

no later than 30 days after the date of publication of these preliminary results of review. See 19 CFR 351.309(c)(1)(ii). Rebuttal briefs are limited to issues raised in the case briefs and may be filed no later than five days after the time limit for filing the case briefs. See 19 CFR 351.309(d). Parties submitting arguments in this proceeding are requested to submit with the argument: (1) A statement of the issue, (2) a brief summary of the argument, and (3) a table of authorities, in accordance with 19 CFR 351.309(d)(2). Further, parties submitting case and/or rebuttal briefs are requested to provide the Department with an additional electronic copy of the public version of any such comments on a computer diskette. Case and rebuttal briefs must be served on interested parties in accordance with 19 CFR 351.303(f).

An interested party may request a hearing within 30 days of publication of these preliminary results. See 19 CFR 351.310(c). Any hearing, if requested, ordinarily will be held two days after the due date of the rebuttal briefs in accordance with 19 CFR 351.310(d)(1). The Department will issue the final results of this administrative review, which will include the results of its analysis of issues raised in any such comments, or at a hearing, if requested, within 120 days of publication of these preliminary results, unless extended. See section 751(a)(3)(A) of the Act, and 19 CFR 351.213(h).

#### Assessment Rate

Upon completion of the final results of this administrative review, the Department shall determine, and CBP shall assess, antidumping duties on all appropriate entries. Pursuant to 19 CFR 351.212(b)(1), the Department will calculate importer-specific assessment rates for each respondent based on the ratio of the total amount of antidumping duties calculated for the examined sales to the total entered value of those sales. Where the respondent did not report the entered value for U.S. sales, we have calculated importer-specific assessment rates for the merchandise in question by aggregating the dumping margins calculated for all U.S. sales to each importer and dividing this amount by the total quantity of those sales. To determine whether the duty assessment rates were *de minimis*, in accordance with the requirement set forth in 19 CFR 351.106(c)(2), we calculated importer-specific *ad valorem* rates based on the estimated entered value. Where the assessment rate is above *de minimis*, we will instruct CBP to assess duties on all entries of subject merchandise by that importer. Pursuant to 19 CFR

351.106(c)(2), we will instruct CBP to liquidate without regard to antidumping duties any entries for which the assessment rate is *de minimis* (i.e., less than 0.50 percent). The Department intends to issue assessment instructions directly to CBP 15 days after publication of the final results of this review.

The Department clarified its "automatic assessment" regulation on May 6, 2003. See *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003). This clarification will apply to entries of subject merchandise during the POR produced by the respondents subject to this review for which the reviewed companies did not know that the merchandise which it sold to an intermediary (e.g. a reseller, trading company, or exporter) 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 intermediary involved in the transaction. For a full discussion of this clarification, see *id.*

#### Cash Deposit Requirements

To calculate the cash deposit rate for Koehler, we divided its total dumping margin by the total net value of its sales during the review period.

The following deposit rates will be effective upon publication of the final results of this administrative review for all shipments of lightweight thermal paper from Germany entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) The cash deposit rate for companies subject to this review will be the rate established in the final results of this review, except if the rate is less than 0.5 percent and, therefore, *de minimis*, no cash deposit will be required; (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 final results for a review in which that manufacturer or exporter participated; (3) if the exporter is not a firm covered in this review, a prior review, or the original less-than-fair-value ("LTFV") investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent final results for the manufacturer of the merchandise; and (4) if neither the exporter nor the manufacturer is a firm covered in this review, the cash deposit rate will be 6.50 percent, the all-others rate established in the LTFV investigation. See *Antidumping Duty Orders: Lightweight Thermal Paper from Germany and the People's Republic of*

*China*, 73 FR 70959 (November 24, 2008). These cash deposit requirements, when imposed, shall remain in effect until further notice.

#### Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

These preliminary results of administrative review are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.221(b)(4).

Dated: December 7, 2010.

**Paul Piquado,**

*Acting Deputy Assistant Secretary for Import Administration.*

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## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-580-809]

#### Circular Welded Non-Alloy Steel Pipe From the Republic of Korea: Preliminary Results of the 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 an administrative review of the antidumping duty order on circular welded non-alloy steel pipe ("CWP") from the Republic of Korea ("Korea"). The period of review ("POR") is November 1, 2008, through October 31, 2009. This review covers multiple exporters/producers, three of which are being individually reviewed as mandatory respondents. We preliminarily determine the mandatory respondents made sales of the subject merchandise at prices below normal value ("NV"). We have assigned the remaining respondents the weighted-average of the margins calculated for the mandatory respondents. If these preliminary results are adopted in our final results, we will instruct U.S. Customs and Border Protection ("CBP")

to assess antidumping duties on all appropriate entries. Interested parties are invited to comment on these preliminary results.

**DATES:** *Effective Date:* December 14, 2010.

**FOR FURTHER INFORMATION CONTACT:**

Alexander Montoro, Matthew Jordan, or Joshua Morris, AD/CVD Operations, Office 1, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington DC 20230; telephone (202) 482-0238, (202) 482-1540, or (202) 482-1779, respectively.

**SUPPLEMENTARY INFORMATION:**

**Background**

On November 2, 1992, the Department published an antidumping duty order on CWP from Korea. *See Notice of Antidumping Duty Orders: Certain Circular Welded Non-Alloy Steel Pipe from Brazil, the Republic of Korea (Korea), Mexico, and Venezuela, and Amendment to Final Determination of Sales at Less Than Fair Value: Certain Circular Welded Non-Alloy Steel Pipe from Korea*, 57 FR 49453 (November 2, 1992) (“CWP Order”).

On November 30, 2009, SeAH Steel Corporation (“SeAH”) timely requested an administrative review of the antidumping duty order on CWP from Korea for the period November 1, 2008, through October 31, 2009. Also on November 30, 2009, Wheatland Tube Company (“Wheatland”) and United States Steel Corporation (“U.S. Steel”), manufacturers of the domestic like product, also timely requested a review. U.S. Steel requested the Department conduct an administrative review of the following producers/exporters of subject merchandise: SeAH; Hyundai HYSCO; Husteel Co., Ltd. (“Husteel”); Nexteel Co., Ltd. (“Nexteel”); Kumkang Industrial Co., Ltd. (“Kumkang”); and A-JU Besteel Co., Ltd. Wheatland requested the Department conduct an administrative review of SeAH. On December 23, 2009, the Department published a notice of initiation of an administrative review of the antidumping duty order on CWP from Korea. *See Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part*, 74 FR 68229 (December 23, 2009) (“Initiation Notice”).

On January 26, 2010, SeAH withdrew its request for review. On March 23, 2010, Wheatland withdrew its request for a review of SeAH.

In our initiation notice, we indicated that we would select mandatory respondents for review based upon CBP

data, and that we would limit the respondents selected for individual review in accordance with section 777A(c)(2) of the Tariff Act of 1930, as amended (“the Act”). *See Initiation Notice*, 74 FR at 68229. On January 6, 2010, we received comments on the issue of respondent selection from Kumkang.

