Antidumping Duty Order; Stainless Steel Sheet and Strip in Coils from Mexico, 64 FR 40560, 40562 (July 27, 1999)).

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.

We are issuing and publishing this notice in accordance with sections 751(a)(1) and 777(i)(1) of the Tariff Act.

Dated: July 31, 2003.

Joseph A. Spetrini,

Acting Assistant Secretary for Grant Aldonas, Under Secretary.

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DEPARTMENT OF COMMERCE

International Trade Administration

[A–427–814]

Preliminary Results of Antidumping Duty Administrative Review: Stainless Steel Sheet and Strip in Coils from France

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

ACTION: Notice of Preliminary Results in the Antidumping Duty Administrative Review of Stainless Steel Sheet and Strip in Coils from France

SUMMARY: In response to requests from Ugine S.A. (''Ugine''), respondent, and Allegheny Ludlum, AK Steel Corporation (formerly Armco, Inc.), North American Stainless, Butler-Armco Independent Union, Zanesville Armco Independent Organization Inc., and the United Steelworkers of America, AFL–CIO/CLC, collectively, (''the Petitioners''), the U.S. Department of Commerce (''Department'') is conducting an administrative review of the antidumping duty order on stainless steel sheet and strip in coils (''SSSS'') from France for the period July 1, 2001 through June 30, 2002. The Department preliminarily determines that a dumping margin exists for Ugine's sales of SSSS in the United States. If these preliminary results are adopted in our final results of this administrative review, we will instruct the U.S. Bureau of Customs and Border Protection (''Customs'') to assess antidumping duties on entries of Ugine's merchandise during the period of review. The preliminary results are listed in the section titled ''Preliminary Results of Review,'' *infra.*

EFFECTIVE DATE: August 7, 2003.

FOR FURTHER INFORMATION CONTACT: Cheryl Werner, Enforcement Group III, Import Administration, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW., Washington, DC 20230; telephone: 202–482–2667.

Background

On July 27, 1999, the Department published in the **Federal Register** the amended final determination and antidumping duty order on SSSS from France. *See Notice of Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order; Stainless Steel Sheet and Strip in Coils from France,* 64 FR 40562 (July 27, 1999) (''*Antidumping Duty Order*''). On March 19, 2002, the Department published in the **Federal Register** the amended final results of the first antidumping duty administrative review of SSSS from France. *See Notice of Amended Final Results of Antidumping Duty Administrative Review: Stainless Steel Sheet and Strip in Coils from France,* 67 FR 12522 (March 19, 2002). On January 28, 2003, the Department published in the **Federal Register** the amended final results of the second antidumping duty administrative review of SSSS from France. *See Notice of Amended Final Results of Antidumping Duty Administrative Review: Stainless Steel Sheet and Strip in Coils from France*, 68 FR 4171 (January 28, 2003).

On July 1, 2002, the Department published in the **Federal Register** a notice of ''Opportunity to Request Administrative Review'' of the antidumping duty order on stainless steel sheet and strip in coils from France for the period July 1, 2001, through June 30, 2002. *See Notice of Opportunity to Request Administrative Review of Antidumping Duty or Countervailing Duty Order, Finding, or Suspended Investigation,* 67 FR 44172 (July 1, 2002).

On July 31, 2002, Ugine, a French producer and exporter of subject merchandise, and the Petitioners requested that the Department conduct a review of Ugine's sales or entries of merchandise subject to the Department's antidumping duty order on SSSS from France. On August 27, 2002, in accordance with section 751(a) of the Act, the Department published in the **Federal Register** a notice of initiation of this antidumping duty administrative review for the period July 1, 2001 through June 30, 2002. *See Initiation of Antidumping and Countervailing Duty Administrative Reviews and Requests for Revocation in Part*, 67 FR 55000 (August 27, 2002).

On October 7, 2002, Ugine reported in its response to Section A of the Department's questionnaire, that it made sales of subject merchandise to the United States during the POR. On October 22, 2002, Ugine submitted translations of financial statements that it had submitted in its October 7, 2002, response. On October 28, 2002, Ugine submitted its responses to Section B, C, D, and E of the Department's questionnaire. On December 10, 2002, Ugine submitted its cost reconciliation. On December 20, 2002, the Department issued a supplemental questionnaire for Sections A, B, and C of Ugine's questionnaire responses. On January 30, 2003, Ugine submitted its responses to the supplemental Sections A, B, and C questionnaire. On March 3, 2003, the Department issued a supplemental questionnaire for Sections D and E of Ugine's questionnaire responses, and Ugine submitted its response on April 3, 2003. On March 25, 2003, the Department issued a sucessorship questionnaire to Ugine. On April 15, 2003, Ugine submitted its response to the successorship questionnaire. On April 23, 2003, the Department requested Ugine submit Imphy Ugine Precision's (''IUP's''), an affiliate of Ugine, cost reconciliation as well as downstream sales of its affiliates. On April 30, 2003, the Department issued a second supplemental questionnaire for Sections A, B, and C, and on May 14, 2003, the Department issued a second supplemental questionnaire for Sections D and E. On May 21, and May 27, 2003, Ugine submitted its response to the second supplemental questionnaire for Sections A, B, and C. On May 29, 2003, the Department issued a supplemental questionnaire concerning Ugine's successorship response. On June 2, 2003, Ugine submitted its sales reconciliation. On May 28, and June 4, 2003, Ugine submitted its response to the second supplemental questionnaire for Sections D and E. On June 11, 2003, Ugine submitted its response to the supplemental questionnaire on successorship.

On March 27, 2003, the Department extended the time limit for the preliminary results of the antidumping duty administrative review. *See Notice of Extension of Time Limit of the Preliminary Results of Antidumping Duty Administrative Review: Stainless*

Steel Sheet and Strip in Coils from France, 68 FR 14948 (March 27, 2003).

