecting the surrogate values, we considered the quality, specificity, and contemporaneity of the data, in accordance with our practice. *See, e.g., Fresh Garlic From the People's Republic of China: Final Results of Antidumping Duty New Shipper Review*, 67 FR 72139 (December 4, 2002), and accompanying Issues and Decision Memorandum at Comment 6; and *Final Results of First New Shipper Review and First Antidumping Duty Administrative Review: Certain Preserved Mushrooms From the People's Republic of China*, 66 FR 31204 (June 11, 2001), and accompanying Issues and Decision Memorandum at Comment 5. When we used publicly available import data from the Ministry of Commerce of India (Indian Import Statistics) for February 2004 through July 2005 to value inputs<sup>2</sup> sourced domestically by PRC suppliers, we added to the Indian surrogate values a surrogate freight cost calculated using the shorter of the reported distance from the domestic supplier to the factory or the distance from the closest seaport to the factory. This adjustment is in accordance with the CAFC's decision in *Sigma Corp. v. United States*, 117 F.3d 1401, 1408 (Fed. Cir. 1997). When we used non-import surrogate values for factors sourced domestically by PRC suppliers, we based freight for inputs on the actual distance from the input supplier to the site at which the input was used. In instances where we relied on Indian import data to value inputs, in accordance with the Department's practice, we excluded imports from both NME countries and countries deemed to maintain broadly available, non-industry-specific subsidies which may benefit all exporters to all export markets (*i.e.*, Indonesia, South Korea, and Thailand) from our surrogate value calculations. *See, e.g., 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* "Memorandum to the File: Factors of

<sup>1</sup> This memorandum (which was mistakenly dated January 9, 2005, instead of January 9, 2006) is attached to the letters, dated January 11, 2006, sent to interested parties to this proceeding requesting comments on surrogate country and surrogate value information.

<sup>2</sup> For PE Foam and Titanium Hypochlorite Anhydride 4, data from Indian Import Statistics was not available for the POR, therefore we used import data for January 2003 through December 2003 to value these inputs.

Production Valuation Memorandum for the Preliminary Results of Antidumping Duty Administrative Review of Floor-standing, Metal-top Ironing Tables and Certain Parts Thereof (Ironing Tables) from the People's Republic of China (PRC)," dated August 31, 2006 (Factor Valuation Memo), for a complete discussion of the import data that we excluded from our calculation of surrogate values. This memorandum is on file in the Central Records Unit (CRU).

Where we could not obtain publicly available information contemporaneous with the POR to value factors, we adjusted the surrogate values using the Indian Wholesale Price Index (WPI) as published in the *International Financial Statistics* of the International Monetary Fund, for those surrogate values in Indian rupees. We made currency conversions, where necessary, pursuant to 19 CFR 351.415, to U.S. dollars using the daily exchange rate corresponding to the reported date of each sale. We relied on the daily exchanges rates posted on the Import Administration website (<http://www.trade.gov/ia/>). See Factor Valuation Memo.

We valued the factors of production as follows:

The Department used the Indian Import Statistics to value the raw material and packing material inputs that Since Hardware, Foshan Shunde, and Forever Holdings used to produce the merchandise under review during the POR, except where listed below. For a detailed description of all surrogate values used for respondents, see Factor Valuation Memo.

To value water, we calculated the average rate of inside and outside industrial water rates from various regions as reported by the Maharashtra Industrial Development Corporation, <http://midcindia.org>, dated June 1, 2003. We inflated the value for water using the POR average WPI rate. See Factor Valuation Memo.

We valued electricity using the 2000 electricity price in India reported by the International Energy Agency statistics for *Energy Prices & Taxes, Second Quarter 2003*. We inflated the value for electricity using the POR average WPI rate. See Factor Valuation Memo.

We valued diesel using the rates provided by the OECD's International Energy Agency's publication: *Key World Energy Statistics* from 2004 and 2005. The prices are based on 2004 and 2005 first quarter prices of automotive diesel fuel retail prices. See Factor Valuation Memo.

Consistent with the determination in the LTFV investigation, to value the surrogate financial ratios of factory

overhead, selling, general & administrative expenses, and profit, the Department relied on the publicly available information in the annual report and accounts for Godrej & Boyce Manufacturing Company Limited (Godrej), submitted by Since Hardware on April 3, 2006, at Exhibit 3. The annual report covers the period April 1, 2004, to March 31, 2005, covering 12 months of the POR. We determine that Godrej is an appropriate surrogate producer because it is a producer of comparable merchandise and the financial data is contemporaneous with the POR. See Factor Valuation Memo.

Because of the variability of wage rates in countries with similar levels of per capita gross domestic product, 19 CFR 351.408(c)(3) requires the use of a regression-based wage rate. Therefore, to value the labor input, we used the PRC's regression-based wage rate published by Import Administration on its website, <http://www.trade.gov/ia/>. See Factor Valuation Memo.

To value truck freight, we calculated a weighted-average freight cost based on publicly available data from [www.infreight.com](http://www.infreight.com), an Indian inland freight logistics resource website. See Factor Valuation Memo.

To value brokerage and handling, we used a simple average of the publicly summarized version of the average value for brokerage and handling expenses reported in the U.S. sales listings in Essar Steel Ltd.'s (Essar) February 28, 2005, Section C submission in the antidumping duty review of certain hot-rolled carbon steel flat products from India, and information from Agro Dutch Industries Ltd.'s (Agro Dutch) May 25, 2005, Section C submission, taken from the administrative review of preserved mushrooms from India, for which the POR was February 1, 2004, through January 31, 2005. Both sets of data are contemporaneous to the POR and the Department's preference is to average these two values because they represent values for numerous transactions that are available for a range of products and minimize the potential distortions that might arise from a single price source. One value, taken in isolation, could differ significantly when compared across a range of products, values, and special circumstances of a single transaction. See *Fresh Garlic from the People's Republic of China: Final Results and Partial Rescission of Antidumping Duty Administrative Review and Final Results of New Shipper Reviews*, 71 FR 26329 (May 4, 2006), and accompanying Issues and Decision memo at Comment 6; and *Certain Preserved Mushrooms From*

*India: Final Results of Antidumping Duty Administrative Review*, 71 FR 10646 (March 2, 2006). See Factor Valuation Memo.