On February 18, 2010, after considering the resources available to the Department, we determined that it was not practicable to examine all producers/exporters of subject merchandise for which a review was requested. As a result, we selected the two largest producers/exporters of CWP from Korea during the POR for individual review in this segment of this proceeding, pursuant to section 777A(c)(2)(B) of the Act. These mandatory respondents were Nexteel and SeAH. *See Memorandum from Yasmin Nair and Matthew Jordan, International Trade Compliance Analysts, AD/CVD Operations, Office 1, to Susan H. Kuhbach, Director, AD/CVD Operations, Office 1, “Respondent Selection: Antidumping Duty Administrative Review: Circular Welded Non-Alloy Steel Pipe from the Republic of Korea,” dated February 18, 2010.*

On January 14, 2010, Wheatland submitted a request for a duty absorption determination for a number of producers or exporters subject to this review, including SeAH, Husteel, and Nexteel. The Court of Appeals for the Federal Circuit found that the Department lacks authority to conduct two-and four-year duty absorption inquiries for transitional orders (orders in effect before January 1, 1995). *See FAG Italia S.p.A. v. United States*, 291 F.3d 806, 819 (Fed. Cir. 2002). Since the order for this case is from 1992, we have not conducted a duty absorption inquiry in this proceeding.

On January 15, 2010, and January 22, 2010, Hyundai HYSCO submitted letters to the Department stating it had no exports, sales, or entries of subject merchandise to the United States during the POR.

On February 19, 2010, we issued the antidumping questionnaire to Nexteel and SeAH. On March 9, 2010, Husteel requested the Department to reconsider its decision to limit the review to two mandatory respondents or, in the alternate, to treat Husteel as a voluntary respondent. On March 25, 2010, we received a section A questionnaire response from Husteel (“Husteel A QR”). On March 26, 2010, we received a section A questionnaire response from SeAH (“SeAH A QR”). On March 29, 2010, we received a section A

questionnaire response from Nexteel (“Nexteel A QR”).

On March 29, 2010, we selected Husteel as a third mandatory respondent. *See March 29, 2010 letter from Susan Kuhbach, Director, Office of AD/CVD Operations 1, to Husteel Co., Ltd., “Antidumping Duty Administrative Review of Circular Welded Non-Alloy Steel Pipe from the Republic of Korea: Request for Selection as Mandatory Respondent; Request for Voluntary Respondent Treatment.” See also Memorandum from Matthew Jordan, International Trade Compliance Analyst, Office 1, AD/CVD Operations, to the File, “Selection of Husteel Co., Ltd., as Third Mandatory Respondent,” dated March 30, 2010.*

We received a response to sections B, C, and D of the questionnaire from SeAH on April 12, 2010. We received a response to sections B, C, and D of the questionnaire from Husteel on April 21, 2010. We received a response to sections B and C of the questionnaire from Nexteel on April 27, 2010 (“Nexteel B&C QR”).

On June 17, 2010, the Department issued a supplemental questionnaire regarding section D of the initial questionnaire to Husteel and received a response on July 22, 2010. On July 7, 2010, the Department issued a supplemental questionnaire regarding section D of the initial questionnaire to SeAH and received a response on August 4, 2010.

On September 27, 2010, we issued supplemental questionnaires for sections A, B, and C to Nexteel, Husteel, and SeAH. We received a response from SeAH on October 26, 2010, and responses from Nexteel and Husteel on November 2, 2010 (“Husteel November Supplemental Response”).

On October 11, 2010, the Department issued a second supplemental questionnaire for section D to SeAH. We received a response from SeAH on October 21, 2010.

On November 5, 2010, the Department issued second supplemental questionnaires for sections A, B, and C to Husteel and SeAH. The Department received responses from SeAH and Husteel on November 12, 2010.

On November 12, 2010, the Department issued a third supplemental questionnaire for sections A, B, and C to SeAH. The Department received a response from SeAH on November 19, 2010.

On July 13, 2010, the Department published in the **Federal Register** an extension of the time limit for the completion of the preliminary results of this review until no later than December 7, 2010, in accordance with section

751(a)(3)(A) of the Act and 19 CFR 351.213(h)(2). *See Circular Welded Non-Alloy Steel Pipe from the Republic of Korea: Extension of Time Limit for Preliminary Results of the Antidumping Duty Administrative Review*, 75 FR 39917 (July 13, 2010).

#### Hyundai HYSCO

On January 15, 2010, Hyundai HYSCO submitted a letter indicating that it made no sales to the United States during the POR. We have not received any comments on Hyundai HYSCO's submission. In response to the Department's inquiry to CBP, CBP data showed entries for consumption of subject merchandise from Hyundai HYSCO may have entered U.S. customs territory during the POR. *See Memorandum from Joseph Shuler, International Trade Compliance Analyst, to the File, "Customs Documentation in the Antidumping Duty Administrative Review of Circular Welded Non-Alloy Steel Pipe from the Republic of Korea," dated November 18, 2010.*

On November 18, 2010, we asked Hyundai HYSCO to explain the apparent discrepancy between its no shipment claim and the CBP information.

Hyundai HYSCO responded on November 30, 2010, re-affirming that it did not export or sell subject merchandise to the United States during the POR, and that it did not know or have reason to know that such merchandise would be exported to the United States during the POR.

The Department has concluded that there is no evidence on the record that, at the time of sale, Hyundai HYSCO had knowledge that these entries were destined for the United States, nor is there evidence that Hyundai HYSCO had knowledge that any of these entries of subject merchandise entered the United States during the POR. *See Memorandum to File, from Matthew Jordan, International Trade Compliance Analyst, through Nancy Decker, Program Manager, AD/CVD Operations Office 1, "Antidumping Duty Administrative Review on Circular Welded Non-Alloy Steel Pipe from the Republic of Korea with respect to Hyundai HYSCO," dated December 7, 2010.*

With regard to Hyundai HYSCO's claim of no shipments, our practice since implementation of the 1997 regulations concerning no-shipment respondents has been to rescind the administrative review if the respondent certifies that it had no shipments and we have confirmed through our examination of CBP data that there were

no shipments of subject merchandise during the POR. *See Antidumping Duties; Countervailing Duties*, 62 FR 27296, 27393 (May 19, 1997), and *Oil Country Tubular Goods from Japan: Preliminary Results of Antidumping Duty Administrative Review and Partial Rescission of Review*, 70 FR 53161, 53162 (September 7, 2005), unchanged in *Oil Country Tubular Goods from Japan: Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 71 FR 95 (January 3, 2006).

In our May 6, 2003, "automatic assessment" clarification, we explained that, where respondents in an administrative review demonstrate that they had no knowledge of sales through resellers to the United States, we would instruct CBP to liquidate such entries at the all-others rate applicable to the proceeding. *See Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003) ("Assessment Policy Notice").

Based on Hyundai HYSCO's certification of no shipments and evidence on the record, we preliminarily determine that Hyundai HYSCO had no shipments of subject merchandise to the United States during the POR.