Verification

As provided in section 782(i)(3) of the Act, we verified the information submitted by Ugine for use in our preliminary results. We used standard verification procedures, including examination of relevant accounting and production records and original source documents provided by Ugine. From June 15, 2003 through June 20, 2003, we verified sales and successorship information provided by Ugine. From June 24, 2003 through July 1, 2003, we verified constructed export price (''CEP'') sales information provided by Ugine and its U.S. sales affiliates. Our verification results are outlined in the public version of the verification report and are on file in the Central Records Unit (''CRU'') located in room B–099 of the main Department of Commerce Building, 14th Street and Constitution Avenue, NW., Washington, DC. *See Memorandum from Cheryl Werner and Eugene Degnan, Case Analysts through James C. Doyle, Program Manager, to the File: Verification of Sales and Successorship for Ugine S.A. in the 3rd Antidumping Duty Administrative Review of Stainless Steel Sheet and Strip in Coils from France,* dated July 31, 2003 (*''Home Market Report''*); *Memorandum from Cheryl Werner and Kit Rudd, Case Analysts through James C. Doyle, Program Manager, to the File: Verification of CEP Sales for Usinor Stainless USA in the 3rd Antidumping Duty Administrative Review of Stainless Steel Sheet and Strip in Coils from France,* dated July 31, 2003 (*''U.S. Sales Report I''*); and *Memorandum from Cheryl Werner and Kit Rudd, Case Analysts through James C. Doyle, Program Manager, to the File: Verification of CEP Sales for Hague Steel Corporation in the 3rd Antidumping Duty Administrative Review of Stainless Steel Sheet and Strip in Coils from France,* dated July 31, 2002 (*''U.S. Sales Report II''*).

Period of Review

The period of review (''POR'') is July 1, 2001, through June 30, 2002.

Scope of Review

For purposes of this administrative review, the products covered are certain stainless steel sheet and strip in coils. Stainless steel is an alloy steel containing, by weight, 1.2 percent or less of carbon and 10.5 percent or more of chromium, with or without other elements. The subject sheet and strip is a flat-rolled product in coils that is greater than 9.5 mm in width and less than 4.75 mm in thickness, and that is annealed or otherwise heat treated and pickled or otherwise descaled. The subject sheet and strip may also be further processed (*e.g.,* cold-rolled, polished, aluminized, coated, *etc.*) provided that it maintains the specific dimensions of sheet and strip following such processing.

The merchandise subject to this order is currently classifiable in the Harmonized Tariff Schedule of the United States (''HTS'') at subheadings: 7219.13.0031, 7219.13.0051, 7219.13.0071, 7219.1300.81[1], 7219.14.0030, 7219.14.0065, 7219.14.0090, 7219.32.0005, 7219.32.0020, 7219.32.0025, 7219.32.0035, 7219.32.0036, 7219.32.0038, 7219.32.0042, 7219.32.0044, 7219.33.0005, 7219.33.0020, 7219.33.0025, 7219.33.0035, 7219.33.0036, 7219.33.0038, 7219.33.0042, 7219.33.0044, 7219.34.0005, 7219.34.0020, 7219.34.0025, 7219.34.0030, 7219.34.0035, 7219.35.0005, 7219.35.0015, 7219.35.0030, 7219.35.0035, 7219.90.0010, 7219.90.0020, 7219.90.0025, 7219.90.0060, 7219.90.0080, 7220.12.1000, 7220.12.5000, 7220.20.1010, 7220.20.1015, 7220.20.1060, 7220.20.1080, 7220.20.6005, 7220.20.6010, 7220.20.6015, 7220.20.6060, 7220.20.6080, 7220.20.7005, 7220.20.7010, 7220.20.7015, 7220.20.7060, 7220.20.7080, 7220.20.8000, 7220.20.9030, 7220.20.9060, 7220.90.0010, 7220.90.0015, 7220.90.0060, and 7220.90.0080. Although the HTS subheadings are provided for convenience and Customs purposes, the Department's written description of the merchandise under review is dispositive.

Excluded from the review of this order are the following: (1) Sheet and strip that is not annealed or otherwise heat treated and pickled or otherwise descaled, (2) sheet and strip that is cut to length, (3) plate (*i.e.,* flat-rolled stainless steel products of a thickness of 4.75 mm or more), (4) flat wire (*i.e.,* cold-rolled sections, with a prepared edge, rectangular in shape, of a width of not more than 9.5 mm), and (5) razor blade steel. Razor blade steel is a flat-rolled product of stainless steel, not further worked than cold-rolled (cold-reduced), in coils, of a width of not more than 23 mm and a thickness of 0.266 mm or less, containing, by weight, 12.5 to 14.5 percent chromium, and certified at the time of entry to be used in the manufacture of razor blades. *See* Chapter 72 of the HTS, ''Additional U.S. Note'' 1(d).

Flapper valve steel is also excluded from the scope of the order. This product is defined as stainless steel strip in coils containing, by weight, between 0.37 and 0.43 percent carbon, between 1.15 and 1.35 percent molybdenum, and between 0.20 and 0.80 percent manganese. This steel also contains, by weight, phosphorus of 1.025 percent or less, silicon of between 0.20 and 0.50 percent, and sulfur of 1.020 percent or less. The product is manufactured by means of vacuum arc remelting, with inclusion controls for sulphide of not more than 0.04 percent and for oxide of no more than 0.05 percent. Flapper valve steel has a tensile strength of between 210 and 300 ksi, yield strength of between 170 and 270 ksi, plus or minus 8 ksi, and a hardness (Hv) of between 460 and 590. Flapper valve steel is most commonly used to produce specialty flapper valves in compressors.

Also excluded is a product referred to as suspension foil, a specialty steel product used in the manufacture of suspension assemblies for computer disk drives. Suspension foil is described as 302/304 grade or 202 grade stainless steel of a thickness between 14 and 127 microns, with a thickness tolerance of plus-or-minus 2.01 microns, and surface glossiness of 200 to 700 percent Gs. Suspension foil must be supplied in coil widths of not more than 407 mm, and with a mass of 225 kg or less. Roll marks may only be visible on one side, with not scratches of measurable depth. The material must exhibit residual stresses of 2 mm maximum deflection, and flatness of 1.6 mm over 685 mm length.

