signed into law. Section 1632 of H.R. 4 temporarily suspends the authority of the Department to instruct U.S. Customs and Border Protection (CBP) to collect a bond or other security in lieu of a cash deposit in new shipper reviews. Therefore, the posting of a bond under Section 751(a)(2)(B)(iii) of the Act in lieu of a cash deposit is not available in this case. Importers of subject merchandise manufactured and exported by Micro and Pradeep must continue to post a cash deposit of estimated antidumping duties on each entry of subject merchandise at the current all–others rate of 162.14 percent.

Interested parties may submit applications for disclosure under administrative protective order in accordance with 19 CFR 351.305 and 351.306.

This initiation and this notice are issued and published in accordance with section 751(a)(2)(B) of the Act and sections 351.214(d) and 351.221(c)(1)(i) of the Department's regulations.

Dated: September 29, 2006.

Stephen Claeys,

Deputy Assistant Secretary for Import Administration.

[FR Doc. E6–16517 Filed 10–5–06; 8:45 am]

BILLING CODE 3510–DS–S

DEPARTMENT OF COMMERCE

International Trade Administration

[A–401–806]

Stainless Steel Wire Rod From Sweden: Preliminary Results of Antidumping Duty Administrative Review

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

SUMMARY: In response to a timely request by the petitioners,[1] the Department of Commerce (''the Department'') is conducting an administrative review of the antidumping duty order on stainless steel wire rod (''SSWR'') from Sweden with respect to Fagersta Stainless AB (''FSAB''). The period of review (''POR'') is September 1, 2004, through August 31, 2005.

We preliminarily determine that sales have been made below normal value (''NV''). Interested parties are invited to comment on the preliminary results. If the preliminary results are adopted in our final results of administrative review, we will instruct U.S. Customs and Border Protection (''CBP'') to assess antidumping duties on all appropriate entries.

EFFECTIVE DATE: October 6, 2006.

FOR FURTHER INFORMATION CONTACT: Brian C. Smith, AD/CVD Operations, Office 2, Import Administration-Room B–099, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482–1766.

SUPPLEMENTARY INFORMATION:

Background

On September 15, 1998, the Department published in the **Federal Register** an antidumping duty order on SSWR from Sweden. *See Notice of Antidumping Duty Order: Stainless Steel Wire Rod from Sweden,* 63 FR 49329 (''*SSWR Order*''). On September 30, 2005, the petitioners submitted a letter timely requesting that the Department conduct an administrative review of the sales of SSWR made by FSAB, pursuant to section 751 of the Tariff Act of 1930, as amended (''the Act''). The Department published a notice of initiation of an administrative review with respect to FSAB. *See Initiation of Antidumping and Countervailing Duty Reviews,* 70 FR 61601 (October 25, 2005). On November 7, 2005, we issued an antidumping duty questionnaire to FSAB. FSAB submitted its section A questionnaire response in December 2005 and responses to the remaining sections of the questionnaire in January 2006. We also issued to FSAB a section A supplemental questionnaire in January 2006 and a sections B and C supplemental questionnaire in February 2006. We received FSAB's timely responses to these supplemental questionnaires in March and April 2006, respectively.

On April 13, 2006, we issued a decision memorandum which outlined the Department's basis for collapsing FSAB with its affiliates, AB Sandvik Materials Technology (''SMT'') and Kanthal AB (''Kanthal''), and treating them as a single entity in this review. *See* April 13, 2006, Memorandum from the Team to The File, entitled, *Stainless Steel Wire Rod from Sweden: Whether to Collapse FSAB, SMT, and Kanthal.* Also, on April 13, 2006, we issued to FSAB a supplemental sections D and E questionnaire to which it submitted its response on May 11, 2006.

On April 26, 2006, we extended the time limit for the preliminary results in this review until August 1, 2006. *See Stainless Steel Wire Rod from Sweden: Notice of Extension of Time Limit for 2004–2055 Administrative Review,* 71 FR 25813 (May 2, 2006).

On May 19, 2006, we issued to FSAB a second sections B and C supplemental questionnaire for which it submitted its response on June 19, 2006.

On June 8, we issued to FSAB a sections D and E second supplemental questionnaire to which it submitted its response on July 6, 2006.

On June 19 and 22, 2006, we met with counsel for FSAB and the petitioners, respectively, at their requests, to discuss FSAB's proposal that the Department include an additional criterion (*i.e.,* electro-slag refining (''ESR'')) to the current model-matching criteria used in this administrative review (*see* June 21, 2006, Memorandum to the File, entitled, *Ex-Parte Meeting with FSAB;* and June 28, 2006, Memorandum to the File, entitled, *Ex-Parte Meeting with Counsel for the Petitioners*).

