new shipper review of certain forged stainless steel flanges from India (65 FR 55942, September 15, 2000). We invited parties to comment on our preliminary results of review. We received no comments.

Bhansali submitted a change in its data on November 4, 2000, but this change had no effect on our analysis. On December 5, 2000, the Department published in the **Federal Register** an extension of the deadline for the final results of review (65 FR 75924). The Department has now completed the new shipper review in accordance with section 751 of the Act.

Scope of Review

The products under review are certain forged stainless steel flanges (hereafter, ''flanges'') from India, both finished and not finished, generally manufactured to specification ASTM A–182, and made in alloys such as 304, 304L, 316, and 316L. The scope includes five general types of flanges. They are weld neck, used for butt-weld line connection; threaded, used for threaded line connections; slip-on and lap joint, used with stub-ends/butt-weld line connections; socket weld, used to fit pipe into a machined recession; and blind, used to seal off a line. The sizes of the flanges within the scope range generally from one to six inches; however, all sizes of the above-described merchandise are included in the scope. Specifically excluded from the scope of this order are cast stainless steel flanges. Cast stainless steel flanges generally are manufactured to specification ASTM A–351. The flanges subject to this order are currently classifiable under subheadings 7307.21.1000 and 7307.21.5000 of the HTSUS. Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the merchandise under review is dispositive of whether or not the merchandise is covered by the review.

Verification

On December 7, 2000 the Department conducted a verification of the antidumping responses submitted by Bhansali Ferromet Pvt. Ltd. See memorandum to the file from Thomas Killiam, ''Sales Verification of Bhansali Ferromet Pvt. LtD.–Stainless Steel Flanges from India,'' December 20, 2000. No changes in the data or analysis were indicated as a result of the verification.

Final Results of the Review

No changes to our analysis in the preliminary results are warranted for purposes of these final results. Accordingly, the weighted-average dumping margin for Bhansali for the period August 1, 1998 through July 31, 1999, is as follows:

Manufacturer/exporter	Margin (percent)
Bhansali Ferromet Pvt. LtD	4.08

Cash Deposit Requirements

The Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries, on a per kilogram basis. The Department will issue appropriate instructions directly to the U.S. Customs Service. Furthermore, the following cash deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of these final results of administrative review, as provided by section 751(a) of the Act: (1) For Bhansali, the cash deposit rate will be the rate listed above, (2) for merchandise exported by manufacturers or exporters not covered in this review but covered in a previous segment of this proceeding, the cash deposit rate will continue to be the company-specific rate published in the most recent final results in which that manufacturer or exporter participated; (3) if the exporter is not a firm covered in this review or in any previous segment of this proceeding, but the manufacturer is, the cash deposit rate will be that established for the manufacturer of the merchandise in these final results of review or in the most recent segment of the proceeding in which that manufacturer participated; and (4) if neither the exporter nor the manufacturer is a firm covered in this review or in any previous segment of this proceeding, the cash deposit rate will be 162.14 percent, the all others rate established in the less-than-fair-value investigation. These deposit requirements shall remain in effect until publication of the final results of the next administrative review.

This notice also serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred, and in the subsequent assessment of double antidumping duties.

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

We are issuing and publishing this determination in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.214.

Dated: January 31, 2001.

Timothy J. Hauser,

Acting Under Secretary for International Trade.

[FR Doc. 01–4538 Filed 2–22–01; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A–580–601]

Top-of-the-Stove Stainless Steel Cooking Ware From Korea: Preliminary Results and Rescission, in Part, of Antidumping Duty Administrative Review

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

ACTION: Notice of preliminary results and rescission, in part, of antidumping duty administrative review.

SUMMARY: In response to a request by the Stainless Steel Cookware Committee (the Committee), the Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on top-of-the-stove stainless steel cooking ware from Korea. The period of review (POR) is January 1, 1999, through December 31, 1999.