Because "as entered" liquidation instructions do not alleviate the concerns which the *Assessment Policy Notice* clarification was intended to address, we find it appropriate in this case to instruct CBP to liquidate any existing entries of merchandise produced by Hyundai HYSCO and exported by other parties at the all-others rate should we continue to find at the time of our final results that Hyundai HYSCO had no shipments of subject merchandise from Korea. *See, e.g., Certain Frozen Warmwater Shrimp from India: Partial Rescission of Antidumping Duty Administrative Review*, 73 FR 77610, 77612 (December 19, 2008); *Magnesium Metal From the Russian Federation: Preliminary Results of Antidumping Duty Administrative Review*, 75 FR 26922 (May 13, 2010), unchanged in *Magnesium Metal From the Russian Federation: Final Results of Antidumping Duty Administrative Review*, 75 FR 56989 (September 17, 2010). In addition, the Department finds that it is more consistent with the *Assessment Policy Notice* clarification not to rescind the review in part in these circumstances but, rather, to complete the review with respect to Hyundai HYSCO and issue appropriate instructions to CBP based on the final results of the review. *See the*

Assessment Rates section of this notice below.

#### Scope of the Order

The merchandise subject to this review is circular welded non-alloy steel pipe and tube, of circular cross-section, not more than 406.4mm (16 inches) in outside diameter, regardless of wall thickness, surface finish (black, galvanized, or painted), or end finish (plain end, beveled end, threaded, or threaded and coupled). These pipes and tubes are generally known as standard pipes and tubes and are intended for the low-pressure conveyance of water, steam, natural gas, air, and other liquids and gases in plumbing and heating systems, air-conditioning units, automatic sprinkler systems, and other related uses. Standard pipe may also be used for light load-bearing applications, such as for fence tubing, and as structural pipe tubing used for framing and as support members for reconstruction or load-bearing purposes in the construction, shipbuilding, trucking, farm equipment, and other related industries. Unfinished conduit pipe is also included in this review.

All carbon-steel pipes and tubes within the physical description outlined above are included within the scope of this review except line pipe, oil-country tubular goods, boiler tubing, mechanical tubing, pipe and tube hollows for redraws, finished scaffolding, and finished conduit. In accordance with the Department's *Final Negative Determination of Scope Inquiry on Certain Circular Welded Non-Alloy Steel Pipe and Tube From Brazil, the Republic of Korea, Mexico and Venezuela*, 61 FR 11608 (March 21, 1996), pipe certified to the API 5L line-pipe specification and pipe certified to both the API 5L line-pipe specifications and the less-stringent ASTM A-53 standard-pipe specifications, which falls within the physical parameters as outlined above, and entered as line pipe of a kind used for oil and gas pipelines is outside of the scope of the antidumping duty order.

Imports of these products are currently classifiable under the following Harmonized Tariff Schedule ("HTS") subheadings: 7306.30.10.00, 7306.30.50.25, 7306.30.50.32, 7306.30.50.40, 7306.30.50.55, 7306.30.50.85, and 7306.30.50.90. Although the HTS subheadings are provided for convenience and customs purposes, our written description of the scope of this proceeding is dispositive.

#### Date of Sale

The Department normally will use the date of invoice, as recorded in the

producer's or exporter's records kept in the ordinary course of business, as the date of sale, but may use a date other than the invoice date if the Department is satisfied that a different date better reflects the date on which the material terms of sale are established. *See* 19 CFR 351.401(i).

*(A) SeAH*

For its home market sales, SeAH has reported the date the billing document is created in its accounting system as the date of sale. This is the date when the final price and quantity are set and is, in most cases, the same as the date of the shipping invoice.

For its U.S. sales, SeAH reported the date of shipment from Korea as the date of sale because all U.S. sales are produced to order and the quantity ordered is subject to change between order and shipment. In addition, the shipment date from Korea always precedes the date of the invoice to the unaffiliated U.S. customer, because SeAH's U.S. affiliate, Pusan Pipe America Inc. ("PPA"), does not invoice the unaffiliated U.S. customer until shortly after the subject merchandise enters into the United States. Because quantity is not finalized until shipment and because the shipment date always precedes the invoice date to the U.S. customer, we are relying on the date of shipment from Korea as the U.S. date of sale.

*(B) Husteel*

For its home market sales, Husteel issues the shipment invoice at the time of shipment and considers the shipment date as the date of sale.

For its U.S. sales through Husteel USA, Husteel reported the date of sale as the earlier of the commercial invoice date or the shipment date from Korea, in accordance with the Department's regulatory presumption that the invoice date is the date of sale. Therefore, we are relying on the earlier of the commercial invoice date or the shipment date as the date of sale.

*(C) Nexteel*

Nexteel reported that negotiations regarding price and quantity can continue throughout the entire sales process. For both home market and U.S. sales, price is not fixed until Nexteel issues its tax and commercial invoice, which can occur after shipment date. *See* Nexteel A QR at A-20; *see also* Nexteel B&C QR at B-14 and A-9. Per the Department's practice that the date of sale may not be after shipment from factory, Nexteel reported the earlier of shipment date or invoice date as the date of sale. Therefore, we are relying on

the earlier of the shipment date or the commercial invoice date as the date of sale.

**Comparisons to Normal Value**

To determine whether SeAH and Husteel's sales of CWP from Korea to the United States were made at less than NV, we compared constructed export price ("CEP") to NV, as described in the "Constructed Export Price" and "Normal Value" sections of this notice below. To determine whether Nexteel's sales of CWP from Korea to the United States were made at less than NV, we compared export price ("EP") to NV, as described in the "Export Price and "Normal Value" sections of this notice below.

Pursuant to section 777A(d)(2) of the Act, we compared the EP and CEP of individual U.S. transactions to monthly weighted-average NVs 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.

We are using a quarterly costing approach for SeAH and Husteel, as described in the "Normal Value" section below and, therefore, we have not made price-to-price comparisons for these companies outside of a quarter to lessen the distortive effect of comparing non-contemporaneous sales prices during a period of significantly changing costs.

**Product Comparisons**

In accordance with section 771(16) of the Act, we considered all products produced by SeAH, Husteel, and Nexteel that are covered by the description contained in the "Scope of the Order" section above and were sold in the home market during the POR to be the foreign like product for purposes of determining appropriate product comparisons to U.S. sales.

We have relied on five criteria to match U.S. sales of subject merchandise to comparison market sales of the foreign like product: (1) Grade; (2) nominal pipe size; (3) wall thickness; (4) surface finish; and (5) end-finish. For SeAH, we used actual pipe size in millimeters instead of nominal pipe size, because SeAH works with actual outside diameter in the ordinary course of business, and its unit of measure for nominal pipe size varies by transaction. For Husteel, we used outside diameter for certain transactions instead of nominal pipe size because for certain specifications, a nominal pipe size is not available. 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

the next most similar foreign like product on the basis of the characteristics listed above.

Consistent with the most recently completed administrative review, for Nexteel and SeAH, we reclassified certain of the reported grades of certain pipes for product comparison purposes. *See Circular Welded Non-Alloy Steel Pipe from the Republic of Korea: Final Results of the Antidumping Duty Administrative Review*, 75 FR 34980 (June 21, 2010) ("CWP from Korea 2007-2008"), and accompanying Issues and Decision Memorandum at Comment 5. *See also* Memorandum from Joshua Morris, International Trade Compliance Analyst, to the File, "Preliminary Results Calculation Memorandum," dated December 7, 2010 ("SeAH Preliminary Sales Calculation Memo"); and Memorandum from Matthew Jordan and Yasmin Nair, International Trade Compliance Analysts, to the File, "Preliminary Results Calculation Memorandum for Nexteel Co., Ltd.," dated December 7, 2010 ("Nexteel Preliminary Sales Calculation Memo").