As a result of the above-mentioned meetings, we issued letters to FSAB and the petitioners on July 10, 2006, in which we invited them to comment further on this matter. On July 12, 2006, we met with a Swedish Embassy official, at the Swedish Embassy's request, to discuss the ESR matter (*see* July 13, 2006, Memorandum to the File, entitled, *Ex-Parte Meeting with Swedish Embassy Official*). In response to the Department's July 10, 2006, letters, both parties submitted comments on July 17, 2006. On July 24, 2006, only FSAB submitted rebuttal comments on this matter.

In order to fully consider the parties' comments on the ESR matter, we fully extended the time limit for the preliminary results in this review until October 2, 2006. *See Stainless Steel Wire Rod from Sweden: Notice of Extension of Time Limit for 2004–2055 Administrative Review,* 71 FR 40698 (July 18, 2006).

On July 28, 2006, we issued to FSAB a third sections D and E supplemental questionnaire to which it submitted its response on August 18, 2006.

Scope of the Order

For purposes of this order, SSWR comprises products that are hot-rolled or hot-rolled annealed and/or pickled and/or descaled rounds, squares, octagons, hexagons or other shapes, in coils, that may also be coated with a lubricant containing copper, lime or oxalate. SSWR is made of alloy steels containing, by weight, 1.2 percent or less of carbon and 10.5 percent or more of chromium, with or without other elements. These products are manufactured only by hot-rolling or hot-rolling annealing, and/or pickling and/or descaling, are normally sold in coiled

[1] The petitioners include the following companies: Carpenter Technology Corporation, Dunkirk Specialty Steel, LLC Clearon Corporation and Occidental Chemical Corporation.

form, and are of solid cross-section. The majority of SSWR sold in the United States is round in cross-sectional shape, annealed and pickled, and later cold-finished into stainless steel wire or small-diameter bar. The most common size for such products is 5.5 millimeters or 0.217 inches in diameter, which represents the smallest size that normally is produced on a rolling mill and is the size that most wire-drawing machines are set up to draw. The range of SSWR sizes normally sold in the United States is between 0.20 inches and 1.312 inches in diameter.

Certain stainless steel grades are excluded from the scope of the order. SF20T and K–M35FL are excluded. The following proprietary grades of Kanthal AB are also excluded: Kanthal A–1, Kanthal AF, Kanthal A, Kanthal D, Kanthal DT, Alkrothal 14, Alkrothal 720, and Nikrothal 40. The chemical makeup for the excluded grades is as follows:

SF20T

Carbon	0.05 max	Chromium	19.00/21.00.
Manganese	2.00 max	Molybdenum	1.50/2.50.
Phosphorous	0.05 max	Lead	added (0.10/0.30).
Sulfur	0.15 max	Tellurium	added (0.03 min).
Silicon	1.00 max.		

K–M35FL

Carbon	0.015 max	Nickel	0.30 max.
Silicon	0.70/1.00	Chromium	12.50/14.00.
Manganese	0.40 max	Lead	0.10/0.30.
Phosphorous	0.04 max	Aluminum	0.20/0.35.
Sulfur	0.03 max.		

Kanthal A–1

Carbon	0.08 max	Aluminum	5.30 min, 6.30 max.
Silicon	0.70 max	Iron	balance.
Manganese	0.40 max	Chromium	20.50 min, 23.50 max.

Kanthal AF

Carbon	0.08 max	Aluminum	4.80 min, 5.80 max.
Silicon	0.70 max	Iron	balance.
Manganese	0.40 max.		
Chromium	20.50 min, 23.50 max.		

Kanthal A

Carbon	0.08 max	Aluminum	4.80 min, 5.80 max.
Silicon	0.70 max	Iron	balance.
Manganese	0.50 max.		
Chromium	20.50 min, 23.50 max.		

Kanthal D

Carbon	0.08 max	Aluminum	4.30 min, 5.30 max.
Silicon	0.70 max	Iron	balance.
Manganese	0.50 max.		
Chromium	20.50 min, 23.50 max.		

Kanthal DT

Carbon	0.08 max	Aluminum	4.60 min, 5.60 max.
Silicon	0.70 max	Iron	balance.
Manganese	0.50 max.		
Chromium	20.50 min, 23.50 max.		

Alkrothal 14

Carbon	0.08 max	Aluminum	3.80 min, 4.80 max.
Silicon	0.70 max	Iron	balance.
Manganese	0.50 max.		
Chromium	14.00 min, 16.00 max.		