Certain stainless steel foil for automotive catalytic converters is also excluded from the scope of this order. This stainless steel strip in coils is a specialty foil with a thickness of between 20 and 110 microns used to produce a metallic substrate with a honeycomb structure for use in automotive catalytic converters. The steel contains, by weight, carbon of no more than 0.030 percent, silicon of no more than 1.0 percent, manganese of no more than 1.0 percent, chromium of between 19 and 22 percent, aluminum of no less than 5.0 percent, phosphorus of no more than 0.045 percent, sulfur of no more than 0.03 percent, lanthanum of less than 0.002 or greater than 0.05 percent, and total rare earth elements of more than 0.06 percent, with the balance iron.

[1] Due to changes to the HTS numbers in 2001, 7219.13.0030, 7219.13.0050, 7219.13.0070, and 7219.13.0080 are now 7219.13.0031, 7219.13.0051, 7219.13.0071, and 7219.13.0081, respectively.

Permanent magnet iron-chromium-cobalt alloy stainless strip is also excluded from the scope of this order. This ductile stainless steel strip contains, by weight, 26 to 30 percent chromium, and 7 to 10 percent cobalt, with the remainder of iron, in widths 228.6 mm or less, and a thickness between 0.127 and 1.270 mm. It exhibits magnetic remanence between 9,000 and 12,000 gauss, and a coercivity of between 50 and 300 oersteds. This product is most commonly used in electronic sensors and is currently available under proprietary trade names such as ''Arnokrome III.''[2]

Certain electrical resistance alloy steel is also excluded from the scope of this order. This product is defined as a non-magnetic stainless steel manufactured to American Society of Testing and Materials (ASTM) specification B344 and containing, by weight, 36 percent nickel, 18 percent chromium, and 46 percent iron, and is most notable for its resistance to high temperature corrosion. It has a melting point of 1390 degrees Celsius and displays a creep rupture limit of 4 kilograms per square millimeter at 1000 degrees Celsius. This steel is most commonly used in the production of heating ribbons for circuit breakers and industrial furnaces, and in rheostats for railway locomotives. The product is currently available under proprietary trade names such as ''Gilphy 36.''[3]

Certain martensitic precipitation-hardenable stainless steel is also excluded from the scope of this order. This high-strength, ductile stainless steel product is designated under the Unified Numbering System (UNS) as S45500-grade steel, and contains, by weight, 11 to 13 percent chromium, and 7 to 10 percent nickel. Carbon, manganese, silicon and molybdenum each comprise, by weight, 0.05 percent or less, with phosphorus and sulfur each comprising, by weight, 0.03 percent or less. This steel has copper, niobium, and titanium added to achieve aging, and will exhibit yield strengths as high as 1700 Mpa and ultimate tensile strengths as high as 1750 Mpa after aging, with elongation percentages of 5 percent or less in 50 mm. It is generally provided in thicknesses between 0.635 and 0.787 mm, and in widths of 25.4 mm. This product is most commonly used in the manufacture of television tubes and is currently available under proprietary trade names such as ''Durphynox 17.''[4]

Finally, three specialty stainless steels typically used in a certain industrial blades and surgical and medical instruments are also excluded from the scope of this order. These include stainless steel strip in coils used in the production of textile cutting tools (*e.g.,* carpet knives).[5] This steel is similar to AISI grade 420 but containing, by weight, 0.5 to 0.7 percent of molybdenum. The steel also contains, by weight, carbon of between 1.0 and 1.1 percent, sulfur of 0.020 percent or less, and includes between 0.20 and 0.30 percent copper and between 0.20 and 0.50 percent cobalt. This steel is sold under proprietary names such as ''GIN4 Mo.'' The second excluded stainless steel strip in coils is similar to AISI 420–J2 and contains, by weight, carbon of between 0.62 and 0.70 percent, silicon of between 0.20 and 0.50 percent, manganese of between 0.45 and 0.80 percent, phosphorus of no more than 0.025 percent and sulfur of no more than 0.020 percent. This steel has a carbide density on average of 100 carbide particles per 100 square microns. An example of this product is ''GIN5'' steel. The third specialty steel has a chemical composition similar to AISI 420 F, with carbon of between 0.37 and 0.43 percent, molybdenum of between 1.15 and 1.35 percent, but lower manganese of between 0.20 and 0.80 percent, phosphorus of no more than 0.025 percent, silicon of between 0.20 and 0.50 percent, and sulfur of no more than 0.020 percent. This product is supplied with a hardness of more than Hv 500 guaranteed after customer processing, and is supplied as, for example, ''GIN6''[6]

Affiliation of Parties

Pursuant to section 771(33)(E) of the Act, the Department preliminarily finds that Arcelor S.A. (''Arcelor'') is affiliated with Usinor S.A. (''Usinor''), by virtue of its acquisition of 97.58 percent of Usinor's shares. Ugine, in turn, is a wholly owned subsidiary of Usinor.[7] Additionally, Arcelor acquired 99.43 percent shares of Arbed S.A.'s (''Arbed's'') shares, and 95.03 percent of Aceralia Corporación Siderúrgica S.A.'s (''Aceralia's'') shares. Therefore, as discussed below, the Department also preliminarily finds that Arbed and Aceralia are affiliated with Usinor by virtue of the common ownership by Arcelor.