**Level of Trade/Constructed Export Price Offset**

In accordance with section 773(a)(1)(B) of the Act, to the extent practicable, we determine NV based on sales in the comparison market at the same level of trade ("LOT") as the EP or CEP transaction. The LOT in the comparison market is the LOT of the starting-price sales or, when NV is based on constructed value ("CV"), the LOT of the sales from which we derive selling, general and administrative ("SG&A") expenses and profit. For CEP, the LOT is that of the constructed sale from the exporter to the affiliated importer. *See* 19 CFR 351.412(c)(ii). *See also* *Micron Technology, Inc. v. United States*, 243 F.3d 1301, 1314 (Fed. Cir. 2001).

Where it is not possible to make comparisons at the same LOT, the statute permits the Department to account for the different levels. *See* section 773(a)(7)(A) of the Act. Specifically, if the comparison market sales are made at multiple LOTs, and the difference in LOTs affects price comparability, as manifested in a pattern of consistent price differences between the sales on which NV is based and comparison market sales at the LOT of the export transaction, the Department makes an upward or downward LOT adjustment in accordance with section 773(a)(7)(A) of the Act. *See Notice of Preliminary Determination of Sales at Less Than Fair Value: Light-Walled Rectangular Pipe and Tube From Mexico*, 73 FR 5515, 5522 (January 30, 2008) ("LWR

*Pipe from Mexico*”). Alternatively, for CEP sales, if the NV LOT is at a more advanced stage of distribution than the LOT of the CEP, but the data available do not provide an appropriate basis to determine a LOT adjustment, we reduce NV by the amount of indirect selling expenses incurred in the foreign comparison market on sales of the foreign like product, but by no more than the amount of the indirect selling expenses incurred for CEP sales. See section 773(a)(7)(B) of the Act (the CEP offset provision) and *LWR Pipe from Mexico*, 73 FR at 5522.

To determine whether sales are made at different LOTs, we examine stages in the marketing process and selling functions along the chain of distribution between the producer and the unaffiliated customer. See, e.g., *Notice of Preliminary Determination of Sales at Not Less Than Fair Value: Polyethylene Terephthalate Film, Sheet, and Strip from Thailand*, 73 FR 24565 (May 5, 2008); and *LWR Pipe from Mexico*, unchanged in *Notice of Final Determination of Sales at Less Than Fair Value: Light-Walled Rectangular Pipe and Tube from Mexico*, 73 FR 35649 (June 24, 2008). In particular, we analyze whether different selling activities are performed, and whether any price differences (other than those for which other allowances are made under the Act) are shown to be wholly or partly due to a difference in LOT between the CEP and NV. In analyzing differences in selling functions, we determine whether the LOTs identified by the respondent are meaningful. See *Antidumping Duties; Countervailing Duties*, 62 FR at 27371. If the claimed LOTs are the same, we expect that the functions and activities of the seller should be similar. Conversely, if a party claims that LOTs are different for different groups of sales, the functions and activities of the seller should be dissimilar. See *Porcelain-on-Steel Cookware From Mexico: Final Results of Antidumping Duty Administrative Review*, 65 FR 30068 (May 10, 2000), and accompanying Issues and Decision Memorandum at Comment 6.

#### (A) SeAH

SeAH reported two channels of distribution in the comparison market, Korea: (1) Direct sales to unaffiliated end-users and distributors; and (2) sales to affiliated companies. In the U.S. market, SeAH reported one LOT and one channel of distribution for the CEP sales made through its affiliated company in the United States, PPA. SeAH stated that its U.S. sales were made at a different, less advanced LOT than its comparison market sales. SeAH

is not seeking a LOT adjustment, however, because it had no comparison market sales that were at the same LOT as the U.S. CEP sales. Instead, it claims that a CEP offset is warranted. See SeAH A QR 21–22.

In evaluating SeAH’s claim, we examined its activities in each channel of distribution relating to four different types of selling functions: Sales process and marketing support; freight and delivery; inventory maintenance and warehousing; and warranty and technical services. Based on our analysis, we preliminarily determine that SeAH’s selling activities in the comparison market did not vary significantly by channel of distribution. See SeAH’s Section A Questionnaire Response at Exhibit A–16. Therefore, we preliminarily determine that SeAH sold at one LOT in the comparison market. We further determine preliminarily that SeAH sold at one LOT in the U.S. market.

We then compared the selling functions performed by SeAH for its U.S. sales to the selling functions performed for the single LOT in the comparison market. Record evidence indicates that SeAH undertakes significant activities in the comparison market related to the sales process and marketing support, as well as warehousing and warranty services that it does not undertake for its U.S. CEP sales. See SeAH Preliminary Sales Calculation Memo and SeAH A QR at Exhibit A–16. These differences in selling functions indicate that SeAH’s comparison market sales are made at a more advanced stage of distribution than its CEP sales. Consequently, we preliminarily determine that SeAH’s comparison market and CEP sales are at different LOTs.

#### (B) Husteel

Husteel reported one channel of distribution in its home market: Sales to unaffiliated customers that include distributors and end-users. In the U.S. market, Husteel reported one channel of distribution: Sales to unaffiliated customers made through its affiliated company in the United States, Husteel USA. Husteel stated that its U.S. sales were made at a different, less advanced LOT than its comparison market sales. Husteel is not seeking a LOT adjustment, however, because it had no comparison market sales that were at the same LOT as the U.S. CEP sales. Instead, it claims that a CEP offset is warranted. See Husteel A QR at A–15.

In evaluating Husteel’s claim, we examined its activities in each channel of distribution relating to four different types of selling functions: Sales process

and marketing support; freight and delivery; inventory maintenance and warehousing; and warranty and technical services. Based on our analysis, we preliminarily determine that Husteel’s selling activities in the comparison market did not vary significantly by channel of distribution. See Husteel November Supplemental Response at Exhibit A–22. Therefore, we preliminarily determine that Husteel sold at one LOT in the comparison market. We further determine preliminarily that Husteel sold at one LOT in the U.S. market.

We then compared the selling functions performed by Husteel for its U.S. sales to the selling functions performed for the single LOT in the comparison market. Record evidence indicates that Husteel undertakes significant activities in the comparison market related to the sales process and market research, procurement and sourcing services, as well as personnel training that it does not undertake for its U.S. CEP sales. See Memorandum from Alexander Montoro, International Trade Compliance Analyst, to the File, Re: Preliminary Results Calculation Memorandum, dated December 7, 2010 (“Husteel Preliminary Sales Calculation Memo”) and Husteel November Supplemental Response at Exhibit A–22. These differences in selling functions performed for comparison market and CEP transactions indicate that Husteel’s comparison market sales are made at a more advanced stage of distribution than its CEP sales. Consequently, we preliminarily determine that Husteel’s comparison market and CEP sales are at different LOTs.