Alkrothal 720

Carbon	0.08 max	Aluminum	3.50 min, 4.50 max.
Silicon	0.70 max	Iron	balance.
Manganese	0.70 max.		
Chromium	12.00 min, 14.00 max.		

Nikrothal 40			
Carbon	0.10 max	Nickel	34.00 min, 37.00 max.
Silicon	1.60 min, 2.50 max	Iron	balance.
Manganese	1.00 max.		
Chromium	18.00 min, 21.00 max.		

The subject merchandise is currently classifiable under subheadings 7221.00.0005, 7221.00.0015, 7221.00.0030, 7221.00.0045, and 7221.00.0075 of the Harmonized Tariff Schedule of the United States (''HTSUS''). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this order is dispositive.

Fair Value Comparisons

To determine whether sales of SSWR by FSAB to the United States were made at less than NV, we compared constructed export price (''CEP'') to the NV, as described in the ''Constructed Export Price'' and ''Normal Value'' sections of this notice.

Pursuant to section 777A(d)(2) of the Act, we compared the CEPs of individual U.S. transactions to the weighted-average NV of the foreign like product where there were sales made in the ordinary course of trade, as discussed in the ''Cost of Production Analysis'' section below.

Product Comparisons

In accordance with section 771(16) of the Act, we considered all products produced by FSAB covered by the description in the ''Scope of the Order'' section, above, to be foreign like products for purposes of determining appropriate product comparisons to U.S. sales. Pursuant to 19 CFR 351.414(e)(2)(ii), we compared U.S. sales to sales made in the home market within the contemporaneous window period, which extends from three months prior to the month of the U.S. sale until two months after the sale. Where there were no sales of identical merchandise in the comparison market made in the ordinary course of trade to compare to U.S. sales, we compared U.S. sales to sales of the most similar foreign like product made in the ordinary course of trade. In making the product comparisons, we matched foreign like products based on the physical characteristics reported by FSAB in the following hierarchical order: grade, diameter, further processing, and coating.

Electro-Slag Refining

In its January 11, 2006, section B questionnaire response (''section B response''), FSAB requested that the Department include an additional characteristic, ESR,[2] in the above-noted model-matching criteria and also consider it as one of the most significant physical characteristics in the product matching hierarchy. In support of its request, FSAB provided data in its questionnaire responses [3] to demonstrate that ESR, one of two remelting methods [4] used by FSAB, is a separate processing stage in the production of billets, which are used in the production of certain subject SSWR products. FSAB states that ESR removes certain inclusions, or impurities, from the steel (*e.g.*, aluminum nitride), making it stronger and less prone to breaking under stress. Through subsequent supplemental questionnaires issued to FSAB on its ESR process, we requested that FSAB provide more information on the ESR method of remelting, as well as VAR remelting. As mentioned in the ''Background'' section of this notice, we also met with FSAB representatives on June 19, 2006, to discuss the ESR matter. In addition, we provided the parties in this review the opportunity to comment on this matter.

As support for its request that remelting be added to the model-matching criteria, FSAB claims that ESR and VAR remelting impart important physical characteristics, as evidenced by the fact that it uses both remelting methods to produce many of its SSWR grades.[5] FSAB also emphasizes that ESR has a significant impact on the price and production costs of certain SSWR grades which, if not taken into account, results in inaccurate product comparisons. As such, FSAB argues that the addition of ESR to the model-matching criteria will result in more reasonable price-to-price comparisons. Also, FSAB asserts that although remelting was never considered in the less-than-fair-value (''LFTV'') segment of the proceeding, it should be considered in this review. Finally, FSAB notes that the Department has recognized ESR remelting as a significant product matching criterion in proceedings concerning stainless steel bar (''SSB''), another stainless steel product.

The petitioner maintains that the Department should not alter the existing model-matching criteria because, while remelting has been used in SSWR production since before the Department conducted the LTFV segment of this proceeding, the Department has never used it as a matching criterion in this proceeding. The petitioner asserts that, unlike in SSB production, ESR is only required in limited situations (*e.g.*, aeronautical use) and is not commonly used in the SSWR industry. Moreover, the petitioner argues that if the Department were to consider including remelting (*i.e.*, both ESR and VAR) in the matching criteria, the Department would also need to consider other additional production steps or special operations (*e.g.*, double annealing, shaving) as matching criteria.