According to section 771(33)(E) of the Act, any person directly or indirectly owning, controlling, or holding with power to vote, five percent or more of the outstanding voting stock or shares of any organization and such organization shall be considered affiliated. Thus, since Arcelor owns 97.58 percent of Usinor's shares, 99.43 percent of Arbed's shares, and 95.03 percent of Aceralia's shares, it directly owns more than five percent of the shares of these companies.[8] Moreover, we preliminarily find this affiliation between Usinor and Arcelor, Arbed, and Aceralia and their subsidiaries to be effective as of February 28, 2002. We preliminarily find February 28, 2002, to be the date reflective of Arcelor's acquisition of Usinor's, and Aceralia's shares, because it is the effective date for the consolidation of Usinor, Arbed, and Aceralia's financial results.[9] According to Arcelor's consolidated financial statements, the Arcelor Group was created upon the merger of Aceralia, Arbed and Usinor, effective on February 28, 2002, in accordance with the International Financial Reporting Standards (''IFRA'').[10] For a complete discussion of this issue, see *Memorandum from Cheryl Werner, Case Analyst through James C. Doyle to the File: Affiliation of Arcelor and Usinor,* dated July 31, 2003 (''Affiliation Memo'').

Successorship

Ugine, an entity involved in the production and sale of subject merchandise in the United States, changed its name immediately following the POR to Ugine & ALZ France S.A. We have conducted a successorship review during this POR because entries for the new entity will be made under that name during the next POR. We also note that Usinor Stainless USA, a U.S. sales affiliate of Ugine, has changed its name to Arcelor Stainless USA.

The Department is making this successorship determination in order to apply the appropriate and necessary company-specific cash deposit rates. In determining whether Ugine & ALZ France is the successor to Ugine for purposes of applying the antidumping duty law, the Department examines a number of factors including, but not limited to, changes in: (1) Management, (2) production facilities, (3) suppliers,

[2] ''Arnokrome III'' is a trademark of the Arnold Engineering Company.

[3] ''Gilphy 36'' is a trademark of Imphy, S.A.

[4] ''Durphynox 17'' is a trademark of Imphy, S.A.

[5] This list of uses is illustrative and provided for descriptive purposes only.

[6] ''GIN4 Mo,'' ''GIN5'' and ''GIN6'' are the proprietary grades of Hitachi Metals America, Ltd.

[7] *See* Ugine's Section A questionnaire response, at page 11.

[8] *See* Ugine's April 15, 2003, successorship questionnaire response, at Exhibit 5: Arcelor Group Brochure.

[9] *See Home Market Verification Report,* at Exhibit 19: Arcelor's 2002 consolidated financial statements.

[10] *Id.*

and (4) customer base. *See, e.g., Brass Sheet and Strip from Canada; Final Results of Antidumping Duty Administrative Review,* 57 FR 20460 (May 13, 1992) (''Brass from Canada''); *Steel Wire Strand for Prestressed Concrete from Japan: Final Results of Changed Circumstances Antidumping Duty Administrative Review,* 55 FR 28796 (July 13, 1990); and *Industrial Phosphoric Acid From Israel; Final Results of Antidumping Duty Changed Circumstances Review,* 59 FR 6944 (February 14, 1994). While examining these factors alone will not necessarily provide a dispositive indication of succession, the Department will generally consider one company to have succeeded another if that company's operations are essentially inclusive of the predecessor's operations. *See Brass from Canada.* Thus, if the evidence demonstrates, with respect to the production and sale of the subject merchandise, that the new company is essentially the same business operation as the former company, the Department will assign the new company the cash deposit rate of its predecessor.

The evidence on the record, including Ugine's company brochures, customer lists, and lists of suppliers, including those in Ugine's successorship responses, demonstrates that with respect to the production and sale of the subject merchandise, Ugine & ALZ France is the successor to Ugine. Specifically, the evidence shows that Ugine & ALZ France has the same SSSS production facilities, and most of the same customers, suppliers, and management, as Ugine had. At verification, we confirmed that Ugine's production facilities, customers, and suppliers had not changed. *See Home Market Verification Report,* at pages 12–13. We reviewed Ugine's organizational structure before and after the acquisition of its parent company by Arcelor and confirmed that there was only minimal changes. *See id.* Furthermore, we reviewed documentation at verification to support the name change, including the registration of the new name. *See id,* at Exhibit 5. Therefore, we preliminary find that Ugine & ALZ France is the successor to Ugine for purposes of this proceeding, and for the application of the antidumping law.

Normal Value Comparisons

To determine whether Ugine's sales of subject merchandise from France to the United States were made at less than fair value, we compared the CEP to the normal value (''NV''), as described in the ''Constructed Export Price'' and ''Normal Value'' sections of this notice, below. In accordance with section 777A(d)(2) of the Act, we calculated monthly weighted-average prices for NV and compared these to individual CEP transactions.

Transactions Reviewed

A. Home Market Viability

In accordance with section 773(a)(1)(C) of the Act, to determine whether there was sufficient volume of sales in the home market to serve as a viable basis for calculating NV (*i.e,* the aggregate volume of home market sales of the foreign like product is greater than or equal to five percent of the aggregate volume of U.S. sales), we compared Ugine's volume of home market sales of the foreign like product to the volume of U.S. sales of the subject merchandise. Pursuant to sections 773(a)(1)(B) of the Act, because Ugine's aggregate volume of home market sales of the foreign like product was greater than five percent of its aggregate volume of U.S. sales for the subject merchandise, we determine that the home market was viable.

B. Arm's Length Test

Ugine reported that it made sales in the home market to affiliate end users and resellers during the POR. Sales to affiliated customers in the home market not made at arm's length were excluded from our analysis. To test whether these sales were made at arm's length, we compared the starting prices of sales to affiliated and unafflilated customers net of all movement charges, direct selling expenses, discounts and packing. Where prices to the affiliated party were on average 99.5 percent or more of the price to the unrelated party, we determined that sales made to the related party were at arm's length. *See* 19 CFR 351.403(c).[11] Where no affiliated customer ratio could be calculated because identical merchandise was not sold to unaffiliated customers, we were unable to determine that these sales were made at arm's length and, therefore, excluded them from our analysis. *See, e.g., Notice of Preliminary Results of Antidumping Duty Administrative Review: Stainless Steel Plate in Coils from Italy,* 67 FR 39677, 39679 (June 10, 2002). Where the exclusion of such sales eliminated all sales of the most appropriate comparison product, we made comparisons to the next most similar model. In our home market NV calculation, we have included Ugine's sales to certain of its affiliated customers because these entities passed the Department's arms's length test criteria. Conversely, certain other affiliated customers did not pass the arm's length test and have therefore been excluded from our home market NV calculation. For a further discussion of home market sales made by Ugine to one affiliated reseller who failed the arm's length test, please *see* the ''Facts Available'' section below.