#### (C) Nexteel

Nexteel reported one channel of distribution in the home market: Direct sales to unaffiliated end-users and distributors. In the U.S. market, Nexteel reported one LOT and two channels of distribution. See Nexteel Preliminary Sales Calculation Memo. Nexteel stated that its U.S. sales were made at the same LOT as its comparison market sales and is, therefore, not seeking a LOT adjustment. See Nexteel A QR at 11; see also Nexteel B&C QR at B–22 and A–16.

As discussed above, the Department will make a LOT adjustment in these circumstances when the information exists to do so. We have found different LOTs between the comparison market and the CEP sales for SeAH and Husteel. However, since there is only one LOT in the comparison market for both SeAH and Husteel, there is no basis upon which to determine whether there is a pattern of consistent price differences

between LOTs in the comparison market upon which to base a LOT adjustment to the CEP sales. Further, we do not have the information that would allow us to examine the price patterns of SeAH's and Husteel's sales of other similar products, and there is no other record evidence upon which a LOT adjustment could be based. Therefore, we have not made a LOT adjustment for either SeAH or Husteel.

Instead, in accordance with section 773(a)(7)(B) of the Act, we preliminarily determine that a CEP offset is appropriate for SeAH and Husteel to reflect that their comparison market sales are at a more advanced stage than the LOT of their respective CEP sales. We based the amount of the CEP offset on comparison market indirect selling expenses and limited the deduction to the amount of the indirect selling expenses deducted from CEP under section 772(d)(1)(D) of the Act. We applied the CEP offset to the NV–CEP comparisons. For a detailed discussion, see SeAH Preliminary Sales Calculation Memo; see also Husteel Preliminary Sales Calculation Memo.

#### Constructed Export Price

In accordance with section 772(b) of the Act, CEP is the price at which the subject merchandise is first sold (or agreed to be sold) in the United States before or after the date of importation by or for the account of the producer or exporter of such merchandise, or by a seller affiliated with the producer or exporter, to a purchaser not affiliated with the producer or exporter.

##### (A) SeAH

For purposes of this review, SeAH classified all of its export sales of CWP to the United States as CEP sales. During the POR, SeAH made sales in the United States through its U.S. affiliate, PPA, which then resold the merchandise to unaffiliated customers in the United States. The Department calculated CEP based on the packed, delivered prices to unaffiliated purchasers in the United States, net of early payment discounts and other discounts. We adjusted these prices for movement expenses, including foreign inland freight, international freight, marine insurance, foreign and U.S. brokerage and handling, and U.S. customs duties, in accordance with section 772(c)(2)(A) of the Act.

In accordance with section 772(d)(1) of the Act, we deducted from the starting price those selling expenses that were incurred in selling the subject merchandise in the United States, including imputed credit expenses, warranty expenses, and indirect selling

expenses. We also made an adjustment for profit in accordance with section 772(d)(3) of the Act. We used the expenses reported by SeAH in connection with its U.S. sales, with the exception of an adjustment to the indirect selling expense calculation. See SeAH Preliminary Sales Calculation Memo.

##### (B) Husteel

For purposes of this review, Husteel classified all of its export sales of CWP to the United States as CEP sales. During the POR, Husteel made sales in the United States through its U.S. affiliate, Husteel USA, which then resold the merchandise to unaffiliated customers in the United States. The Department calculated CEP based on the packed, delivered prices to unaffiliated purchasers in the United States. We adjusted these prices for movement expenses, including foreign inland freight, international freight, marine insurance, foreign and U.S. brokerage and handling, and U.S. customs duties, in accordance with section 772(c)(2)(A) of the Act.

In accordance with section 772(d)(1) of the Act, we deducted from the starting price those selling expenses that were incurred in selling the subject merchandise in the United States, including imputed credit expenses and indirect selling expenses. We also made an adjustment for profit in accordance with section 772(d)(3) of the Act. We used the expenses reported by Husteel in connection with its U.S. sales. See Husteel Preliminary Sales Calculation Memo.

#### Export Price

##### (C) Nexteel

Nexteel reported that it made U.S. sales only on an EP basis. For sales to the United States, the Department calculated EP in accordance with section 772(a) of the Act. Section 772(a) of the Act defines EP as the price at which the subject merchandise is first sold before the date of importation by the exporter or manufacturer outside the United States to an unaffiliated purchaser in the United States or to an unaffiliated purchaser for exportation to the United States. We calculated EP because the merchandise was sold by Nexteel to an unaffiliated purchaser for exportation to the United States prior to importation and CEP methodology was not otherwise warranted. Nexteel reported sales to the United States based upon three different types of sales terms: Free-on board; cost and freight; and cost, insurance and freight. The Department calculated EP based on

these reported prices to unaffiliated purchasers in the United States. Where appropriate, the Department made deductions, consistent with section 772(c)(2)(A) of the Act, for the following movement expenses: Foreign inland freight; foreign brokerage and handling; international freight; and marine insurance.

#### Normal Value

##### (A) Cost Averaging Methodology

The Department's normal practice is to calculate an annual weighted-average cost for the POR. See *Certain Pasta From Italy: Final Results of Antidumping Duty Administrative Review*, 65 FR 77852 (December 13, 2000), and accompanying Issues and Decision Memorandum at Comment 18, and *Notice of Final Results of Antidumping Duty Administrative Review: Carbon and Certain Alloy Steel Wire Rod from Canada*, 71 FR 3822 (January 24, 2006), and accompanying Issues and Decision Memorandum at Comment 5 (explaining the Department's practice of computing a single weighted-average cost for the entire period). However, we recognize that possible distortions may result if we use our normal annual-average cost method during a period of significant cost changes. In determining whether to deviate from our normal methodology of calculating an annual weighted-average cost, we evaluate the case-specific record evidence using two primary factors: (1) The change in the cost of manufacturing ("COM") recognized by the respondent during the POR must be deemed significant; (2) the record evidence must indicate that sales during the shorter averaging periods could be reasonably linked with the cost of production ("COP") or CV during the same shorter averaging periods. See *Stainless Steel Sheet and Strip in Coils From Mexico: Final Results of Antidumping Duty Administrative Review*, 75 FR 6627 (February 10, 2010) ("SSSS from Mexico"), and accompanying Issues and Decision Memorandum at Comment 6 and *Stainless Steel Plate in Coils From Belgium: Final Results of Antidumping Duty Administrative Review*, 73 FR 75398 (December 11, 2008) ("SSPC from Belgium"), and accompanying Issues and Decision Memorandum at Comment 4.