When identical merchandise is not available in the home market for comparison to merchandise sold to the United States, the Department will compare ''similar'' merchandise based upon the physical characteristics of the merchandise being compared. *See* section 771(16)(B) of the Act. The statute also instructs the Department to compare merchandise that is produced in the same country and by the same person as the subject merchandise; like that subject merchandise in component material or materials and in the purposes for which used; and approximately equal in commercial value to the subject merchandise. Section 771(16)(C) of the Act instructs that, where no matches can be found under section 771(16)(B) of the Act, three criteria must be met to consider a product similar to the U.S. model: (1) The comparison-market model must be produced in the same country and by the same person and of the same general class or kind as the merchandise which is the subject of the investigation; (2) the

[2] FSAB subsequently stated in its July 17, 2006, submission that its request to include ESR in the matching criteria also included other forms of remelting, as well.

[3] *See* January 11, 2006, section B Response at pages B–2 through B–6, Exhibit B–1, and Exhibit B–2; January 18, 2006, section C Response at page C–3; April 4, 2006, Supplemental Questionnaire Response at pages 9 through 19, and Exhibits S–6 through S–12; and June 19, 2006, Supplemental Response at pages 1–2.

[4] Remelting may be done using different methods, such as ESR and vacuum arc refining (''VAR'').

[5] Although FSAB's main focus is with ESR, FSAB subsequently clarified in its July 17, 2006, submission that it also views VAR in the same manner. However, because VAR, unlike ESR, has not been argued extensively by FSAB, we have for the most part limited our discussion of remelting to ESR.

comparison-market model must be like that merchandise in the purposes for which used; and (3) the comparison-market model must be found to be reasonably comparable to the U.S. model by the Department.

When the Department has an established model-matching methodology in a proceeding, it may alter its established methodology if there is a reasonable basis for doing so. *See NTN Bearing Corp.* v. *United States,* 295 F. 3rd 1263, 1269 (CIT 2002). With respect to changes to its model-matching methodology, the Department has applied a ''compelling reasons'' standard, which is fully consistent, if not more rigorous, than the principles applied by the courts in reviewing the Department's determination to alter or change its practice. *See Ball Bearings and Parts Thereof From France, Germany, Italy, Japan, Singapore, and the United Kingdom: Final Results of Antidumping Duty Administrative Review,* 70 FR 54711 (September 16, 2005), and accompanying Issues and Decision Memorandum at Comment 2 (''*Ball Bearings*''). Compelling reasons that warrant a change to the model-matching methodology may include, for example, greater accuracy in comparing foreign like product to the *single most* similar U.S. model, in accordance with section 771(16)(B) of the Act, or a greater number of reasonable price-to-price comparisons in accordance with section 773(a)(1) of the Act.

According to the information contained in FSAB's questionnaire responses, FSAB used ESR remelting for the production of only one select grade of SSWR sold in the home market during the POR, while the same grade, produced without ESR remelting, was sold in the U.S. market during the POR. As such, the ESR remelting issue pertains to only one grade used in the price-to-price comparisons. Moreover, FSAB made just one sale of this single grade in the home market during the POR. Finally, FSAB's data also indicate that FSAB had no sales of SSWR in either market for which any other form of remelting, such as VAR, was used in the production process.

The data contained in FSAB's questionnaire responses indicate that remelting (*i.e.*, ESR and VAR) appears to impart certain physical characteristics (*e.g.*, fewer impurities, increased tolerance) to the billets used to produce subject merchandise compared to billets for which remelting was not used. In addition, there appear to be certain price and cost differences associated with ESR remelting with respect to the production of FSAB's one affected grade. However, FSAB has not demonstrated that the addition of ESR to the model-matching criteria would result in greater accuracy in comparing the foreign like product to the single most similar U.S. model. In particular, the physical differences associated with remelting appear to be minor, specifically with respect to the chemical composition of the steel grade itself. In addition, price and cost differences associated with a different production process do not necessarily warrant an alteration of the model-matching criteria. The important question is whether the different production process has a significant impact on the physical characteristics of the subject merchandise. In this case, again, we find that the impact is minor. Further, because the physical differences resulting from ESR remelting are associated with just a single sale of one particular grade in the home market, we preliminarily find that altering our model-matching criteria by adding ESR remelting as a matching criterion would not have a significant impact on the number of reasonable price-to-price comparisons.

FSAB further argues that the Department should use remelting as a model matching criterion in this review because it is used for matching purposes in a proceeding involving another stainless steel product (*i.e.*, SSB). However, we note that in other proceedings involving stainless steel products, the Department has not used remelting as a model-matching criterion.[6] Moreover, in SSB, the Department determined that remelting was an appropriate product matching criterion based on the case-specific information on the record of that proceeding (*see* September 29, 2006, memorandum to the file, which includes discussion of remelting in the SSB proceeding).