We preliminarily determine that certain manufacturers/exporters sold subject merchandise at less than normal value (NV) during the POR. If these preliminary results are adopted in the final results of this administrative review, we will instruct Customs to assess antidumping duties on all appropriate entries. We invite interested parties to comment on the preliminary results. Parties who submit comments in this proceeding should also submit with the argument: (1) a statement of the

issue(s), and (2) a brief summary of the argument (not to exceed five pages).

EFFECTIVE DATE: February 23, 2001.

FOR FURTHER INFORMATION CONTACT: Nova Daly (Dong Won) and John Conniff (Daelim), AD/CVD Enforcement, Office 4, Group II, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; (202) 482–0989 and (202) 482–1009, respectively.

SUPPLEMENTARY INFORMATION:

The Applicable Statute

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department's regulations are to the regulations at 19 CFR Part 351 (2000).

Background

The Department published an antidumping duty order on top-of-the-stove stainless steel cooking ware (cookware) from Korea on January 20, 1987 (52 FR 2139). On January 13, 2000, the Department published a notice of ''Opportunity to Request an Administrative Review'' of the antidumping duty order on cookware from Korea (65 FR 2114) covering the period January 1, 1999, through December 31, 1999.

On January 31, 2000, in accordance with 19 CFR 351.213(b), the Committee (the petitioner), whose members are Regal Ware, Inc., All-Clad Metalcrafters, LLC, and Vita-Craft Corporation, requested that we conduct an administrative review of twenty-seven specific manufacturers/exporters of cookware from Korea: Daelim Trading Co., Ltd. (Daelim), Dong Won Metal Co., Ltd. (Dong Won), Chefline Corporation (Chefline), Sam Yeung Ind. Co., Ltd. (Samyeung), Namyang Kitchenflower Co., Ltd., Kyung-Dong Industrial Co., Ltd., Ssang Yong Ind. Co., Ltd. (Ssangyong), O. Bok Stainless Steel Co., Ltd., Dong Hwa Stainless Steel Co., Ltd., Il Shin Co., Ltd., Hai Dong Stainless Steel Ind. Co., Ltd., Han Il Stainless Steel Ind. Co., Ltd., Bae Chin Metal Ind. Co., East One Co., Ltd., Charming Art Co., Ltd., Poong Kang Ind. Co., Ltd., Won Jin Ind. Co., Ltd., Wonkwang Inc., Sungjin International Inc., Sae Kwang Aluminum Co., Ltd., Woosung Co., Ltd., (Woosung), Hanil Stainless Steel Ind. Co., Ltd.,[1] Seshin Co., Ltd., Pionix Corporation, East West Trading Korea, Ltd., Clad Co., Ltd., and B.Y. Enterprise, Ltd. In accordance with 19 CFR 351.221(b), we published a notice of initiation of the review on February 28, 2000 (65 FR 10466).

On March 3, 2000, we issued Section A antidumping questionnaires to each of the twenty-seven manufacturers/exporters listed above. In response to our request for information, Sugjin International, Inc., O. Bok Stainless Steel Co., Ltd., Won Jin Ind. Co., Ltd., Hai Dong Stainless Co., Ltd., Pionix Corporation, Seshin Co., Ltd., Dong Hwa Stainless Steel Co., Ltd., Wonkwang Inc., and Charming Art Co., Ltd., reported that they had no sales or shipments during the POR. Our review of Customs import data indicated that there were no entries of subject merchandise made by these manufacturers/exporters during the POR. Accordingly, we are preliminarily rescinding the review with respect to the above nine manufacturers/exporters of cookware.

The following companies failed to respond to the Department's Section A questionnaire: B.Y. Enterprise, Ltd., Clad Co., Ltd., Sae Kwang Aluminum Co., Ltd., East One Co., Ltd., East West Trading Korea, Ltd., Bae Chin Metal Ind. Co., Han I1 Stainless Steel Ind. Co., Ltd., I1 Shin Co., Ltd., Kyung-Dong Industrial Co., Ltd., Poong Kang Ind. Co., Ltd., and Namyang Kitchen Flower Co., Ltd. On March 28, 2000, we informed each of these companies that because they failed to respond to the Department's questionnaire, we may use facts available (FA) to determine their dumping margins.