C. Date of Sale

As stated at 19 CFR 351.401(i), the Department will use the respondent's invoice date as the date of sale unless another date better reflects the date upon which the exporter or producer establishes the essential terms of sale. Ugine explained that both the U.S. market's and HM's prices and quantities may be modified between the date of the initial order and the date of shipment.[12] Ugine explained that price may be modified to reflect changing market conditions. Ugine also explained that quantities may be modified when the customer's needs change between the initial order and shipment, or when Ugine's production exceeds the initial order quantity by more than the agreed-upon tolerance and the customer agrees to accept the additional quantity.[13]

Home Market

For all home market sales, Ugine reported the earlier of the date of invoice or date of shipment to its customers as the date of sale. Ugine reported that it had significant changes to price and volume between the contract date and invoice date during the first half of 2002.[14] Therefore, the Department is using Ugine's invoice date as the date of sale for the preliminary results.

U.S. Market

For all U.S. market sales, Ugine reported two sets of sale to the Department: the earlier of the date of invoice or date of shipment to its customer; and order (contract) date. Ugine reported that there were changes to the price and volume between the contract date and invoice date during the first half of 2002.[15] At verification, Ugine revised upward the percentage of changes to the price and volume due to a programming error in its analysis.[16]

[11] Because this review was initiated before November 23, 2002, the 99.5 percent test applies to this review. *See Antidumping Proceedings: Affiliated Party Sales in the Ordinary Course of Trade,* 67 FR 69186, 69197 (November 15, 2002).

[12] *See* Ugine's January 29, 2003, supplemental Section A questionnaire response, at 20.

[13] *Id.* Also, *see Home Market Verification Report, U.S. Sales Report I,* and *U.S. Sales Report II.*

[14] *Id.*

[15] *Id.*

[16] *See Home Market Verification Report,* at Exhibit 28.

We preliminarily find that Ugine had significant changes to its prices and volumes between contract date and invoice date. Moreover, we note for some CEP sales, Ugine was unable to report an order date because Hague did not maintain this information in its normal course of business. Therefore, since there were significant changes between contract date and invoice date and the Department's preference is not to mix invoice dates and contract dates from the same market in its analysis, we are using the earlier of Ugine's U.S. affiliates' invoice date or shipment date as the date of sale for the preliminary results.

Product Comparisons

In accordance with section 771(16) of the Act, we considered all SSSS products covered by the ''Scope of the Review'' section of this notice, *supra*, which were produced and sold by Ugine in the home market during the POR, to be foreign like products for the purpose of determining appropriate product comparisons of U.S. sales of SSSS products. We relied on nine characteristics to match U.S. sales of subject merchandise to comparison sales of the foreign like product (listed in order of preference): (1) Grade; (2) hot/cold rolled; (3) gauge; (4) surface finish; (5) metallic coating; (6) non-metallic coating; (7) width; (8) temper; and (9) edge trim. Where there were no sales of identical merchandise in the home market 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 and reporting instructions listed in the Department's questionnaire.

Constructed Export Price

In accordance with section 772(a) of the Act, export price (''EP'') is the price at which the subject merchandise is first sold (or agreed to be sold) before the date of importation by the producer or exporter of the subject merchandise outside of the United States to an unaffiliated purchaser in the United States or to an unaffiliated purchaser for exportation to the United States. 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.

For purposes of this review, Ugine classified all of its exported sales of SSSS as CEP sales. During the review period Ugine made sales to the United States through its two U.S. based affiliates, Usinor Stainless USA and Hague, which then resold the merchandise to unaffiliated customers. According to Ugine, Usinor Stainless USA serves as a national ''super-distributor'' for Ugine in the U.S. market. Hague is an affiliated customer in the United States which further manufactured the SSSS before selling to unaffiliated customers. Therefore, because Ugine's U.S. sales were made by Usinor Stainless USA and Hague after the subject merchandise was imported into the United States, it is appropriate to classify these sales as CEP sales.

We calculated the CEP in accordance with Section 772(b) of the Act. We based CEP on the packed ex-warehouse or delivered prices to unaffiliated purchasers in the United States. We also made deductions for the following movement expenses, where appropriate, in accordance with 772(c)(2)(A) of the Act: foreign inland freight from plant to distribution warehouse, international freight, marine insurance, U.S. inland freight from port to warehouse, U.S. inland freight from warehouse/plant to the unaffiliated customer, U.S. warehouse expenses, other U.S. transportation expense, wharfage expenses, and Customs duties. In accordance with section 772(d)(1) of the Act, we deducted selling expenses associated with economic activities occurring in the United States, including direct selling expenses, inventory carrying costs, discounts, rebates, credit, warranty expenses, commissions and other indirect selling expense.

For products that were further manufactured after importation, we adjusted for all costs of further manufacturing in the United States in accordance with section 772(d)(2) of the Act. We deducted the profit allocated to expenses deducted under section 772(d)(1) and (d)(2) in accordance with sections 772(d)(3) and 772(f) of the Act. In accordance with section 772(f) of the Act, we computed profit based on total revenues realized on sales in both the U.S. and home markets, less all expenses associated with those sales. We then allocated profit to expenses incurred with respect to U.S. economic activity (including further manufacturing costs), based on the ratio of total U.S. expenses to total expenses for both the U.S. and home market. We also adjusted the starting price for billing adjustments and freight revenue.