After considering the information provided by FSAB and the determination in *Ball Bearings,* we believe that record evidence does not provide a reasonable basis for changing the model-matching criteria as suggested by FSAB. Therefore, the Department has preliminarily determined to not modify the model-matching criteria used in this review.

Constructed Export Price

We calculated CEP in accordance with section 772(b) of the Act because the subject merchandise was either sold for the account of FSAB by its subsidiary, FSI, in the United States to unaffiliated purchasers, or subsequently further manufactured into non-subject merchandise by its affiliate, SMT U.S., in the United States and then resold to its unaffiliated customers.

We based CEP on the packed prices to unaffiliated purchasers in the United States. We identified the correct starting price by adjusting for alloy surcharges, freight revenue, and billing adjustments associated with the sale, and by making deductions for early payment discounts and volume rebates, where applicable, as required by section 772 of the Act. We also made deductions for movement expenses in accordance with section 772(c)(2)(A) of the Act. These expenses included, where appropriate, foreign inland freight (including freight from the plant to the port of exportation), brokerage and handling, ocean freight, marine insurance, U.S. inland freight expenses (including freight from the U.S. port to the U.S. customer or warehouse and freight from the warehouse to the unaffiliated customer), U.S. customs fees (including harbor maintenance fees and merchandise processing fees), and warehousing expenses. In accordance with section 772(d)(1) of the Act, we deducted those selling expenses associated with economic activities occurring in the United States, including direct selling expenses (credit expenses, warranty expenses, advertising expenses, and repacking expenses) and indirect selling expenses (including inventory carrying costs) incurred in the country of exportation and the United States. We also deducted an amount for further-manufacturing costs, where applicable, in accordance with section 772(d)(2) of the Act, and made an adjustment for profit in accordance with section 772(d)(3) of the Act. To calculate the cost of further manufacturing, we relied on SMT U.S.'s reported cost of further manufacturing materials, labor, and overhead, plus amounts for further manufacturing and financial expenses. We adjusted FSAB's reported general and administrative expenses (''G&A'') for further manufacturing by including material costs in the denominator of the further manufacturer's G&A expense rate calculation. We applied the G&A expense rate to the sum of SMT U.S.'s COM and FSAB's COP for that merchandise. For further details regarding this adjustment, please see the Memorandum from Michael Harrison, Senior Accountant, to Neal M. Halper, Director of Accounting, ''Cost of Production and Constructed Value Calculation Adjustments for the

[6] Other cases involving stainless steel products for which remelting is not a model-matching characteristic include the following: stainless steel butt-weld pipe fittings (*e.g.*, A–475–828), stainless steel sheet and strip and coils (*e.g.*, A–583–831), and stainless steel plate in coils (*e.g.*, A–583–830).

Preliminary Results—Fagersta Stainless AB'' (''*COP/CV Memo*'') dated September 29, 2006.

Normal Value

A. Home Market Viability

In order to determine whether there was a sufficient volume of sales in the home market to serve as a viable basis for calculating NV, we compared the volume of home market sales of the foreign like product to the volume of U.S. sales of the subject merchandise, in accordance with section 773(a)(1)(B) of the Act.

Because FSAB's aggregate volume of home market sales of the foreign like product was greater than five percent of its aggregate volume of U.S. sales of the subject merchandise, we determined that its home market was viable.

B. Affiliated-Party Transactions and Arm's-Length Test

During the POR, FSAB sold the foreign like product to an affiliated customer. To test whether these sales were made at arm's-length prices, we compared, on a product-specific basis, the starting prices of sales to affiliated and unaffiliated customers, net of all discounts and rebates, movement charges, direct selling expenses, and packing expenses. Pursuant to 19 CFR 351.403(c) and in accordance with the Department's practice, where the price to the affiliated party was, on average, within a range of 98 to 102 percent of the price of the same or comparable merchandise sold to unaffiliated parties, we determined that sales made to the affiliated party were at arm's length. *See Antidumping Proceedings: Affiliated Party Sales in the Ordinary Course of Trade,* 67 FR 69186, 69187 (November 15, 2002) (establishing that the overall ratio calculated for an affiliate must be between 98 percent and 102 percent in order for sales to be considered in the ordinary course of trade and used in the NV calculation). Sales to the affiliated customer in the home market that were not made at arm's-length prices were excluded from our analysis because we considered these sales to be outside the ordinary course of trade. *See* 19 CFR 351.102(b).