On March 17, 2000, counsel for Chefline requested that the Department rescind the review with respect to Woosung. Woosung is Chefline's original corporate name which was changed to Chefline in March 1996. Since Chefline submitted uncontested evidence on the record to support their claim and petitioner did not object to Chefline's request for rescission, we are rescinding the review with respect to Woosung. In addition, on April 3, 2000, Chefline informed the Department that it would not be responding to the Department's Section A questionnaire.

On April 3, 2000, Daelim, Dong Won, Samyeung, and Ssangyong responded to Section A of the antidumping questionnaire. On June 29, 2000, the Department issued Sections B, C and D of the Department's questionnaire to these four companies. Daelim, Dong Won, and Samyeung filed responses to Sections B and C on August 23, 2000. On August 23, 2000, Ssangyong notified the Department that it would no longer participate in this review.

On August 24, 2000, the Department issued Section A supplemental questionnaires to Daelim, Dong Won, and Samyeung. The responses to these supplemental questionnaires were received on September 15, 2000. We issued Section B and C supplemental questionnaires to these companies on September 11, 2000. The responses to the supplemental questionnaires were submitted by the companies on October 2, 2000.

On September 20, 2000, the Department initiated a cost of production (COP) investigation with respect to Dong Won and Samyeung and requested that they respond to Section D of the Department's questionnaire. On September 25, 2000, the Department initiated a COP investigation with respect to Daelim and issued the Section D questionnaire, in accordance with section 773(b) of the Act. We initiated the COP investigations as a result of the petitioner's COP allegations, which are company-specific, employ a reasonable methodology, provide evidence of below cost sales, and include models which are representative of the broader range of cookware products sold by Dong Won, Samyeung, and Daelim in accordance with section 773(b) of the Act. For further discussion on the initiation of the COP investigations, *see* 1999 Administrative Review of Antidumping Duty Order on Top-Of-The-Stove Stainless Steel Cook Ware (''cookware'') from Korea: Analysis of Petitioner's Allegation of Sales Below the Cost of Production for Samyeung Ind. Co., Ltd. (Samyeung) dated September 20, 2000 and 1999 Administrative Review of Antidumping Duty Order on Top-Of-The-Stove Stainless Steel Cook Ware (''cookware'') from Korea: Analysis of Petitioner's Allegation of Sales Below the Cost of Production for Dong Won Metal Co., Ltd. (Dong Won) dated September 20, 2000. Also, *see* 1999 Administrative Review of Antidumping Duty Order on Top-Of-The-Stove Stainless Steel Cook Ware (cookware) from Korea: Analysis of Petitioner's Allegation of Sales Below the Cost of Production for Dae-Lim Co., Ltd. (Daelim) dated September 25, 2000.

Dong Won's response to the Section D questionnaire was received by the Department on October 18, 2000. On October 25, 2000, Samyeung notified the Department that it would no longer participate in this review. On November 1, 2000, the Department issued a Section D supplemental questionnaire

[1] Same company as Han I1 Stainless Steel Ind. Co., Ltd. listed above.

to Dong Won. The response to this supplemental questionnaire was received on November 21, 2000.

Daelim's response to this section of the questionnaire was received on October 31, 2000. On November 26, 2000, the Department issued a Section D supplemental questionnaire to Daelim. The response to this supplemental questionnaire was received on November 30, 2000.

Under section 751(a)(3)(A) of the Act, the Department may extend the deadline for issuing a preliminary determination in an administrative review if it determines that it is not practicable to complete the preliminary review within the statutory time limit of 245 days. On August 15, 2000, the Department published a notice of extension of the time limit for the preliminary results in this case to January 30, 2001. *See Top-of-the-Stove Stainless Steel Cooking Ware From Korea: Extension of Preliminary Results of Antidumping Duty Administrative Review*, 65 FR 51797 (August 25, 2000). The Department is conducting this administrative review in accordance with section 751 of the Act.