Normal Value

After testing home market viability and whether home market sales were at below-cost prices, we calculated NV as noted in the ''Price-to-Constructed Value (''CV'') Comparison'' and ''Price-to-Price Comparisons'' sections of this notice.

Cost of Production Analysis

Because we disregarded sales below the cost of production in the most recently completed segments of these proceedings on SSSS from France, we have reasonable grounds to believe or suspect that sales by Ugine in its home market were made at prices below the cost of production (''COP''), pursuant to section 773(b)(1) of the Act. *See Notice of Final Determination of Sales at Less Than Fair Value: Stainless Steel Sheet and Strip in Coils from France*, 64 FR 30820 (June 8, 1999) (''*LTV Final*''); *Notice of Final Results of Antidumping Duty Administrative Review: Stainless Steel Sheet and Strip in Coils from France*, 67 FR 6493 (February 12, 2002); and *Notice of Final Results of Antidumping Duty Administrative Review: Stainless Steel Sheet and Strip in Coils from France*, 67 FR 78773 (December 26, 2002). Therefore, pursuant to section 773(b)(1) of the Act, we conducted a COP analysis of home market sales by Ugine as described below.

A. Calculation of COP

In accordance with section 773(b)(3) of the Act, we calculated a weighted-average COP based on the sum of Ugine's cost of materials and fabrication for the foreign like product, plus amounts for selling, general and administrative expenses (''SG&A''), including interest expenses, and packing costs. We relied on the COP data submitted by Ugine in its original and supplemental cost questionnaire responses. Ugine reported that it had purchases of scrap from an affiliated supplier. However, we find that Ugine's purchases of scrap do not constitute a major input because they do not represent a significant portion of the cost of manufacturing.[17] Section 773(f)(2) states that the Department can disregard transactions with affiliated parties if the amount representing that input does not fairly reflect the amount usually reflected in sales of merchandise under consideration in the

[17] *See Memorandum from Cheryl Werner through James C. Doyle, Program Manager, to the File; Analysis for Ugine S.A. for the Preliminary Results of the 3rd Administrative Review on Stainless Steel Sheet and Strip Coils from France for the period July 1, 2001 through June 30, 2002,* dated July 31, 2003, at 4.

market under consideration. Therefore, according to section 773(f)(2) we compared the transfer price to the market price for the four types of scrap purchased from an affiliated party and found that for three types of scrap the transfer price was more than the market price. For one type of scrap the market price was slightly more than the transfer price. The purchase of this type of scrap was insignificant compared to the purchases of the other three types of scrap. Any adjustment under 773(f)(2) will have an immaterial affect on the reported cost. Therefore, for the preliminary results the Department has not made any adjustment to the reported costs for purchase of scrap from an affiliate.

B. Test of Home Market Prices

We compared the weighted-average COP for Ugine to home market sales of the foreign like product, as required under section 773(b) of the Act, in order to determine whether these sales had been made at prices below the COP. In determining whether to disregard home market sales made at prices below the COP, we examined whether such sales were made (1) Within an extended period of time in substantial quantities, and (2) at prices which permitted the recovery of all costs within a reasonable period of time in the normal course of trade, in accordance with section 773(b)(1)(A) and (B) of the Act. On a product-specific basis, we compared the COP to home market prices, less any applicable billing adjustments, movements, movement charges, discounts, and direct and indirect selling expense.

C. Results of the COP Test

Pursuant to section 773(b)(2)(C) of the Act, where less than 20 percent of Ugine's 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 Ugine's sales of a given product during the POR were at prices less than the COP, we determined that such sales have been made in ''substantial quantities'' within an extended period of time, in accordance with section 773(b)(2)(B) of the Act. In such cases, because we use POR average costs, we also determined that such sales were not made at prices which would permit recovery of all costs within a reasonable period of time, in accordance with section 773(b)(2)(D) of the Act. Therefore, we disregarded the below-cost sales.

D. Calculation of Constructed Value

In accordance with section 773(e)(1) of the Act, we calculated CV based on the sum of Ugine's cost of materials, fabrication, SG&A (including interest expenses), U.S. packing costs, and profit. In accordance with section 773(e)(2)(A) of the Act, we based SG&A and profit on the amounts incurred and realized by Ugine in connection with the production and sale of the foreign like product in the ordinary course of trade, for consumption in the foreign country. For selling expenses, we used the actual weighted-average home market direct and indirect selling expenses.

Price-to-CV Comparisons

In accordance with section 773(a)(4) of the Act, we based NV on CV if we were unable to find a home market match of identical or similar merchandise. Where appropriate, we made adjustments to CV in accordance with section 773(a)(8) of the Act. We deducted from CV the weighted-average home market direct selling expenses.

Price-to-Price Comparisons

For those product comparisons for which there were sales at prices above the COP, we based NV on prices to home market customers or prices to affiliated customers that were determined to be at arm's length. Where appropriate, we deducted discounts, rebates, credit expenses, warranty expenses, inland freight, inland insurance, and warehousing expense. We also adjusted the starting price for billing adjustments, freight revenue, and direct selling expenses. We also made adjustments, where applicable, for home market indirect selling expenses to offset U.S. commissions in CEP comparisons.

We made adjustments, where appropriate, for physical differences in the merchandise in accordance with section 773(a)(6)(C)(ii) of the Act. Additionally, in accordance with sections 773(a)(6)(A) and (B), we deducted home market packing costs and added U.S. packing costs. In accordance with the Department's practice, where all contemporaneous matches to a U.S. sale observation resulted in difference-in-merchandise adjustments exceeding 20 percent of the cost of manufacturing (''COM'') of the U.S. product, we based NV on CV.

For reasons discussed in the ''Level of Trade'' section below, we allowed a CEP offset for comparisons made at different levels of trade. To calculate the CEP offset, we deducted the home market indirect selling expenses from NV for home market sales that were compared to U.S. CEP sales. We limited the home market indirect selling expense deduction by the amount of the indirect selling expenses deducted in calculating the CEP as required under section 772(d)(1)(D) of the Act.

