

changed circumstances review of the antidumping duty order on ARG Windshields from the PRC to determine whether Shenzhen CSG is the successor-in-interest to Shenzhun Benxun for purposes of determining antidumping liabilities. *See Notice of Initiation*. On March 17, 2004, the Department issued a successorship questionnaire to Shenzhun Benxun. Shenzhun Benxun submitted its response to the Department's successorship questionnaire on April 6, 2004 ("Shenzhen Benxun's Response"). On June 7, 2003, the Department published its preliminary results of review and preliminarily determined that Shenzhen CSG is the successor-in-interest to Shenzhun Benxun, for purposes of determining antidumping duty liability in this proceeding. *See Preliminary Results*. The Department did not receive any comments regarding its preliminary results of review.

### Scope of the Review

The products covered by this review are ARG windshields, and parts thereof, whether clear or tinted, whether coated or not, and whether or not they include antennas, ceramics, mirror buttons or VIN notches, and whether or not they are encapsulated. ARG windshields are laminated safety glass (*i.e.*, two layers of (typically float) glass with a sheet of clear or tinted plastic in between (usually polyvinyl butyral)), which are produced and sold for use by automotive glass installation shops to replace windshields in automotive vehicles (*e.g.*, passenger cars, light trucks, vans, sport utility vehicles, *etc.*) that are cracked, broken or otherwise damaged.

ARG windshields subject to this review are currently classifiable under subheading 7007.21.10.10 of the Harmonized Tariff Schedules of the United States (HTSUS). Specifically excluded from the scope of this investigation are laminated automotive windshields sold for use in original assembly of vehicles. While HTSUS subheadings are provided for convenience and Customs purposes, our written description of the scope of this review is dispositive.

### Final Results of the Changed Circumstances Review

In its *Preliminary Results*, the Department preliminarily determined that Shenzhen CSG should be given the same antidumping duty treatment as Shenzhun Benxun. The Department did not receive any comments from interested parties. Therefore, the Department has determined that Shenzhen CSG is the successor-in-

interest to Shenzhen Benxun. Consequently, we have determined that Shenzhen CSG will receive the same antidumping duty cash deposit rate as Shenzhen Benxun.

### Instructions to the Customs Service

The cash deposit determination from this changed circumstances review will apply to all entries of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this changed circumstances review. *See Notice of Final Results of Antidumping Duty Changed Circumstances Review: Pressure Sensitive Plastic Tape From Italy* 69 FR 15297, 15298 (March 25, 2004), *see also*, *Certain Hot-Rolled Lead and Bismuth Carbon Steel Products From the United Kingdom: Final Results of Changed-Circumstances Antidumping and Countervailing Duty Administrative Reviews* 64 FR 66880, 66881 (November 30, 1999). This deposit rate shall remain in effect until publication of the final results of the next administrative review in which Shenzhen CSG participates.

### Notification

This notice also serves as a reminder to parties subject to administrative protective orders (APOs) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with section 351.306 of the Department's regulations. Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation. This notice is in accordance with sections 751(b) and 777(i)(1) of the Tariff Act of 1930, as amended, and section 351.221(c)(3)(i) of the Department's regulations.

Dated: July 14, 2004.

**James J. Jochum,**

*Assistant Secretary for Import Administration.*

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## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-122-840]

### Notice of Preliminary Results of Antidumping Duty Administrative Review: Carbon and Certain Alloy Steel Wire Rod From Canada

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

**SUMMARY:** The Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on carbon and certain alloy steel wire rod from Canada. We preliminarily determine that sales of subject merchandise by Ivaco Inc. (Ivaco) have been made below normal value (NV). 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 appropriate entries based on the difference between the export price (EP) and the NV.

Interested parties are invited to comment on these preliminary results. We will issue the final results no later than 120 days from the publication of this notice.

**DATES:** Effective July 20, 2004.

**FOR FURTHER INFORMATION CONTACT:** Daniel O'Brien or Constance Handley, at (202) 482-5346 or (202) 482-0631, respectively; AD/CVD Enforcement Office 1, Group 1, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street & Constitution Avenue, NW., Washington, DC 20230.