##### 1. Significance of Cost Changes

In prior cases, we established 25 percent as the threshold (between the high- and low-quarter COM) for determining that the changes in COM are significant enough to warrant a

departure from our standard annual-cost approach. *See SSPC from Belgium* and accompanying Issues and Decision Memorandum at Comment 4. In the instant case, record evidence shows that Husteel and SeAH experienced significant changes (*i.e.*, changes that exceeded 25 percent) between the high and low quarterly COM during the POR for the selected highest sales volume CWP products. This change in COM is attributable primarily to the price volatility for hot-rolled carbon steel coil used in the manufacture of CWP. We found that prices for hot-rolled carbon steel coil changed significantly throughout the POR and, as a result, directly affected the cost of the material inputs consumed by Husteel and SeAH. *See* Memorandum from James Balog to Neal M. Halper, Director of Office of Accounting, "Cost of Production and Constructed Value Calculation Adjustments for the Preliminary Results—Husteel Co., Ltd. ("Husteel Preliminary Cost Calculation Memo") dated December 7, 2010, and Memorandum from Kristin Case to Neal M. Halper, Director of Office of Accounting, "Cost of Production and Constructed Value Calculation Adjustments for the Preliminary Results—SeAH Steel Corporation," ("SeAH Preliminary Cost Calculation Memo") dated December 7, 2010.

## 2. Linkage Between Cost and Sales Information

Consistent with past precedent, because we found the changes in costs to be significant, we evaluated whether there is evidence of a linkage between the cost changes and the sales prices during the POR. *See, e.g., SSSS from Mexico* and accompanying Issues and Decision Memorandum at Comment 6 and *SSPC from Belgium* and accompanying Issues and Decision Memorandum at Comment 4. Absent a surcharge or other pricing mechanism, the Department may alternatively look for evidence of a clear pattern that changes in selling prices reasonably correlate to changes in unit costs. *See SSPC from Belgium* and accompanying Issues and Decision Memorandum at Comment 4. These correlative elements may be measured and defined in a number of ways depending on the associated industry and the overall production and sales processes. To determine whether a reasonable correlation existed between the sales prices and their underlying costs during the POR, for SeAH and Husteel, we compared weighted-average quarterly prices to the corresponding quarterly COM for the five control numbers with the highest volume of sales in the

comparison market and the United States. Our comparison reveals that sales and costs for a majority of the sample CONNUMs showed reasonable correlation. After reviewing this information and determining that changes in selling prices reasonably correlate to changes in unit costs, we preliminarily determine that there is linkage between Husteel's and SeAH's costs and sales prices during the POR. *See* Husteel Preliminary Cost Calculation Memo. *See also* SeAH Preliminary Cost Calculation Memo. *See, e.g., SSSS from Mexico* and accompanying Issues and Decision Memorandum at Comment 6 and *SSPC from Belgium* and accompanying Issues and Decision Memorandum at Comment 4.

Because we have found significant cost changes in COM as well as reasonable linkage between costs and sales prices, we have preliminarily determined that a quarterly costing approach leads to more appropriate comparisons in our antidumping duty calculations for Husteel and SeAH.

### (B) Selection of Comparison Market

To determine whether there was a sufficient volume of sales in the comparison market, Korea, to serve as a viable basis for calculating NV, we compared Husteel's, Nexteel's, and SeAH's home market sales volumes of the foreign like product to their U.S. sales volumes of the subject merchandise, in accordance with section 773(a)(1) of the Act. For each company, the aggregate home market sales volumes of the foreign like product were greater than five percent of their aggregate U.S. sales volumes of the subject merchandise. Therefore, we determine that the home market was viable for comparison purposes for Husteel, Nexteel, and SeAH.

### (C) Affiliated Party Transactions and Arm's-Length Test

Husteel reported that it did not sell any subject merchandise to affiliated parties during the POR.

SeAH and Nexteel reported sales of the foreign like product to affiliated and unaffiliated customers in the comparison market. The Department calculates NV based on a sale to an affiliated party only if it is satisfied that the price to the affiliated party is comparable to the price at which sales are made to parties not affiliated with the producer or exporter, *i.e.*, sales at "arm's length." *See* 19 CFR 351.403(c). To test whether the sales to affiliates were made at arm's-length prices, we compared on a model-specific basis, the starting prices of sales to affiliated and

unaffiliated customers net of all movement charges, direct selling expenses, and packing. In accordance with the Department's current practice, if the prices charged to an affiliated party were, on average, between 98 and 102 percent of the prices charged to unaffiliated parties for merchandise identical or most similar to that sold to the affiliated party, we considered the sales to be at arm's-length prices and included such sales in the calculation of NV. *See* 19 CFR 351.403(c). Conversely, where sales to the affiliated party did not pass the arm's-length test, all sales to that affiliated party were excluded from the NV calculation. *See Antidumping Proceedings: Affiliated Party Sales in the Ordinary Course of Trade*, 67 FR 69186, 69194 (November 15, 2002).

### (D) Cost of Production Analysis

#### SeAH

The Department disregarded sales made below the COP in the last completed review in which SeAH participated. *See CWP from Korea 2007–2008*. Thus, in accordance with section 773(b)(2)(A)(ii) of the Act, there are reasonable grounds to believe or suspect that SeAH made sales of the subject merchandise in its comparison market at prices below the COP in the current review period. Pursuant to section 773(b)(1) of the Act, we initiated a COP investigation of sales by SeAH.

#### Husteel

The Department disregarded sales made below the COP in the last completed review in which Husteel participated. *See Circular Welded Non-Alloy Steel Pipe From the Republic of Korea: Final Results of Antidumping Duty Administrative Review*, 69 FR 32492 (June 10, 2004). Thus, in accordance with section 773(b)(2)(A)(ii) of the Act, there are reasonable grounds to believe or suspect that Husteel made sales of the subject merchandise in its comparison market at prices below the COP in the current review period. Pursuant to section 773(b)(1) of the Act, we initiated a COP investigation of sales by Husteel.

#### Nexteel

No COP investigation was conducted for Nexteel.

### 1. Calculation of Cost of Production

Before making any comparisons to NV, we conducted a COP analysis of SeAH and Husteel, pursuant to section 773(b) of the Act, to determine whether SeAH's and Husteel's comparison market sales were made at prices below the COP, by quarter. We compared sales



of the foreign like product in the home market with model-specific COP figures. In accordance with section 773(b)(3) of the Act, we calculated COP based on the sum of the costs of materials and fabrication employed in producing the foreign like product, plus SG&A expenses, financial expenses and all costs and expenses incidental to placing the foreign like product in packed condition and ready for shipment.

#### SeAH

We relied on home market sales and COP information provided by SeAH in its questionnaire responses, except where noted below:

During the POR, SeAH purchased carbon steel hot-rolled coil inputs from a home market affiliated company, Pohang Iron and Steel Company ("POSCO"). Carbon steel hot-rolled coil is considered a major input to the production of CWP. Section 773(f)(3) of the Act (the major input rule) states:

If, in the case of a transaction between affiliated persons involving the production by one of such persons of a major input to the merchandise, the administering authority has reasonable grounds to believe or suspect that an amount represented as the value of such input is less than the cost of production of such input, then the administering authority may determine the value of the major input on the basis of the information available regarding such cost of production, if such cost is greater than the amount that would be determined for such input under paragraph (2).

Paragraph 2 of section 773(f) of the Act (transactions disregarded) states:

A transaction directly or indirectly between affiliated persons may be disregarded if, in the case of any element of value required to be considered, the amount representing that element does not fairly reflect the amount usually reflected in sales of merchandise under consideration in the market under consideration. If a transaction is disregarded under the preceding sentence and no other transactions are available for consideration, the determination of the amount shall be based on the information available as to what the amount would have been if the transaction had occurred between persons who are not affiliated.