Scope of Review

The merchandise subject to this antidumping order is top-of-the-stove stainless steel cookware from Korea. The subject merchandise is all non-electric cooking ware of stainless steel which may have one or more layers of aluminum, copper or carbon steel for more even heat distribution. The subject merchandise includes skillets, frying pans, omelette pans, saucepans, double boilers, stock pots, dutch ovens, casseroles, steamers, and other stainless steel vessels, all for cooking on stove top burners, except tea kettles and fish poachers. Excluded from the scope of the order are stainless steel oven ware and stainless steel kitchen ware. The subject merchandise is currently classifiable under Harmonized Tariff Schedule (HTS) item numbers 7323.93.00 and 9604.00.00. The HTS item numbers are provided for convenience and Customs purposes only. The written description remains dispositive.

The Department has issued several scope clarifications for this order. The Department found that certain stainless steel pasta and steamer inserts (63 FR 41545, August 4, 1998), certain stainless steel eight-cup coffee percolators (58 FR 11209, February 24, 1993), and certain stainless steel stock pots and covers are within the scope of the order (57 FR 57420, December 4, 1992). Moreover, as a result of a changed circumstances review, the Department revoked the order on Korea in part with respect to certain stainless steel camping ware (1) made of single-ply stainless steel having a thickness no greater than 6.0 millimeters; and (2) consisting of 1.0, 1.5, and 2.0 quart saucepans without handles and with lids that also serve as fry pans (62 FR 3662, January 24, 1997).

Verification

As provided in section 782(i) of the Act, from December 4, 2000, to December 22, 2000, we verified sales and cost information provided by Daelim and Dong Won, using standard verification procedures, including an examination of relevant sales and financial records, and selection of original documentation containing relevant information. 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.

Facts Available (FA)

Application of FA

Section 776(a)(2) of the Act provides that if any interested party: (A) Withholds information that has been requested by the Department; (B) fails to provide such information by the deadlines for submission of the information or in the form or manner requested; (C) significantly impedes an antidumping investigation; or (D) provides such information but the information cannot be verified, the Department shall, subject to section 782(d) of the Act, use facts otherwise available in making its determination.

Section 782(e) of the Act provides that the Department shall not decline to consider information deemed ''deficient'' under section 782(d) of the Act if: (1) The information is submitted by the deadline established for its submission; (2) the information can be verified; (3) the information is not so incomplete that it cannot serve as a reliable basis for reaching the applicable determination; (4) the interested party has demonstrated that it acted to the best of its ability in providing the information and meeting the requirements established by the Department with respect to the information; and (5) the information can be used without undue difficulties.

As stated above, on March 3, 2000, we issued Section A questionnaires to twenty-seven manufacturers/exporters of the subject merchandise. The following companies failed to respond to the Department's Section A questionnaire: B.Y. Enterprise, Ltd., Clad Co., Ltd., Sae Kwang Aluminum Co., Ltd., East One Co., Ltd., East West Trading Korea, Ltd., Bae Chin Metal Ind. Co., Han Il Stainless Steel Ind. Co., Ltd., Il Shin Co., Ltd., Kyung-Dong Industrial Co., Ltd., Poong Kang Ind. Co., Ltd., and Namyang Kitchen Flower Co., Ltd. On March 28, 2000, we informed each of these companies that because they failed to respond to the Department's questionnaire, we may use FA to determine their dumping margins. On April 3, 2000, Chefline informed the Department that it would not be responding to the Department's Section A questionnaire. Because these companies wholly failed to respond to our questionnaire, pursuant to section 776(a)(2)(A) of the Act, we have applied FA to calculate their dumping margins. Further, based on the facts in this review, described below, the Department has preliminarily determined that the use of FA is warranted for Ssangyong and Samyeung.