### SUPPLEMENTARY INFORMATION:

#### Background

On October 29, 2002, the Department published an antidumping duty order on carbon and certain alloy steel wire rod from Canada. *See Notice of Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order: Carbon and Certain Alloy Steel Wire Rod From Canada*, 67 FR 65944 (October 29, 2002). On October 1, 2003, the Department issued a notice of opportunity to request the first administrative review of this order. *See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 68 FR 56618 (October 1, 2003). On October 31, 2003, in accordance with 19 CFR 351.213(b), Ivaco requested an administrative review. On October 31, 2003, also in accordance with 19 CFR 351.213(b), the

petitioners<sup>1</sup> requested an administrative review of Ivaco. On November 18, 2003, the Department published the notice of initiation of this antidumping duty administrative review, covering the period April 10, 2002, through September 30, 2003 (the POR). See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 68 FR 66799, November 28, 2003.

On December 9, 2003, the Department issued its antidumping questionnaire to Ivaco, specifying that the responses to Section A and Sections B–E would be due on December 30, 2003, and January 15, 2004, respectively.<sup>2</sup> We received timely responses to Sections A–E of the initial antidumping questionnaire and associated supplemental questionnaires. In accordance with section 773(b)(2)(A)(ii) of the Tariff Act of 1930, as amended (“the Act”), since the Department determined in the original investigation that Ivaco made home-market sales below cost, we found that there were reasonable grounds to believe or suspect that Ivaco made sales below cost in this review.

### Scope of the Review

The merchandise covered by this order is certain hot-rolled products of carbon steel and alloy steel, in coils, of approximately round cross section, 5.00 mm or more, but less than 19.00 mm, in solid cross-sectional diameter.

Specifically excluded are steel products possessing the above-noted physical characteristics and meeting the *Harmonized Tariff Schedule of the United States* (HTSUS) definitions for (a) stainless steel; (b) tool steel; (c) high nickel steel; (d) ball bearing steel; and (e) concrete reinforcing bars and rods. Also excluded are (f) free machining steel products (*i.e.*, products that contain by weight one or more of the following elements: 0.03 percent or more of lead, 0.05 percent or more of bismuth, 0.08 percent or more of sulfur, more than 0.04 percent of phosphorus,

more than 0.05 percent of selenium, or more than 0.01 percent of tellurium).

Also excluded from the scope are 1080 grade tire cord quality wire rod and 1080 grade tire bead quality wire rod. This grade 1080 tire cord quality rod is defined as: (i) Grade 1080 tire cord quality wire rod measuring 5.0 mm or more but not more than 6.0 mm in cross-sectional diameter; (ii) with an average partial decarburization of no more than 70 microns in depth (maximum individual 200 microns); (iii) “having no non-deformable inclusions greater than 20 microns and no deformable inclusions greater than 35 microns; (iv) having a carbon segregation per heat average of 3.0 or better using European Method NFA 04–114; (v) having a surface quality with no surface defects of a length greater than 0.15 mm; (vi) capable of being drawn to a diameter of 0.30 mm or less with 3 or fewer breaks per ton, and (vii) containing by weight the following elements in the proportions shown: (1) 0.78 percent or more of carbon, (2) less than 0.01 percent of aluminum, (3) 0.040 percent or less, in the aggregate, of phosphorus and sulfur, (4) 0.006 percent or less of nitrogen, and (5) not more than 0.15 percent, in the aggregate, of copper, nickel and chromium.

This grade 1080 tire bead quality rod is defined as: (i) Grade 1080 tire bead quality wire rod measuring 5.5 mm or more but not more than 7.0 mm in cross-sectional diameter; (ii) with an average partial decarburization of no more than 70 microns in depth (maximum individual 200 microns); (iii) “having no non-deformable inclusions greater than 20 microns and no deformable inclusions greater than 35 microns; (iv) having a carbon segregation per heat average of 3.0 or better using European Method NFA 04–114; (v) having a surface quality with no surface defects of a length greater than 0.2 mm; (vi) capable of being drawn to a diameter of 0.78 mm or larger with 0.5 or fewer breaks per ton; and (vii) containing by weight the following elements in the proportions shown: (1) 0.78 percent or more of carbon, (2) less than 0.01 percent of soluble aluminum, (3) 0.040 percent or less, in the aggregate, of phosphorus and sulfur, (4) 0.008 percent or less of nitrogen, and (5) either not more than 0.15 percent, in the aggregate, of copper, nickel and chromium (if chromium is not specified), or not more than 0.10 percent in the aggregate of copper and nickel and a chromium content of 0.24 to 0.30 percent (if chromium is specified).