In accordance with the major input rule, and as stated in the *Stainless Steel Sheet and Strip in Coils From Mexico: Preliminary Results of Antidumping Duty Administrative Review*, 73 FR at 45714 (August 8, 2008), unchanged in *Stainless Steel Sheet and Strip in Coils from Mexico: Final Results of Antidumping Duty Administrative Review*, 74 FR 6365 (February 9, 2009), it is the Department's normal practice to use all three elements of the major input rule (i.e., transfer price, COP, and market price) where available. In

accordance with section 773(f)(3) of the Act (the major input rule), we evaluated transactions between SeAH and its affiliate using the transfer price, COP, and market price of carbon steel hot-rolled coil. For the preliminary results, we adjusted SeAH's reported costs to reflect the highest of these three values for SeAH's purchases of hot-rolled coil from POSCO. Because we have determined that shorter cost periods are appropriate for the COP analysis, we have applied the major input rule analysis and calculated the related adjustments on a quarterly basis.

We adjusted the cost of goods sold denominator used in the general and administrative expense ratio to reflect our major input adjustment. We also adjusted the cost of goods sold denominator used in the financial expense ratio to reflect our major input adjustment. See SeAH Preliminary Cost Calculation Memo.

We did not include local home market sales that were paid on a local letter of credit basis, as SeAH knew these sales were destined for export. See SeAH Preliminary Cost Calculation Memo.

#### Husteel

In our sales-below-cost analysis, we relied on home market sales and COP information provided by Husteel in its questionnaire responses, except that we adjusted the general and administrative expense ratio to exclude the offset for commission income. See Husteel Preliminary Cost Calculation Memo.

#### 1. Test of Comparison Market Sales Prices

In determining whether to disregard SeAH's and Husteel's home market sales made at prices below the COP, we examined, in accordance with sections 773(b)(1)(A) and (B) of the Act, whether, within an extended period of time, such sales were made in substantial quantities, and 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. As noted in section 773(b)(2)(D) of the Act, prices are considered to provide for recovery of costs if such prices are above the weighted average per-unit COP for the period of investigation or review. We determined the net comparison market prices for the below-cost test by subtracting from the gross unit price any applicable movement charges, discounts, direct and indirect selling expenses, and packing expenses. See SeAH Preliminary Sales Calculation Memo; see also Husteel Preliminary Sales Calculation Memo.

As discussed above, we have relied on a quarterly costing approach in this review. Similar to that used by the Department in cases of high-inflation (see, e.g., *Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon-Quality Steel Plate Products from Indonesia*, 64 FR 73164 (December 29, 1999), and accompanying Issues and Decision Memorandum at Comment 1), this methodology restates the quarterly costs on a year-end equivalent basis, calculates an annual weighted-average cost for the POR and then restates it to each respective quarter. We find that this alternative cost calculation method meets the requirements of section 773(b)(2)(D) of the Act.

#### 2. Results of the COP Test

Pursuant to section 773(b)(2)(C)(i) of the Act, where less than 20 percent of sales of a given product were at prices less than the COP, we did not disregard any below-cost sales of that product because we determined that the below-cost sales were not made in "substantial quantities." Where 20 percent or more of a respondent's sales of a given product were at prices less than the COP we disregarded 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 indexed 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.

Our cost tests for Husteel and SeAH revealed that, for home market sales of certain models, less than 20 percent of the sales of those models were made at prices below the COP. Therefore, we retained all such sales in our analysis and included them in determining NV. Our cost test for SeAH and Husteel also indicated that for home market sales of other models, more than 20 percent were sold at prices below the COP within an extended period of time and were at prices which would not permit the recovery of all costs within a reasonable period of time. Thus, in accordance with section 773(b)(1) of the Act, we excluded these below-cost sales from our analysis and used the remaining above-cost sales to determine NV. See SeAH Preliminary Sales Calculation Memo; see also Husteel Preliminary Sales Calculation Memo.

#### (E) Constructed Value

In accordance with section 773(e) of the Act, we calculated CV for SeAH and



Husteel based on the sum of their respective material and fabrication costs, SG&A expenses, profit, and U.S. packing costs. We calculated the COP component of CV as described above in the "Cost of Production Analysis" section of this notice. In accordance with section 773(e)(2)(A) of the Act, we based SG&A expenses and profit on the amounts incurred and realized by each respondent in connection with the production and sale of the foreign like product in the ordinary course of trade, for consumption in the foreign country.

#### (F) Calculation of Normal Value Based on Comparison Market Prices

We calculated NV based on packed prices to unaffiliated customers in Korea. For Nexteel and Husteel, we adjusted these prices for early payment discounts. We adjusted the starting price for all respondents, less any discounts, by deducting foreign inland freight and warehousing (Nexteel only), pursuant to section 773(a)(6)(B)(ii) of the Act. We made adjustments for differences in packing, in accordance with sections 773(a)(6)(A) and 773(a)(6)(B)(i) of the Act, and in circumstances of sale (for imputed credit expenses), under section 773(a)(6)(c)(iii) of the Act and 19 CFR 315.410.

When comparing U.S. sales with comparison market sales of similar, but not identical, merchandise, we also made adjustments for physical differences in the merchandise in accordance with section 773(a)(6)(C)(ii) of the Act and 19 CFR 351.411. We based this adjustment on the difference in the variable cost of manufacturing for the foreign like product and subject merchandise. See 19 CFR 351.411(b).

#### (G) Price-to-CV Comparison

Where we were unable to find a home market match of such or similar merchandise, in accordance with section 773(a)(4) of the Act, we based NV on CV. Where appropriate, we made adjustments to CV in accordance with section 773(a)(8) of the Act.

#### Currency Conversion

Pursuant to 19 CFR 351.415 and section 773A of the Act, we made currency conversions based on the exchange rates in effect on the date of the U.S. sale, as certified by the Federal Reserve Bank. See Import Administration website at: <http://ia.ita.doc.gov/exchange/index.html>.

#### Preliminary Results of the Review

We preliminarily determine that a weighted-average dumping margin exists for the respondents for the period

November 1, 2008, through October 31, 2009. Respondents other than mandatory respondents will receive the weighted-average of the margins calculated for those companies selected for individual review (*i.e.*, mandatory respondents), excluding *de minimis* margins or margins based entirely on adverse facts available.

Manufacturer/Exporter	Weighted-average margin percent
SeAH Steel Corporation .....	6.24
Husteel Co., Ltd .....	2.15
Nexteel Co., Ltd .....	12.30
Hyundai HYSCO .....	*
Kumkang Industrial Co., Ltd .....	8.88
A-JU Besteel Co., Ltd .....	8.88

\* No shipments or sales subject to this review. The firm has an individual rate from the last segment of the proceeding in which the firm had shipments or sales.

#### Public Comment

The Department will disclose calculations performed within five days of the date of publication of this notice to the parties to this proceeding in accordance with 19 CFR 351.224(b). Any interested party may request a hearing within 30 days of the publication of this notice in the **Federal Register**. See 19 CFR 351.310. If a hearing is requested, the Department will notify interested parties of the hearing schedule. Issues raised in the hearing will be limited to those raised in the case briefs.