First, Ssangyong and Samyeung did not respond to Sections B and C of the questionnaire. On April 3, 2000, Ssangyong responded to the Section A questionnaire. On June 29, the Department issued Sections B and C of the questionnaire to Ssangyong. On July 18, 2000, Ssangyong requested an extension to respond to Sections B and C due to its claimed lack of experience in answering the Department's questionnaires. On July 24, 2000, the Department granted Ssangyong an extension until August 18, 2000 to respond to Sections B and C. On August 14, 2000, the Department granted Ssangyong an additional extension until August 23, 2000, for Ssangyong to respond to Sections B and C. *See* Extension Letters from the Department to Ssangyong dated July 24, 2000 and August 14, 2000 (Ssangyong Extension Letters). In both the July 24, 2000 and August 14, 2000 letters, the Department notified Ssangyong that if it did not submit the information requested by the applicable deadline, the Department may find that Ssangyong has not acted to the best of its ability and thus may use an adverse inference in selecting among FA, as provided for in section 776(b) of the Act. Ssangyong subsequently failed to respond to Sections B and C of the questionnaire and, on August 23, 2000, submitted a letter stating that it would not participate further in this proceeding.

On September 20, 2000, the Department initiated a COP investigation and issued a Section D questionnaire to Samyeung. On October 5, 2000, Samyeung requested an

extension for filing a response to Section D based on (1) its claim that the company had limited resources and (2) the concurrent Department deadlines for both the Section D questionnaire and supplemental questionnaires. The Department granted Samyeung an extension on the Section D questionnaire and notified Samyeung that if it did not submit the information requested by the applicable deadline, the Department may find that Samyeung has not acted to the best of its ability and thus may use an adverse inference in selecting among FA, as provided for in section 776(b) of the Act. *See* Extension Letter from the Department to Samyeung dated October 10, 2000 (Samyeung Extension Letter). However, Samyeung failed to respond to the Section D questionnaire and, on October 25, 2000, submitted a letter stating that it would no longer continue to participate in this proceeding. *See* Memorandum on Application of Facts Available for Sam Yeung Ind. Co., Ltd. (Samyeung) in the Preliminary Results of the 1999 Administrative Review, dated January 30, 2001 (Facts Available Memorandum).

Second, in addition to their failure to respond to the Department's questionnaire, the information provided by these two respondents is so incomplete that it cannot serve as a reliable basis for reaching the applicable determination. Ssangyong's failure to respond to Sections B and C of the questionnaire is a critical omission. Without U.S. and home market sales data, the Department cannot calculate a dumping margin for Ssangyong. Likewise, Samyeung's failure to provide cost data is significant. Without cost data, we are unable to determine whether foreign market sales were made below COP and, thus, we are prevented from calculating an accurate normal value and dumping margin for Samyeung. Therefore, we find that the information on the record for Ssangyong and Samyeung is so incomplete that it cannot serve as a reliable basis for reaching the applicable determination and thus, Ssangyong and Samyeung have not satisfied the third criterion under section 782(e) of the Act.

In addition, the Department finds, pursuant to section 776(b) of the Act, that Ssangyong and Samyeung did not act to the best of their ability to comply with requests for information. In its August 23, 2000 letter, Ssangyong stated that ''faced with the substantial amount of detailed information that the Department has requested to be submitted in a very short time period, Ssangyong has concluded that it lacks the administrative resources to prepare and submit responses to Sections B and C of the questionnaire and otherwise to continue participating further in the proceeding.'' Samyeung, in its October 25, 2000 letter, stated that the short time period given to answer the Section D questionnaire was too burdensome for the company to comply. However, we note that Ssangyong was granted two extensions totaling 23 days to respond to the Section B and C questionnaire and Samyeung was granted a two-week extension to respond to the cost questionnaire. Also, neither Ssangyong nor Samyeung requested an additional extension of time to respond to the questionnaire. Further, neither company suggested alternative methods for providing the requested information. We note that it was Ssangyong and Samyeung's responsibility to provide a ''full explanation and suggested alternative forms'' of responding to the questionnaire under section 782(c) of the Act. The Department considers Ssangyong and Samyeung's refusal to submit their respective questionnaire responses, despite the fact the Department granted extensions of time for filing the responses, and their refusal to participate further in the review, as a failure to cooperate to the best of their ability with respect to our requests for information. Thus, Ssangyong and Samyeung have failed to satisfy the fourth criterion of section 782(c) of the Act.