For purposes of the grade 1080 tire cord quality wire rod and the grade 1080 tire bead quality wire rod, an

inclusion will be considered to be deformable if its ratio of length (measured along the axis—that is, the direction of rolling—of the rod) over thickness (measured on the same inclusion in a direction perpendicular to the axis of the rod) is equal to or greater than three. The size of an inclusion for purposes of the 20 microns and 35 microns limitations is the measurement of the largest dimension observed on a longitudinal section measured in a direction perpendicular to the axis of the rod. This measurement methodology applies only to inclusions on certain grade 1080 tire cord quality wire rod and certain grade 1080 tire bead quality wire rod that are entered, or withdrawn from warehouse, for consumption on or after July 24, 2003.

The designation of the products as “tire cord quality” or “tire bead quality” indicates the acceptability of the product for use in the production of tire cord, tire bead, or wire for use in other rubber reinforcement applications such as hose wire. These quality designations are presumed to indicate that these products are being used in tire cord, tire bead, and other rubber reinforcement applications, and such merchandise intended for the tire cord, tire bead, or other rubber reinforcement applications is not included in the scope. However, should petitioners or other interested parties provide a reasonable basis to believe or suspect that there exists a pattern of importation of such products for other than those applications, end-use certification for the importation of such products may be required. Under such circumstances, only the importers of record would normally be required to certify the end use of the imported merchandise.

All products meeting the physical description of subject merchandise that are not specifically excluded are included in this scope. The products under review are currently classifiable under subheadings 7213.91.3000, 7213.91.3011, 7213.91.3091, 7213.91.4500, 7213.91.6000, 7213.99.0030, 7213.99.0090, 7227.20.0000, and 7227.90.6050 of the HTSUS. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this proceeding is dispositive.

To determine whether sales of steel wire rod from Canada were made in the United States at less than fair value, we compared the export price (EP) and the constructed export price (CEP) to the normal value (NV), as described in the *Export Price and Constructed Export Price* and *Normal Value* sections of this notice. In accordance with section

<sup>1</sup> The petitioners in this case are Gerdau Ameristeel U.S. Inc., Georgetown Steel Company, Keystone Consolidated Industries, Inc., and North Star Steel Texas, Inc.

<sup>2</sup> Section A of the questionnaire requests general information concerning a company's corporate structure and business practices, the merchandise under review that it sells, and the manner in which it sells that merchandise in all of its markets. Section B requests a complete listing of all home market sales, or, if the home market is not viable, of sales in the most appropriate third-country market (this section is not applicable to respondents in non-market economy cases). Section C requests a complete listing of U.S. sales. Section D requests information on the cost of production of the foreign like product and the constructed value of the merchandise under review. Section E requests information on further manufacturing.

777A(d)(1)(A)(i) of the Act, we calculated weighted-average EPs and CEPs. We compared these to weighted-average home market prices or CVs, as appropriate, in Canada.

#### Export Price and Constructed Export Price

For the price to the United States, we used, as appropriate, EP or CEP, as defined in sections 772(a) and 772(b) of the Act, respectively. 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 producer or exporter outside of the United States to an unaffiliated purchaser in the United States or to an unaffiliated purchaser for exportation to the United States, as adjusted under subsection 772(c) of the Act.

Section 772(b) of the Act defines CEP as the price at which the subject merchandise is first sold in the United States before or after the date of importation by or for the account of the producer or exporter of such merchandise or by a seller affiliated with the producer or exporter, to a purchaser not affiliated with the producer or exporter, as adjusted under subsections 772(c) and (d) of the Act.