In accordance with 19 CFR 351.301(c)(3)(ii), for the final results of this administrative review, interested parties may submit publicly available information to value the factors of production until 20 days following the date of publication of these preliminary results.

#### Preliminary Results of Review

We preliminarily determine that the following antidumping duty margins exist:

Exporter	Margin (percent)
Since Hardware (Guangzhou) Co., Ltd. ....	0.21%
Foshan Shunde Yongjian Houseware & Hardware Co., Ltd. ....	0.59%
Forever Holdings Ltd. ....	9.00%

For details on the calculation of the antidumping duty weighted-average margin for each company, see the respective company's analysis memorandum for the preliminary results of the first administrative review of the antidumping duty order on ironing tables from the PRC, dated August 31, 2006. Public versions of these memoranda are on file in the CRU.

#### Assessment Rates

Pursuant to 19 CFR 351.212(b), 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 this review. For assessment purposes, where possible, we calculated importer-specific assessment rates for ironing tables from the PRC via *ad valorem* duty assessment rates based on the ratio of the total amount of the dumping margins calculated for the examined sales to the total entered value of those same sales. We will instruct CBP to assess antidumping duties on all appropriate entries covered by this review if any assessment rate calculated in the final results of this review is above *de minimis*. The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of these reviews and for future deposits of estimated duties, where applicable.

## Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication 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, as provided for by section 751(a)(2)(C) of the Act: (1) for the exporters listed above, the cash deposit rate will be established in the final results of this review (except, if the rate is zero or *de minimis*, *i.e.*, less than 0.5 percent, no cash deposit will be required for that company); (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 157.68 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.

## Schedule for Final Results of Review

The Department will disclose calculations performed in connection with the preliminary results of this review within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). Any interested party may request a hearing within 30 days of publication of this notice in accordance with 19 CFR 351.310(c). Any hearing would normally be held 37 days after the publication of this notice, or the first workday thereafter, at the U.S. Department of Commerce, 14<sup>th</sup> Street and Constitution Avenue, NW, Washington, DC 20230. Individuals who wish to request a hearing must submit a written request within 30 days of the publication of this notice in the **Federal Register** to the Assistant Secretary for Import Administration, U.S. Department of Commerce, Room 1870, 14<sup>th</sup> Street and Constitution Avenue, NW, Washington, DC 20230. Requests for a public hearing should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) to the extent practicable, an identification of the arguments to be raised at the hearing.

Unless otherwise notified by the Department, interested parties may submit case briefs within 30 days of the date of publication of this notice in accordance with 19 CFR 351.309(c)(ii). As part of the case brief, parties are encouraged to provide a summary of the arguments not to exceed five pages and a table of statutes, regulations, and cases cited in accordance with 19 CFR 351.309(c)(2)(ii). Rebuttal briefs, which must be limited to issues raised in the case briefs, must be filed within five days after the case brief is filed in accordance with 19 CFR 351.309(d). If a hearing is held, an interested party may make an affirmative presentation only on arguments included in that party's case brief and may make a rebuttal presentation only on arguments included in that party's rebuttal brief in accordance with 19 CFR 351.310(c). Parties should confirm by telephone the time, date, and place of the hearing within 48 hours before the scheduled time. The Department will issue the final results of this review, which will include the results of its analysis of issues raised in the briefs, not later than 120 days after the date of publication of this notice in accordance with section 751(a)(2)(B)(iv) of the Act and 19 CFR 351.213(h)(1).

## 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 these review periods. 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.

This administrative review and this notice are published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: August 31, 2006.

**David M. Spooner,**

*Assistant Secretary for Import Administration.*

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**BILLING CODE 3510-DS-S**

## DEPARTMENT OF COMMERCE

### International Trade Administration

A-570-875

### Extension of Time Limit for the Final Results of the Antidumping Duty Administrative Review: Non-Malleable Cast Iron Pipe Fittings from the People's Republic of China

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

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

**FOR FURTHER INFORMATION CONTACT:** 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) 482-0414.

### SUPPLEMENTARY INFORMATION:

#### Background

On May 25, 2006, the Department published in the **Federal Register** its preliminary results of the second administrative review on non-malleable cast iron pipe fittings from the People's Republic of China ("PRC"). See *Non-Malleable Cast Iron Pipe Fittings from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review*, 71 FR 30116 (May 25, 2006) ("*Preliminary Results*"). The final results of this administrative review are currently due no later than September 22, 2006.

#### Extension of Time Limit of Final Results

Section 751(a)(3)(A) of the Tariff Act of 1930, as amended ("the Act"), requires the Department to issue final results within 120 days of the date on which the preliminary results are published. However, if it is not practicable to complete the review within this time period, section 751(a)(3)(A) of the Act allows the Department to extend the 120-day period to a maximum of 180 days. Completion of the final results of this review within the 120-day period is not practicable because the Department needs additional time to evaluate substantially intricate issues raised by the petitioners and respondents in their respective case briefs and rebuttals.

Because it is not practicable to complete this review within the time specified under the Act, we are extending the time period for issuing the final results of review by 30 days until October 22, 2006, in accordance with section 751(a)(3)(A) of the Act.