Lastly, the information cannot be used without undue difficulties. As a result of Ssangyong and Samyeung's failure to provide the necessary information requested, the information provided by Ssangyong and Samyeung is not complete enough to calculate a margin based upon the statutory and regulatory criteria. For example, as discussed above, Ssangyong did not respond to Sections B and C of the Department's questionnaire and Samyeung did not respond to Section D of the Department's questionnaire. Thus, Ssangyong and Samyeung have also failed to satisfy the fifth criterion of section 782(e) of the Act.

Given the above analysis, the Department determines that Ssangyong and Samyeung have not met all five factors enumerated in section 782(e) of the Act. Therefore, for the reasons stated above, the use of FA is warranted for these companies.

Selection of Adverse FA

In selecting from among the facts otherwise available, section 776(b) of the Act authorizes the Department to use an adverse inference if the Department finds that an interested party failed to cooperate by not acting to the best of its ability to comply with the request for information. *See e.g., Certain Welded Carbon Steel Pipes and Tubes From Thailand: Final Results of Antidumping Duty Administrative Review*, 62 FR 53808, 53819–20 (October 16, 1997).

Because B.Y. Enterprise, Ltd., Clad Co., Ltd., Sae Kwang Aluminum Co., Ltd., East One Co., Ltd., East West Trading Korea, Ltd., Bae Chin Metal Ind. Co., Han Il Stainless Steel Ind. Co., Ltd., Il Shin Co., Ltd., Kyung-Dong Industrial Co., Ltd., Poong Kang Ind. Co., Ltd., Namyang Kitchen Flower Co., Ltd., and Chefline did not cooperate by wholly failing to respond to the Department's questionnaire response, and in order to ensure that they do not benefit from that lack of cooperation, we are employing an adverse inference in selecting from facts otherwise available.

Further, because Ssangyong failed completely to respond to Sections B and C of the questionnaire and Samyeung failed completely to respond to Section D of the questionnaire, the Department was prevented from making critical decisions involving the calculation of Sangyong and Samyeung's dumping margins. In addition, as required by section 782(d) of the Act, Sangyong and Samyeung were put on notice, via Department extension letters and other correspondence, that failure to respond to the Department's requests for information constituted a deficiency which could result in the use of FA. *See, e.g.*, Ssangyong Extension Letters. Moreover, section 782(e) of the Act is not applicable as the information Ssangyong and Samyeung submitted is so incomplete that it cannot serve as a reliable basis for making a preliminary determination. Accordingly, the Department finds that Ssangyong and Samyeung did not act to the best of their ability to comply with the request for information and thus, under section 776(b) of the Act, an adverse inference is warranted.

Pursuant to section 776(b) of the Act, we are basing the margin for the 14 companies listed above on adverse FA for purposes of these preliminary results. As adverse FA, we have used the highest rate calculated for any respondent in any segment of this proceeding. This rate is 31.23 percent. *See Final Determination of Sales at Less Than Fair Value; Certain Stainless Steel Cookware from Korea*, 51 FR 42873 (November 26, 1986) (*Final LTFV Determination*). *Corroboration of Information Used as FA*

Section 776(b) of the Act authorizes the Department to use as adverse FA information derived from the petition, the final determination from the less

than fair value (LTFV) investigation, a previous administrative review, or any other information placed on the record.