During the POR, Ivaco made both EP and CEP sales. We calculated an EP for sales where the merchandise was sold directly by Ivaco to the first unaffiliated purchaser in the United States prior to importation, and CEP was not otherwise warranted based on the facts on the record. We calculated a CEP for sales made by Ivaco Rolling Mills (IRM) and by Ivaco's two affiliated U.S. further processors after the importation of the subject merchandise into the United States. For EP sales, we made additions to the starting price (gross unit price), where appropriate, for freight revenue (reimbursement for freight charges paid by Ivaco) and for billing errors (debit-note price adjustments made by Ivaco), and deductions, where appropriate, for billing adjustments (including credit-note price adjustments made by Ivaco), early payment discounts and rebates, and movement expenses in accordance with section 772(c)(2)(A) of the Act. Movement expenses included inland freight, warehousing expenses, brokerage fees, U.S. customs duty, and U.S. merchandise processing fees.

For CEP sales, we made the same adjustments to the starting price as for the EP transactions described above. In accordance with sections 772(d) of the Act, we also made deductions, where appropriate, for direct and indirect selling expenses, further manufacturing costs, and CEP profit. Included in the indirect selling expenses we deducted

those expenses Ivaco and IRM incurred in Canada which were associated with economic activities in the United States; *i.e.*, expenses incurred arranging transportation to unaffiliated U.S.

customers, evaluating orders from such customers, and issuing invoices for CEP sales, and so forth. The preamble to *Antidumping Duties; Countervailing Duties; Final Rule*, 62 FR 27296, 27351 (May 19, 1997) (Preamble), states that the Department will deduct all CEP expenses related to the first sale to an unaffiliated U.S. customer “\* \* \* even if, for example, the foreign parent of the affiliated U.S. importer pays those expenses.” *See also the Statement of Administrative Action (SAA)* accompanying the Uruguay Round Agreements Act (URAA), H. Doc. 103–316, Vol. I (1994), at 823. The U.S. Court of International Trade has upheld such deductions. *See Mitsubishi Heavy Industry Ltd. v. United States*, 54 F. Supp. 2d 1183 (Ct. Int'l Trade 1999).

In accordance with section 772(c)(2) of the Act, we made deductions from the starting price for movement expenses and export taxes and duties, where appropriate. Section 772(d)(1) of the Act provides for additional adjustments to calculate CEP. Accordingly, where appropriate, we deducted direct and indirect selling expenses related to economic activity in the United States. Pursuant to section 772(d)(3) of the Act, where applicable, we made an adjustment for CEP profit.

#### Normal Value

##### A. Selection of Comparison Markets

Section 773(a)(1) of the Act directs that NV be based on the price at which the foreign like product is sold in the home market, provided that the merchandise is sold in sufficient quantities (or value, if quantity is inappropriate) and that there is no particular market situation that prevents a proper comparison with the EP. The statute contemplates that quantities (or value) will normally be considered insufficient if they are less than five percent of the aggregate quantity (or value) of sales of the subject merchandise to the United States.

We found that Ivaco had a viable home market for steel wire rod. As such, Ivaco submitted home market sales data for purposes of the calculation of NV. In deriving NV, we made adjustments as detailed in the *Calculation of Normal Value Based on Home Market Prices* section below.

##### B. Cost of Production Analysis

Because we disregarded below-cost sales in the investigation, we have

reasonable grounds to believe or suspect that home market sales of the foreign like product by Ivaco were made at prices below the cost of production (COP) during the period of the second review. Therefore, pursuant to section 773(b)(2)(A)(ii) of the Act, we initiated a COP investigation of sales made by Ivaco.

##### 1. Calculation of Cost of Production

In accordance with section 773(b)(3) of the Act, we calculated the weighted-average COP, by model, based on the sum of materials, fabrication, and general and administrative (G&A) expenses. We relied on Ivaco's submitted COP except for the following adjustments:

(a) We removed the further manufacturing field from the home market sales database and added the further manufacturing expenses erroneously reported in the sales database to Ivaco's cost of manufacturing;

(b) We added the depreciation expenses incurred on Ivaco Steel Processing (New York) LLC's idled assets to ISP's G&A expenses; and

(c) We allocated the portion of Ivaco's head office expenses that did not go to IRM, Sivaco Quebec, and Sivaco Ontario to Ivaco's other entities.