Level of Trade

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 CEP transaction. The NV LOT is that of the starting-price sales in the comparison market, or when NV is based on CV, that of the sales from which we derive SG&A expenses and profit. For CEP, it is the level of the constructed sale from the exporter to the importer.

To determine whether NV sales are at a different LOT than CEP, 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 LOT, 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 LOT of the export transaction, we make a LOT adjustment under section 773(a)(7)(A) of the Act. Finally, for CEP sales, if the NV level is more remote from the factory than the CEP level and there is no basis for determining whether the difference in levels between NV and CEP affects price comparability, we adjust NV under section 773(a)(7)(B) of the Act (the CEP offset provision). *See, e.g., Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate from South Africa,* 62 FR 61731, 61732 (November 19, 1997).

In reviewing the selling functions reported by the respondent, we examined all types of selling functions and activities reported in the respondent's questionnaire responses on LOT and during verification. In analyzing whether separate LOTs existed in this review, we found that no single selling function was sufficient to warrant a separate LOT in the home market. *See Antidumping Duties; Countervailing Duties, Final Rule,* 62 FR 27296, 27371 (May 19, 1997). Based on a comparison of all selling functions performed for sales through affiliated parties to all selling functions performed for unaffiliated customers, we have preliminarily determined that Ugine sold merchandise at one LOT in the home market during the POR. The LOT involved sales made through three channels: sales by Ugine directly to unaffiliated service centers or end users (Channel 1); sales made by Ugine with the assistance of Ugine France Service in its capacity as sales agent (Channel 2); and sales made by IUP to unaffiliated end users and service centers (Channel 3). From our analysis of the marketing process for these sales, we have determined that there are not significant distinctions in selling activities between Ugine's sales to its unaffiliated customers in Channels 1 and 2 and IUP's direct sales to its unaffiliated customers through Channel 3. *See Memorandum from Eugene Degnan, Case Analyst to the File through James C. Doyle, Program Manager, Third Antidumping Duty Administrative Review of Stainless Steel Sheet and Strip in Coils from France: Level of Trade Analysis,* dated July 31, 2003 (''*LOT Memorandum*''), on file in Import Administration's Central Records Unit, Room B–099, U.S. Department of Commerce, 14th & Constitution Avenue, NW., Washington, DC. Therefore, we preliminarily concluded that one LOT existed in the home market during the POR.

In order to determine the LOTs of the U.S. market, we received the selling activities associated with each reported channel of distribution. Ugine only reported CEP sales in the U.S. market. Because all of Ugine's CEP sales in the U.S. market were made through Usinor Stainless USA and Hague, we found that there was one LOT in the U.S. market. For these CEP sales, we determined that fewer and different selling functions were performed for CEP sales to Usinor Stainless USA than for sales at the home market LOT. In addition, we found that sales at the home market LOT were at a more advanced stage of distribution compared to the CEP sales. *See LOT Memorandum* at 11.

We examined whether a LOT adjustment was appropriate. The Department makes this adjustment when it is demonstrated that a difference in LOTs affects price comparability. However, where the available data do not provide an appropriate basis upon which to determine a LOT adjustment, and where the NV is established at a LOT that is at a more advanced stage of distribution than the LOT of the CEP transactions, we adjust NV under section 773(a)(7)(B) of the Act (the CEP offset provision). We were unable to quantify the LOT adjustment in accordance with section 773(a)(7)(A) of the Act, as we found that the LOT in the home market did not match the LOT of the CEP transactions. Because of this, we did not calculate a LOT adjustment. Instead, a CEP offset was applied to the NV–CEP comparisons. *See LOT Memo* at 11. In the two most recent administrative reviews of this order, where similar fact patterns existed, we also granted a CEP offset. *See Notice of Final Results of Antidumping Duty Administrative Review: Stainless Steel Sheet and Strip in Coils from France*, 67 FR 6493 (February 12, 2002) and accompanying *Issues and Decision Memorandum*, at Comment 8; and *see Preliminary Results of Antidumping Administrative Review: Stainless Steel Sheet and Strip in Coils From France*, 67 FR 51210 (August 7, 2002).

Facts Available

We preliminary determine that the use of facts available is appropriate for one element of Ugine's dumping margin calculation. Section 776(a)(2) of the Act provides that if an interested party: (A) Withholds information that has been requested by the Department; (B) fails to provide such information in a timely manner or in the form or manner requested, subject to subsections 782(c)(1) and (e) of the Act; (C) significantly impedes a determination under the antidumping statute; or (D) provides such information but the information cannot be verified, the Department shall, subject to subsection 782(d) of the Act, use facts otherwise available in reaching the applicable determination.

In this case, consistent with sections 776(a)(2)(A), and (B) and (C) of the Act, we preliminary find that use of facts available is warranted for home market sales made to an affiliated reseller who failed the arm's length test. On December 20, 2002, the Department sent Ugine a supplemental questionnaire requesting the downstream sales for all known affiliated customers and resellers who purchased the subject merchandise in the home market during the POR. On January 28, 2003, Ugine submitted a letter arguing that if the Department applies one of the criteria outlined in the letter, resales by affiliated customers need not be reported. One of these criteria specifically stated that if the customers passed the arm's length test, then there was no need to report those customers' downstream sales. On January 29, 2003, Ugine submitted its Sections A–C supplemental questionnaire response, but did not include downstream sales for any affiliated customers. On April 23, 2003, the Department requested downstream sales for a smaller number of affiliated resellers, which included the affiliated customer who failed the arm's length test. To date, Ugine has not provided the downstream sales for any customer, including that affiliated customer. Therefore, consistent with section 776(a)(2)(A) and (C) of the Act, Ugine withheld information that had been requested by the Department, failed to provide such information in a timely manner, and significantly impeded the determination under the antidumping statute, justifying the use facts otherwise available in reaching the applicable determination. In addition, section 776(b) of the Act provides that, if the Department finds that an interested party ''has failed to cooperate to the best of its ability to comply with a request for information,'' the Department may use information that is adverse to the interests of that party as facts otherwise available. Ugine has failed to provide the downstream sales made by affiliated resellers as requested in the Department's December 20, 2002, and April 23, 2003, letters to Ugine. However, in this case, the volume of sales from Ugine to its affiliated customer which failed the arm's length test is minimal. Therefore, we find adverse facts available is not warranted for these sales and will use facts available.