Section 776(c) of the Act requires the Department to corroborate, to the extent practicable, secondary information used as FA. Secondary information is defined as ''[i]nformation derived from the petition that gave rise to the investigation or review, the final determination concerning the subject merchandise, or any previous review under section 751 concerning the subject merchandise.'' *See* Statement of Administrative Action (SAA) accompanying the URAA, H.R. Doc. No. 103–316 at 870 (1994).

The SAA further provides that the term ''corroborate'' means that the Department will satisfy itself that the secondary information to be used has probative value (*see* SAA at 870). Thus, to corroborate secondary information, the Department will, to the extent practicable, examine the reliability and relevance of the information used.

The rate selected was calculated using verified information in the investigation. *See Final LTFV Determination*. The only source for calculated margins is administrative determinations. Thus, in an administrative review, if the Department chooses as adverse facts available a calculated dumping margin from a prior segment of the proceeding, it is not necessary to question the reliability of the margin for that time period. Furthermore, we have no new information that would lead us to reconsider the reliability of this rate.

As to the relevance of the margin used for adverse FA, the courts have stated that ''[b]y requiring corroboration of adverse inference rates, Congress clearly intended that such rates should be reasonable and have some basis in reality.'' *F.Lli De Cecco Di Filippo Fara S. Martino S.p.A.*, v. *U.S.*, 216 F.3d 1027, 1034 (Fed. Cir. 2000).

In determining a relevant and reasonable adverse FA rate, the Department notes that the FA rate selected is the highest calculated margin for any respondent in this proceeding. *See Final LTFV Determination*. It is reasonable to assume that if Ssangyong, Samyeung, and the other non-responding parties listed above could have demonstrated that their dumping margins are lower, they would have participated in this review and attempted to do so. *See Rhone Poulenc, Inc.* v. *United States*, 899 F.2d 1185, 1190–91 (Fed. Cir. 1990). Therefore, given these 14 companies' failure to cooperate to the best of their ability in this review, we have no reason to believe that their dumping margins would be any less than the highest rate we have ever calculated or that other available rates would reasonably ensure that they do not benefit by failing to cooperate fully. None of these companies have previously participated in this proceeding and therefore have been receiving the ''All Others'' rate of 8.10 percent. The ''All Others'' rate is obviously not enough to induce cooperation by these companies. We therefore have resorted to the highest calculated rate used throughout the proceeding and the rate that has been used as the FA rate in previous reviews. To further establish the relevance of the FA rate, we looked at the range of sales-specific margins for one of the cooperating respondents. Based on the range of margins, a significant number of sales by Dong Won are above the FA rate. *See* Facts Available Memorandum. Therefore, a rate of 31.23 percent can be considered relevant and, as such, appropriately used as FA for the non-responding parties. Thus, we used the highest rate determined in any segment of this proceeding of 31.23 percent.

Normal Value Comparisons

To determine whether sales of cookware from South Korea to the United States were made at less than NV, we compared the export price (EP) to the NV for both Dong Won and Daelim, as specified in the *EP* and *NV* 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 EP transactions.

EP

For Dong Won and Daelim, we used the Department's EP methodology, in accordance with section 772(a) of the Act, because the subject merchandise was sold by each producer outside the United States directly to the first unaffiliated purchaser in the United States prior to importation (or to unaffiliated trading companies for export to the United States) and CEP methodology was not otherwise warranted. We made deductions from the starting price for movement expenses in accordance with section 772(c) of the Act. Movement expenses included, where appropriate, brokerage and handling, international freight, and marine insurance, in accordance with section 772(c)(2)(A) of the Act. For Dong Won, we disallowed a duty drawback adjustment to the starting price. *See* Calculation Memorandum for Dong Won, dated January 30, 2001. *See also* Report on the Verification of the Sales and Cost Responses for Dong Won, dated January 30, 2001.