*See Memorandum from Daniel O'Brien and Amber Musser, International Trade Compliance Analysts, to Constance Handley, Program Manager, Re: Analysis Memorandum for Ivaco, Inc., dated July 2, 2004 (the Analysis Memorandum).*

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

We compared the weighted-average COPs for Ivaco to its home market sales prices of the foreign like product, as required under section 773(b) of the Act, to determine whether these sales had been made at prices below the COP within an extended period of time (*i.e.*, a period of one year) in substantial quantities and whether such prices were sufficient to permit the recovery of all costs within a reasonable period of time.

On a model-specific basis, we compared the COP to the home market prices, less any applicable movement charges, discounts, rebates, and direct and indirect selling expenses.

##### 3. Results of the COP Test

We disregard below-cost sales where (1) 20 percent or more of a respondent's sales of a given product during the POR were made at prices below the COP and thus 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 comparisons of price to weighted-average COPs for the POR, we determined that the below-cost sales of the product were at prices which would not permit recovery of all costs within a reasonable time period, in accordance with section 773(b)(2)(D) of the Act. We found that Ivaco made sales below cost and we disregarded such sales where appropriate.

#### *C. Calculation of Normal Value Based on Comparison-Market Prices*

We determined NV for Ivaco as follows. We made adjustments for any differences in packing and deducted home market movement expenses pursuant to sections 773(a)(6)(A) and 773(a)(6)(B)(ii) of the Act. In addition, we made adjustments for differences in circumstances of sale (COS) pursuant to section 773(a)(6)(C)(iii) of the Act.

We made COS adjustments for Ivaco's EP transactions by deducting direct selling expenses incurred for home market sales (credit expenses and warranty expenses) and adding U.S. direct selling expenses (credit expenses and warranty expenses). For matches of similar merchandise, we made adjustments, where appropriate, for physical differences in the merchandise in accordance with section 773(a)(6)(C)(ii) of the Act.

Because Ivaco paid commissions on its EP sales, in calculating NV, we deducted the lesser of either (1) the weighted-average amount of commission paid on a U.S. sale for a particular product, or (2) the weighted-average amount of indirect selling expenses paid on the home market sales for a particular product. See Preamble, 62 FR 27296, 27414 (May 19, 1997) at 19 CFR 351.410(e) (clarifying the deduction described in 19 CFR 351.410(e)).

#### *D. Arm's-Length Sales*

Ivaco reported sales of the foreign like product to an affiliated customer. To test whether these sales to affiliated customers were made at arm's length, where possible, we compared the prices of sales to affiliated and unaffiliated customers, net of all movement charges, direct selling expenses, and packing. To test whether the sales to affiliates were made at arm's-length prices, we compared the unit prices of sales to affiliated and unaffiliated customers net of all movement charges, direct selling expenses, and packing expenses. Where the price to that affiliated party was, on average, within a range of 98 to 102 percent of the price of the same or comparable merchandise sold to the unaffiliated parties at the same level of

trade, we determined that the sales made to the affiliated party were at arm's length. See *Modification Concerning Affiliated Party Sales in the Comparison Market*, 67 FR 69186 (November 15, 2002).

#### *E. Calculation of Normal Value Based on Constructed Value*

Section 773(a)(4) of the Act provides that, where NV cannot be based on comparison-market sales, NV may be based on constructed value (CV). Accordingly, for those models of steel wire rod for which we could not determine the NV based on comparison-market sales, either because there were no sales of a comparable product or all sales of the comparison products failed the COP test, we based NV on CV.

Section 773(e)(1) of the Act provides that CV shall be based on the sum of the cost of materials and fabrication for the imported merchandise plus amounts for selling, general, and administrative expenses (SG&A), profit, and U.S. packing expenses. We calculated the cost of materials and fabrication based on the methodology described in the COP section of this notice. We based SG&A and profit on the actual amounts incurred and realized by the respondent in connection with the production and sale of the foreign like product in the ordinary course of trade, for consumption in the comparison market, in accordance with section 773(e)(2)(A) of the Act. In addition, we used U.S. packing costs as described in the Export Price section of this notice, above.