Level of Trade

Section 773(a)(1)(B)(i) of the Act states that, to the extent practicable, the Department will calculate NV based on sales at the same level of trade (''LOT'') as the export price (''EP'') or CEP. Sales are made at different LOTs if they are made at different marketing stages (or their equivalent). *See* 19 CFR 351.412(c)(2). Substantial differences in selling activities are a necessary, but not sufficient, condition for determining that there is a difference in the stages of marketing (*Id.*); *see also Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate From South Africa*, 62 FR 61731, 61732 (November 19, 1997) (*Plate from South Africa*). In order to determine whether the comparison sales were at different stages in the marketing process than the U.S. sales, we reviewed the distribution system in each market (*i.e.*, the chain of distribution), including selling functions, class of customer (customer category), and the level of selling expenses for each type of sale.

Pursuant to section 773(a)(1)(B)(i) of the Act, in identifying LOTs for EP and comparison market sales (*i.e.*, NV based on either home market or third country prices),[7] we consider the starting prices before any adjustments. For CEP sales, we consider only the selling activities reflected in the price after the deduction of expenses and profit under section 772(d) of the Act. *See Micron Technology, Inc.* v. *United States*, 243 F. 3d 1301, 1314 (Fed. Cir. 2001).

When the Department is unable to match U.S. sales of the foreign like product in the comparison market at the same LOT as the EP or CEP, the Department may compare the U.S. sale to sales at a different LOT in the comparison market. In comparing EP or CEP sales at a different LOT in the comparison market, where available data make it practicable, we make an LOT adjustment under section 773(a)(7)(A) of the Act. Finally, for CEP sales only, if the NV LOT is more remote from the factory than the CEP LOT and there is no basis for determining whether the difference in LOTs between NV and CEP affects price comparability (*i.e.*, no LOT adjustment was practicable), the Department shall grant a CEP offset, as provided in section 773(a)(7)(B) of the Act. *See Plate from South Africa*, 62 FR at 61732. We obtained information from FSAB regarding the marketing stages involved in making the reported foreign market and U.S. sales, including a description of the selling activities performed for each channel of distribution.

FSAB only sold SSWR to end-users in the home market, but sold to both end-users and distributors in the U.S. market. FSAB reported that it made CEP sales in the U.S. market through the following two channels of distribution: (1) Sales of FSAB-produced SSWR to its U.S. affiliate FSI (''U.S. Channel 1''), and (2) sales of FSAB-produced SSWR to its U.S. affiliate SMT U.S. (which further manufactured the SSWR into wire products for sale to its unaffiliated U.S. customers) (''U.S. Channel 2''). We compared the selling activities performed in each channel, and found that the same selling functions (*i.e.*, sales process/marketing support and freight/delivery) were performed at the same relative level of intensity in both channels of distribution. With regard to the other two selling functions considered in this analysis (*i.e.*, warehousing/inventory and quality assurance/warranty service), we find that the differences are insignificant between U.S. Channel 1 and U.S. Channel 2. As a result, both U.S. channels, on balance, are at the same LOT. Accordingly, we find that all CEP sales constitute one LOT. For further discussion on this matter, see September 29, 2006, Memorandum to the File, entitled, *Preliminary Results Level of Trade Analysis for FSAB* (''*LOT Memo*'').

With respect to the home market, FSAB reported one channel of distribution (*i.e.*, factory direct sales) through which it sold SSWR to both affiliated and unaffiliated end-user customers. According to FSAB, its direct sales to both affiliated and unaffiliated home market customers constitute one distinct LOT in the home market.

In determining whether separate LOTs exist in the home market, we compared the selling functions performed across all channels of distribution. After our analysis of the information submitted for the record of this review, we find that all home market sales were made at the same LOT. *See LOT Memo.*

Finally, we compared the CEP LOT to the home market LOT and found that the selling functions performed for home market sales are either performed at the same degree of intensity (or only vary slightly) as the selling functions performed for U.S. sales. Specifically, we find that three of the four selling functions (*i.e.*, freight/delivery, warehousing/inventory, and quality assurance/warranty service) are performed by FSAB at the same level of intensity in both the U.S. and home markets. With respect to the remaining selling function (*i.e.*, sales process/marketing support), we find that there is only a slight difference in the level of intensity between the home and U.S. market. Therefore, we find that the NV LOT and single U.S. LOT are at the same LOT.

[7] Where NV is based on constructed value (''CV''), we determine the NV LOT based on the LOT of the sales from which we derive selling expenses, G & A expenses, and profit for CV, where possible.

As home market and U.S. sales were made at the same LOT, we have matched CEP sales to home market sales at the same LOT.