Interested parties are invited to comment on the preliminary results of this review. The Department will consider case briefs filed by interested parties within 30 days after the date of publication of this notice in the **Federal Register**. See 19 CFR 351.309(c). Interested parties may file rebuttal briefs, limited to issues raised in the case briefs. See 19 CFR 351.309(d). The Department will consider rebuttal briefs filed not later than five days after the time limit for filing case briefs. Parties submitting arguments in this proceeding are requested to submit with the argument: (1) A statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities, in accordance with 19 CFR 351.309(d)(2). Further, parties submitting case and/or rebuttal briefs are requested to provide the Department with an additional electronic copy of the public version of any such comments on a computer diskette. Case and rebuttal briefs must be served on interested parties in accordance with 19 CFR 351.303(f).

The Department will issue the final results of this administrative review, which will include the results of its

analysis of issues raised in any such comments, or at a hearing, if requested, within 120 days of publication of these preliminary results, unless extended. See section 751(a)(3)(A) of the Act, and 19 CFR 351.213(h).

#### Assessment Rates

The Department shall determine, and CBP shall assess, antidumping duties on all appropriate entries, in accordance with 19 CFR 351.212(b)(1). The Department will issue appropriate appraisement instructions for the companies subject to this review directly to CBP 15 days after the date of publication of the final results of this review.

For SeAH and Husteel, we will calculate importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of antidumping duties calculated for the examined sales to the total entered value of the sales, as reported by SeAH and Husteel. See 19 CFR 351.212(b)(1).

Nexteel reported the importer of record for certain of its U.S. sales. Pursuant to 19 CFR 351.212(b)(1), for all sales where Nexteel reported the importer of record, Nexteel submitted the reported entered value of the U.S. sales and the Department has calculated importer-specific assessment rates based on the ratio of the total amount of antidumping duties calculated for the examined sales to the total entered value of those sales. For certain U.S. sales Nexteel did not report the importer or the entered value. For purposes of calculating importer-specific assessment rates, we considered Nexteel's U.S. customer to be the importer of record when the importer was unknown, and we calculated entered value as U.S. price net of international movement expenses.

The Department has calculated importer-specific per-unit duty assessment rates for the merchandise in question by aggregating the dumping margins calculated for all U.S. sales to each importer and dividing this amount by the total quantity of those sales. To determine whether the duty assessment rates were *de minimis*, in accordance with the requirement set forth in 19 CFR 351.106(c)(2), the Department calculated importer-specific *ad valorem* ratios based on the estimated entered value.

For the companies that were not selected for individual review, we calculated an assessment rate based on the weighted-average of the cash deposit rates calculated for companies selected for individual review, where those rates were not *de minimis* or based on adverse facts available, in accordance with Department practice.

Pursuant to 19 CFR 351.106(c)(2), we will instruct CBP to liquidate without regard to antidumping duties any entries for which the assessment rate is *de minimis* (i.e., less than 0.50 percent).

The Department clarified its “automatic assessment” regulation on May 6, 2003, in its *Assessment Policy Notice*. This clarification will apply to entries of subject merchandise during the POR produced by SeAH, Husteel, Nexteel, and Hyundai HYSCO for which these companies did not know that their merchandise was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediary involved in the transaction. See *Assessment Policy Notice* for a full discussion of this clarification.

#### Cash Deposit Requirements

The following deposit rates will be effective upon publication of the final results of this administrative review for all shipments of CWP from Korea entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) The cash deposit rates for the companies listed above will be the rates established in the final results of this review, except if the rate is less than 0.5 percent and, therefore, *de minimis*, the cash deposit 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 final results in which that manufacturer or exporter participated; (3) if the exporter is not a firm covered in this review, a prior review, or the original less-than-fair-value (“LTFV”) investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent final results for the manufacturer of the merchandise; and (4) if neither the exporter nor the manufacturer is a firm covered in this or any previous review conducted by the Department, the cash deposit rate will be 4.80 percent, the “all others” rate established in the LTFV investigation. See *CWP Order*. These cash deposit requirements, when imposed, shall remain in effect until further notice.

#### Notification to Importers

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) 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.

#### Notification to Interested Parties

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

These preliminary results of review are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: December 7, 2010.

**Paul Piquado,**

*Acting Deputy Assistant Secretary for Import Administration.*

[FR Doc. 2010–31368 Filed 12–13–10; 8:45 am]

**BILLING CODE 3510–DS–P**

### CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

#### Proposed Information Collection; Comment Request

**AGENCY:** Corporation for National and Community Service.

**ACTION:** Notice.

**SUMMARY:** The Corporation for National and Community Service (hereinafter the “Corporation”), as part of its continuing effort to reduce paperwork and respondent burden, conducts a pre-clearance consultation program to provide the general public and federal agencies with an opportunity to comment on proposed and/or continuing collections of information in accordance with the Paperwork Reduction Act of 1995 (PRA95) (44 U.S.C. 3506(c)(2)(A)). This program helps to ensure that requested data can be provided in the desired format, reporting burden (time and financial resources) is minimized, collection instruments are clearly understood, and the impact of collection requirement on respondents can be properly assessed.

Currently, the Corporation is soliciting comments concerning its proposed renewal of its Senior Corps Grant Application (424–NSSC)—reference OMB Control Number 3045–0035, with an expiration date of May 31, 2011. The Corporation proposes to

renew the Senior Corps Grant Application with one modification:

The Corporation will ask applicants to include an Executive Summary at the beginning of Part III: Project Narratives.

Copies of the information collection request can be obtained by contacting the office listed in the addresses section of this Notice.

**DATES:** Written comments must be submitted to the individual and office listed in the **ADDRESSES** section by February 14, 2011.

**ADDRESSES:** You may submit comments, identified by the title of the information collection activity, by any of the following methods:

(1) By mail sent to: Corporation for National and Community Service, Senior Corps, Attention: Mr. Zach Rhein, Program Officer, Room 9408A; 1201 New York Avenue, NW., Washington, DC 20525.

(2) By hand delivery or by courier to the Corporation’s mailroom at Room 8100 at the mail address given in paragraph (1) above, between 9 a.m. and 4 p.m. Monday through Friday, except Federal holidays.

(3) By fax to: (202) 606–3475, Attention: Mr. Zach Rhein, Program Officer.

(4) Electronically through [www.regulations.gov](http://www.regulations.gov). Individuals who use a telecommunications device for the deaf (TTY–TDD) may call (202) 606–3472 between 8:30 a.m. and 5 p.m. Eastern Time, Monday through Friday.

**FOR FURTHER INFORMATION CONTACT:** Zach Rhein by e-mail at [zrhein@cns.gov](mailto:zrhein@cns.gov).

**SUPPLEMENTARY INFORMATION:** The Corporation is particularly interested in comments that:

- Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the Corporation, including whether the information will have practical utility;

- Evaluate the accuracy of the agency’s estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

- Enhance the quality, utility, and clarity of the information to be collected; and

- Minimize the burden of the collection of information on those who are expected to respond, including the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology (e.g., permitting electronic submissions of responses).