We made adjustments to CV for differences in COS in accordance with section 773(a)(8) of the Act and 19 CFR 351.410. For CEP and EP comparisons, we deducted direct selling expenses incurred for home market sales (credit expenses and warranty expenses). For EP sales we added U.S. direct selling expenses (credit expenses and warranty expenses) to the NV.

Because Ivaco paid commissions on its EP sales, in calculating NV, we deducted the lesser of either (1) the weighted-average amount of commission paid on a U.S. sale for a particular product, or (2) the weighted-average amount of indirect selling expenses paid on the home market sales for a particular product. See Preamble, 62 FR 27296, 27414 (May 19, 1997) at 19 CFR 351.410(e) (clarifying the deduction described in 19 CFR 351.410(e)).

#### *F. 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 as the EP transaction. The NV level of trade is that of the starting-price sales in the comparison market. For EP sales, the U.S. level of trade is also the level of the starting-price sale, which is usually from exporter to importer.

To determine whether NV sales are at a different level of trade than EP transactions, we examine stages in the marketing process and selling functions along the chain of distribution between the producer and the unaffiliated customer. If the comparison-market sales are at a different level of trade and the difference 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 level of trade of the export transaction, we make a level-of-trade adjustment under section 773(a)(7)(A) of the Act.

In implementing these principles in this administrative review, we obtained information from Ivaco about the marketing stages involved in the reported U.S. and home market sales, including a description of the selling activities performed by the respondent for each channel of distribution. In identifying levels of trade for EP and home market sales, we considered the selling functions reflected in the starting price before any adjustments.

In conducting our level-of-trade analysis for Ivaco, we examined the specific types of customers, the channels of distribution, and the selling practices of the respondent. Generally, if the reported levels of trade are the same, the functions and activities of the seller should be similar. Conversely, if a party reports levels of trade that are different for different categories of sales, the functions and activities may be dissimilar. We found the following.

Ivaco reported two channels of distribution in the home market. The channels of distribution are: (1) Direct sales by IRM and (2) direct sales by Sivaco. To determine whether separate levels of trade exist in the home market, we examined the stages in the marketing process and selling functions along the chain of distribution between Ivaco and its customers. Based on this examination, we preliminarily determine that Ivaco sold merchandise at two levels of trade in the home market during the POR. One level of trade is for sales made by Ivaco's steel wire rod manufacturing facility, IRM; the second level of trade is for sales made by Sivaco, Ivaco's customer service center, which is also a steel wire rod processing and drawing facility. From our analysis of the marketing

process for these sales, we determined that sales by Sivaco are at a more remote marketing stage than that for sales by IRM. Sales by Sivaco have different, more complex, distribution patterns, involving substantially greater selling activities. Based on these differences, we concluded that two levels of trade exist in the home market, an IRM level of trade ("level one") and a Sivaco level of trade ("level two").

The Department analyzed Ivaco's selling functions in the home market, including inventory maintenance services, delivery services, handling services, freight services, sales administration services, bid assistance, technical services, and extension of credit. With regard to inventory maintenance, Sivaco offers more extensive inventory services than IRM. Sivaco maintains a significant general inventory, which results in a significantly longer inventory turnover rate for Sivaco, and additional services. This allows Sivaco to offer its customers just-in-time (JIT) delivery services. Thereby, Sivaco assumes the inventory services that would normally be performed by the customer. IRM does not provide these additional services. As stated by the Department in *Pipe and Tube from Turkey*, "inventory maintenance is a principal selling function" and "the additional responsibilities of maintaining merchandise in inventory also gives rise to related selling functions that are performed."<sup>3</sup>

Specifically, Sivaco ships more often than IRM due to the fact that Sivaco offers its customers JIT inventory, while IRM produces and ships rod based on a quarterly rolling schedule. In addition, Sivaco provides more handling and freight services than IRM in that it offers smaller, more frequent shipments with more varied freight services. For example, IRM sells rod in either full truck load or rail car quantities, while Sivaco will arrange shipment for less than truck-load quantities. With regard to sales administration services, Sivaco has a smaller average shipment size than IRM, resulting in a higher proportional sales administrative service cost than IRM. Furthermore, Sivaco offers the following services to its customers, which IRM does not: (1) Bid assistance to customers, (2) assistance with product specification and material/ processing review, and (3) a wider range of technical assistance, including helping customers solve usage problems and choose the best type of

rod for their applications and machinery.