Cost of Production Analysis

In the LTFV investigation, the most recently completed segment of this proceeding as of November 7, 2005, the date the questionnaire was issued in this review, we found that FSAB had made sales below the cost of production. *See Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Stainless Steel Wire Rod From Sweden*, 63 FR 10841, 10846 (March 5, 1998); affirmed in *Notice of Final Determination of Sales at Less Than Fair Value: Stainless Steel Wire Rod from Sweden*, 63 FR 40449, 40452 (July 29, 1998) (''*SSWR from Sweden LTFV Final*''). Thus, in accordance with section 773(b)(2)(A)(ii) of the Act, there are reasonable grounds to believe or suspect that FSAB made sales in the home market at prices below the cost of producing the merchandise in the current review period. Accordingly, we instructed FSAB to respond to the section D (Cost of Production) questionnaire.

A. Calculation of Cost of Production

In accordance with section 773(b)(3) of the Act, we calculated FSAB's cost of production (''COP'') based on the sum of FSAB's costs of materials and conversion for the foreign like product, plus amounts for G&A expenses and interest expenses (*see* ''Test of Home Market Sales Prices'' section below for treatment of home market selling expenses). The Department relied on the COP data submitted by FSAB in its August 18, 2006, supplemental section D questionnaire response, except in the following instances noted below.

In accordance with section 773(f)(3) of the Act, the Department adjusted FSAB's transfer price of billets purchased from its affiliate, Outokumpu. For further details regarding this adjustment, please see the *COP/CV Memo.*

B. Test of Home Market Sales Prices

On a product-specific basis, we compared the adjusted weighted-average COP to the home market sales of the foreign like product, as required under section 773(b) of the Act, in order to determine whether the sale prices were below the COP. For purposes of this comparison, we used COP exclusive of selling and packing expenses. The prices (inclusive of alloy surcharges, freight revenue, service charge revenue, processing charge revenue and billing adjustments, where appropriate) were exclusive of any applicable movement charges, rebates, discounts, and direct and indirect selling expenses and packing expenses, revised where appropriate, as discussed below under the ''Price-to-Price Comparisons'' section. In determining whether to disregard home market sales made at prices less than their COP, we examined, in accordance with sections 773(b)(1)(A) and (B) of the Act, whether such sales were made: (1) Within an extended period of time, (2) in substantial quantities, and (3) at prices which did not permit the recovery of all costs within a reasonable period of time.

C. Results of the COP Test

In determining whether to disregard home market sales made at prices below the COP, we examined, in accordance with sections 773(b)(1)(A) and (B) or the Act: (1) Whether, within an extended period of time, such sales were made in substantial quantities; and (2) whether such sales were made at prices which permitted the recovery of all costs within a reasonable period of time in the normal course of trade. Where less than 20 percent of the respondent's home market sales of a given product are at prices less than the COP, we do not disregard any below-cost sales of that product because we determine that in such instances the below-cost sales were not made within an extended period of time and in ''substantial quantities.'' Where 20 percent or more of a respondent's sales of a given product are at prices less than the COP, we disregard the below-cost sales because: (1) They were made within an extended period of time in ''substantial quantities,'' in accordance with sections 773(b)(2)(B) and (C) of the Act, and (2) based on our comparison of prices to the weighted-average COPs for the POR, they were at prices which would not permit the recovery of all costs within a reasonable period of time, in accordance with section 773(b)(2)(D) of the Act.

We found that, for certain specific products, more than 20 percent of FSAB's home market sales were at prices less than the COP and, in addition, such sales did not provide for the recovery of costs within a reasonable period of time. We therefore excluded these sales and used the remaining sales as the basis for determining NV, in accordance with section 773(b)(1) of the Act.

Price-to-Price Comparisons

As discussed in the ''Normal Value'' section above, we calculated NV based on delivered prices (inclusive of alloy surcharges) to unaffiliated customers or prices to affiliated customers that were determined to be at arm's length. We made adjustments, where appropriate, to the starting price for billing adjustments, discounts, and rebates. We made deductions, where appropriate, from the starting price for inland freight (from the plant to the customer) and inland insurance, under section 773(a)(6)(B)(ii) of the Act. We also made deductions from the starting price for credit, warranty, and other direct selling expenses, under section 773 of the Act.

We made adjustments for differences in costs attributable to differences in the physical characteristics of the merchandise in accordance with section 773(a)(6)(C)(ii) of the Act and 19 CFR 351.411. We also deducted home market packing costs and added U.S. packing costs, in accordance with section 773(a)(6)(A) and (B) of the Act.

Calculation of Constructed Value

We calculated CV in accordance with section 773(e) of the Act, which states that CV shall be based on the sum of the respondent's cost of materials and fabrication for the subject merchandise, plus amounts for SG&A expenses, profit and U.S. packing costs. We relied on the submitted CV information except for the adjustments described above under ''Calculation of Cost of Production.''