In selecting from facts otherwise available, for these preliminary results, for those sales to the affiliated reseller that failed the arm's length test, for which Ugine did not provide downstream sales, the Department used the gross unit price of the most similar model purchased by an unaffiliated customer. The Department applied similar facts available in a recent investigation as well as the second administrative review of this case. *See Notice of Preliminary Determination of Sales at Less Than Fair Value: Certain Cold-Rolled Carbon Steel Flat Products from France*, 67 FR 31204 (May 9, 2002); and *see Preliminary Results of Antidumping Administrative Review: Stainless Steel Sheet and Strip in Coils From France*, 67 FR 51210 (August 7, 2002).

Currency Conversion

For purposes of the preliminary results, we made currency conversions in accordance with section 773A of the Act, based on the official exchange rates in effect on the dates of the U.S. sales as certified by the Federal Reserve Bank of New York. Section 773A(a) of the Act directs the Department to use the daily exchange rate in effect on the date of sale in order to convert foreign currencies into U.S. dollars, unless the daily rate involves a ''fluctuation.'' In accordance with the Department's practice, we have determined as a general matter that a fluctuation exists when the daily exchange rate differs from a benchmark by 2.25 percent. *See, e.g., Certain Stainless Steel Wire Rods from France; Preliminary Results of Antidumping Duty Administrative Review,* 61 FR 8915, 8918 (March 6, 1996), and Policy Bulletin 96–1: Currency Conversions, 61 FR 9434 (March 6, 1996). The benchmark is defined as the rolling average of rates for the past 40 business days. When we determine a fluctuation exists, we substitute the benchmark for the daily rate. In this case, there was no currency fluctuation.

Preliminary Results of Review

As a result of this review, we preliminarily find that the following weighted-average dumping margin exists:

STAINLESS STEEL SHEET AND STRIP IN COILS FROM FRANCE

Producer/Manufacturer/Exporter	Weighted-Average Margin
Ugine S.A.	3.52

Pursuant to 19 CFR 351.224, the Department will disclose to any party to the proceeding, within ten days of publication of this notice, the calculations performed. Any interested party may request a hearing within 30 days of publication. Any hearing, if requested, will be held 37 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 after the date of publication. Rebuttal briefs and rebuttals to written comments, limited to issues raised in such briefs or comments, may be filed no later than 35 days after the date of publication. 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 Department requests that parties submitting written comments provide the Department with an additional copy of the public version of any such comments on a computer diskette. The Department will publish the final results of this administrative review, which will include the results of its analysis of issues raised in any such written comments or at a hearing, within 120 days after the publication of this notice.

Assessment

Upon issuance of the final results of review, the Department shall determine, and Customs shall assess, antidumping duties on all appropriate entries. The Department will issue appraisement instructions directly to Customs within fifteen days of publication of the final results of review. The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the results and for future deposits of estimated duties. For duty assessment purposes, we calculated an importer-specific assessment rate by dividing the total dumping margins calculated for the U.S. sales to the importer by the total entered value of these sales. If the preliminary results are adopted in the final results of review, this rate will be used for the assessment of antidumping duties on all entries of the subject merchandise by that importer during the POR.

Cash Deposits

The following deposit requirements will be effective upon completion of the final results of this administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication of the final results of this administrative review, as provided in section 751(a)(1) of the Act: (1) The cash deposit rate for Ugine will be that established in the final results of this review; (2) for previously reviewed or investigated companies not covered in this review, the cash deposit rate will continue to be the company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in this review, a prior review, or the original less than fair value (''LTFV'') investigation, but the manufacturer is, the cash deposit rate will be the rate established in 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 continue to be the ''all others'' rate established in the LTFV investigation, which was 9.38 percent. *See Antidumping Duty Order* at 40565.

If we determine in the final results that Ugine & ALZ France is the successor to Ugine for purposes of applying the antidumping duty law, Ugine will no longer have its own company-specific cash deposit rate.

Notification to Interested Parties

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

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

Dated: July 31, 2003.

Joseph A. Spetrini,

Acting Assistance Secretary for Grant Aldonas, Import Administration.

[FR Doc. 03–20182 Filed 8–6–03; 8:45 am]

BILLING CODE 3510–DS–M

DEPARTMENT OF COMMERCE

National Telecommunications and Information Administration

Proposed Information Collection; Comment Request; Survey of Minority Commercial Broadcast Owners

ACTION: Notice.

SUMMARY: The Department of Commerce (DOC), as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to comment on the continuing and proposed information collection, as required by the Paperwork Reduction Act of 1995, Pub. L. 104–13 (44 U.S.C. 3506 (c)(2)(A)).

DATES: Written comments must be submitted on or before October 6, 2003.

ADDRESSES: Direct all written comments to Diana Hynek, Departmental Paperwork Clearance Officer, Department of Commerce, Room 6625, 14th and Constitution Avenue, NW., Washington, DC 20230, or via the Internet at *dHynek@doc.gov.*

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the information collection instrument(s) should be directed to Maureen Lewis, Director, Minority Telecommunications Development Program, NTIA, Department of Commerce, Room 4720, 14th and Constitution Avenue, NW., Washington, DC 20230, (202) 482–1892 or by e-mail at *mlewis@ntia.doc.gov.*

SUPPLEMENTARY INFORMATION:

I. Abstract

The Minority Telecommunications Development Program (MTDP), National Telecommunications and Information Administration has developed a survey instrument for its periodic minority commercial broadcast ownership report. The survey will be the principal method