In the U.S. market, Ivaco reported two EP channels of distribution. The channels of distribution are: (1) Direct sales by IRM to U.S. customers and (2) direct sales by Sivaco to U.S. customers. To determine whether separate levels of trade exist for EP sales to the U.S. market, we examined the selling functions, the chain of distribution, and the customer categories reported in the United States.

Specifically, we have found that direct sales by IRM to U.S. customers involve all the same selling functions as IRM's sales in the home market. Further, direct sales by Sivaco in the U.S. include all the same selling functions and are made at the same level of trade as those found in the home market. Sales by Ivaco's steel wire rod manufacturing facility, IRM, are made at level of trade one, the same as IRM's home market sales. EP sales by Sivaco are made at the second level of trade. Because the levels of trade in the United States for EP sales are identical to those in the home market, the preceding analysis with respect to the home market levels of trade applies equally to the U.S. market.

To the extent possible, we have compared U.S. EP transactions and home market sales at the same level of trade without making a level-of-trade adjustment. When we were unable to find sales of the foreign like product in the home market at the same level of trade as the U.S. sale, we examined whether a level-of-trade adjustment was appropriate. When we compare U.S. sales to home market sales at a different level of trade, we make a level-of-trade adjustment if the difference in levels of trade affects price comparability. We determine any effect on price comparability by examining sales at different levels of trade in a single market, the home market. Any price effect must be manifested in a pattern of consistent price differences between home market sales used for comparison and sales at the equivalent level of trade of the export transaction. To quantify the price differences, we calculate the difference in the average of the net prices of the same models sold at different levels of trade. Net prices are used because any difference will be due to differences in level of trade rather than other factors. We use the average difference in net prices to adjust NV when NV is based on a level of trade different from that of the export sale. If there is no pattern of consistent price differences, the difference in levels of trade does not have a price effect and, therefore, no adjustment is necessary.

For EP sales, we found that there were consistent price differences between models sold at different levels of trade. Therefore, we made a level-of-trade adjustment for EP sales for which we were unable to find sales of the foreign like product in the home market at the same level of trade as the U.S. sale.

In addition, Ivaco has two CEP channels of distribution which constitute a single level of trade: (1) Sales of goods manufactured by IRM that are not further manufactured before being sold to unaffiliated customers from inventory locations in the United States and (2) sales by IRM of products further manufactured in the United States by affiliated companies. For CEP sales, we examined the relevant functions after deducting the costs of further manufacturing and U.S. selling expenses and associated profit. As a result, there are no selling activities associated with Ivaco's CEP sales in either channel of distribution when effecting the level-of-trade comparison with home market sales. Therefore, we preliminarily find that the CEP level of trade is not comparable to either level of trade in the home market. We were unable to quantify the level-of-trade adjustment, in accordance with section 773(a)(7)(B) of the Act; therefore, we matched, where possible, to the closest home market level of trade, level one, and granted a CEP offset pursuant to section 773(a)(7)(B) of the Act.

### Currency Conversion

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

### Preliminary Results of Review

As a result of this review, we preliminarily determine that the following weighted-average margin exists for the period April 10, 2002, through September 30, 2003:

Producer	Weighted-average margin (Percentage)
Ivaco .....	10.38

The Department will disclose calculations performed in accordance with 19 CFR 351.224(b). 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, will be held 44 days after the date of publication, or the first working day thereafter. Interested parties may submit case briefs and/or written comments no later than 30 days

<sup>3</sup> See *Certain Welded Carbon Steel Pipe and Tube from Turkey*, 63 FR 35190 (1998) (*Pipe and Tube from Turkey*).

after the date of publication of these preliminary results. Rebuttal briefs and rebuttals to written comments, limited to issues raised in such briefs or comments, may be filed no later than 37 days after the date of publication. Parties who submit arguments 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. Further, the parties submitting written comments should provide the Department with an additional copy of the public version of any such comments on diskette. 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, within 120 days of publication of these preliminary results.