Price-to-Constructed Value Comparisons

We based NV on CV for comparison to certain U.S. sales, in accordance with section 773(a)(4) of the Act. For comparisons to FSAB's CEP sales, we made circumstance-of-sale adjustments by deducting from CV the weighted-average home market direct selling expenses, in accordance with section 773(a)(8) of the Act and 19 CFR 351.410.

Currency Conversion

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

Preliminary Results of Review

As a result of this review, we preliminarily determine that the weighted-average dumping margin for the period September 1, 2004, through August 31, 2005, is as follows:

Manufacturer/exporter	Percent margin
Fagersta Stainless AB (which also includes AB Sandvik Materials Technology and Kanthal AB)	30.18

We will disclose the calculations used in our analysis to parties to this proceeding within five days of the publication date of this notice. *See* 19 CFR 351.224(b). Any interested party may request a hearing within 30 days of publication. *See* 19 CFR 351.310(c). If requested, a hearing will be scheduled after determination of the briefing schedule.

Interested parties who wish to request a hearing or to participate if one is requested, must submit a written request to the Assistant Secretary for Import Administration, Room B–099, within 30 days of the date of publication of this notice. Requests should contain: (1) The party's name, address and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. *See* 19 CFR 351.310(c).

Issues raised in the hearing will be limited to those raised in the respective case briefs. Case briefs from interested parties and rebuttal briefs, limited to the issues raised in the respective case briefs, may be submitted in accordance with a schedule to be determined. Parties who submit case briefs or rebuttal briefs in this proceeding are requested to submit with each argument (1) a statement of the issue and (2) a brief summary of the argument. Parties are also encouraged to provide a summary of the arguments not to exceed five pages and a table of statutes, regulations, and cases cited.

The Department will issue the final results of this administrative review, including the results of its analysis of issues raised in any written briefs, not later than 120 days after the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

The Department clarified its ''automatic assessment'' regulation on May 6, 2003 (68 FR 23954). This clarification will apply to entries of subject merchandise during the POR produced by the company included in these preliminary results of review for which the reviewed company did not know its merchandise was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the All Others rate if there is no rate for the intermediate company(ies) involved in the transaction. For a full discussion of this clarification, see *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

The Department shall determine, and CBP shall assess, antidumping duties on all appropriate entries, in accordance with 19 CFR 351.212. The Department will issue appropriate appraisement instructions for the company subject to this review directly to CBP within 15 days of publication of the final results of this review.

For assessment purposes, we calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping margins calculated for the examined sales to the total entered value of those same sales. However, for subject merchandise produced by FSAB but imported on behalf of its U.S. affiliate, SMT U.S., we do not have the actual entered value because FSAB was unable to obtain the entered value data for their reported sales from the importer of record. Therefore, for those entries of subject merchandise imported by SMT U.S., we intend to calculate the importer-specific assessment rate by aggregating the dumping margins calculated for all of the U.S. sales examined and dividing that amount by the total quantity of the sales examined.

We will instruct CBP to assess antidumping duties on all appropriate entries covered by this review if any importer-specific assessment rate calculated in the final results of this review is above *de minimis* (*i.e.*, at or above 0.50 percent). *See* 19 CFR 351.106(c)(1). 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 this review and for future deposits of estimated duties, where applicable.

Cash Deposit Requirements

The following cash deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(1) of the Act: (1) The cash deposit rate for the reviewed company will be that established in the final results of this review, except if the rate is less than 0.50 percent, and therefore, *de minimis* within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rate will be zero; (2) for previously reviewed or investigated companies not listed above, the cash deposit rate will continue to be the company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in this review, a prior review, or the original LTFV investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; and (4) the cash deposit rate for all other manufacturers or exporters will continue to be 5.71 percent, the ''All Others'' rate made effective by the LTFV investigation. *See SSWR Order.* These 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.

This administrative review and notice are published in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.221.

Dated: September 29, 2006.

Stephen J. Claeys,

Acting Assistant Secretary for Import Administration.

[FR Doc. E6–16518 Filed 10–5–06; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

A–570–890

Wooden Bedroom Furniture From the People's Republic of China: Extension of Time Limits for the Preliminary Results of the Antidumping Duty Administrative Review and New Shipper Reviews

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

EFFECTIVE DATE: October 6, 2006.

FOR FURTHER INFORMATION CONTACT: Lilit Astvatsatrian, 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) 482–6412.

Background

The Department of Commerce (''the Department'') published an antidumping duty order on wooden bedroom furniture (''WBF'') from the People's Republic of China (''PRC'') on January 4, 2005. *See Notice of Amended Final Determination of Sales at Less*