#### Assessment

Upon completion of this administrative review, pursuant to 19 CFR 351.212(b), the Department will calculate an assessment rate on all appropriate entries. We will calculate importer-specific duty assessment rates on the basis of the ratio of the total amount of antidumping duties calculated for the examined sales to the total volume of the examined sales for that importer. Where the assessment rate is above *de minimis*, we will instruct CBP to assess duties on all entries of subject merchandise by that importer.

#### Cash Deposit Requirements

The following deposit rates will be effective upon publication of the final results of this administrative review for all shipments of steel wire rod from Canada entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(1) of the Act: (1) The cash deposit rate listed above for Ivaco will be the rate established in the final results of this review, except if a 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 period; (3) if the exporter is not a firm covered in this review, a prior review, or the less-than-fair-value (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) 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 8.11 percent, the

"All Others" rate established in the LTFV investigation. These cash deposit requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

This notice 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 entities 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 determination is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: July 2, 2004.

Jeffrey May,

Acting Assistant Secretary for Import Administration.

[FR Doc. 04-16582 Filed 7-19-04; 8:45 am]

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## DEPARTMENT OF COMMERCE

### National Oceanic and Atmospheric Administration

[I.D. 071404B]

#### Marine Fisheries Advisory Committee; Public Meeting

**AGENCY:** National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

**ACTION:** Notice of public meetings.

**SUMMARY:** Notice is hereby given of meetings of the Marine Fisheries Advisory Committee (MAFAC) from August 10 through August 12, 2004.

**DATES:** The meetings are scheduled as follows:

August 10, 2004, 8:30 a.m. 5 p.m.  
August 11, 2004, 8:30 a.m. 5 p.m.  
August 12, 2004, 8:30 a.m. 5 p.m.

**ADDRESSES:** The meetings will be held at the Westmark Baranof Hotel, 127 N Franklin, Juneau, AK. Requests for special accommodations may be directed to MAFAC, Office of Constituent Services, NMFS, 1315 East-West Highway, #9508, Silver Spring, MD 20910.

**FOR FURTHER INFORMATION CONTACT:** Laurel Bryant, Designated Federal Official; telephone: (301) 713-2379 ext. 171.

**SUPPLEMENTARY INFORMATION:** As required by section 10(a) (2) of the

Federal Advisory Committee Act, 5 U.S.C. App. (1982), notice is hereby given of meetings of MAFAC. MAFAC was established by the Secretary of Commerce (the "Secretary") on February 17, 1972, to advise the Secretary on all matters concerning living marine resources that are the responsibility of the Department of Commerce. The Committee makes recommendations to the Secretary to assist in the development and implementation of Departmental regulations, policies and programs critical to the mission and goals of the National Marine Fisheries Service (the "Agency"). The Committee is composed of leaders in commercial, recreational, environmental, academic, state, tribal, and consumer interests from the nation's coastal regions.

#### Matters To Be Considered

August 10, 2004

General overview and updates on agency activities including Individual Fishing Quota initiatives, Recreational Fisheries Draft Strategic plan, and implementation status of the National Bycatch Reduction Plan, National Sea Grant Program, and collaborative Projects. Discussions will include participation from Sea Grant.

August 11, 2004

MAFAC will review and discuss the agency's initiative to modify National Standard One Guidelines under the Sustainable Fisheries Act. The remainder of the day will be dedicated to discussing the development of Marine Aquaculture policy.

August 12, 2004

The committee will make final reports to NOAA Fisheries prepare for the next meeting in 2005, and adjourn.

Time will be set aside for public comment on agenda items.

#### Special Accommodations

The meetings are physically accessible to people with disabilities. Request for sign language interpretation or other auxiliary aids should be directed to Laurel Bryant at (301) 713-2379 at least 7 days prior to the meeting date.

Dated: July 14, 2004.

Rebecca Lent,

Deputy Assistant Administrator for Regulatory Programs, National Marine Fisheries Service.

[FR Doc. 04-16470 Filed 7-19-04; 8:45 am]

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