NV

1. Viability

In order to determine whether there is a 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 equal to or greater than five percent of the aggregate volume of U.S. sales), we compared the respondent's volume of home market sales of the foreign like product to the volume of U.S. sales of the subject merchandise, in accordance with section 773(a)(1) of the Act. Since Daelim's aggregate volume of home market sales of the foreign like product was greater than five percent of its aggregate volume U.S. sales for the subject merchandise, we determined that the home market provides a viable basis for calculating NV. Therefore, pursuant to section 773(a)(1)(B) of the Act, we based NV on home market sales. Because Dong Won's aggregate volume of home market sales of the foreign like product was less than five percent of its aggregate volume of U.S. sales for the subject merchandise, we determined that the home market was not viable. Therefore, we have based NV for Dong Won on third country sales in the usual commercial quantities and in the ordinary course of trade. Since Dong Won's aggregate volume of sales of the foreign like product in Canada were more than five percent of its aggregate volume of U.S. sales of the subject merchandise, we used sales to Canada as the third country comparison sales. Furthermore, the Department noted that Canada was Dong Won's largest third country market for cookware in terms of both value and quantity, and the cookware that Dong Won exported to Canada was more similar to the subject merchandise exported to the United States than the cookware exported to other comparison markets. For a further discussion, *see* Memorandum Re: Selection of Third Country Comparison Market, dated June 28, 2000.

2. COP Analysis

Based on the cost allegations submitted by petitioners on September 20, 2000, and in accordance with section 773(b)(2)(A)(i) of the Act, the Department found reasonable grounds to believe or suspect that Dong Won and Daelim had made sales in the foreign market at prices below the cost of producing the merchandise, in accordance with section 773(b)(1) of the Act. *See Memorandum to Thomas*

Futtner, Administrative Review of Antidumping Duty Order on Top of the Stove Stainless Steel Cooking Ware From Korea: Analysis of Petitioners' Allegation of Sales Below the Cost of Production for Dong Won Metal Co., Ltd. (''Dong Won''), dated May 20, 2000, and *Memorandum to Thomas Futtner, Administrative Review of Antidumping Duty Order on Top of the Stove Stainless Steel Cooking Ware From Korea: Analysis of Petitioners' Allegation of Sales Below the Cost of Production for Dae-Lim Co., Ltd. (''Daelim'')*. As a result, the Department initiated COP investigations to determine whether Dong Won and Daelim made foreign market sales during the POR at prices below their COP within the meaning of section 773(b) of the Act. We conducted the COP analysis described below.

A. Calculation of COP

In accordance with section 773(b)(3) of the Act, we calculated, respectively, COP based on the sum of Daelim and Dong Won's cost of materials and fabrication (COM) for the foreign like product, plus amounts for SG&A, financial expense, and packing costs. Daelim was unable to segregate between its long-term and short-term investment income in its calculation of net interest expense. Therefore, we did not grant Daelim an interest income offset. *See* Cost Verification Report for Daelim, dated January 30, 2001. For the preliminary results, we relied on Dong Won's submitted information without adjustment.

B. Test of Foreign Market Sales Prices

We compared COP to foreign market sale prices 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 foreign 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 accordance with sections 773(b)(1)(A) and (B) of the Act. On a product-specific basis, we compared the COP to foreign market prices, less any applicable movement charges, discounts and rebates, and selling expenses.

C. Results of the COP Test

Pursuant to section 773(b)(2)(C) of the Act, where less than 20 percent of the respondent'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 the respondent's sales of a given product during the POR were at prices less than the COP, we determined such sales to have been made in substantial quantities within an extended period of time, within the meaning of section 773(b)(2)(B) of the Act. Because we compared prices to POR or fiscal year 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.

We found, looking at Dong Won's third country market sales and Daelim's home market sales, that both made sales at below COP prices within an extended period of time in substantial quantities. Further, we found that these sales prices did not permit for the recovery of costs within a reasonable period of time. Therefore, we excluded these sales from our analysis and used the remaining sales as the basis for determining NV, in accordance with section 773(b)(1) of the Act.

Product Comparisons

In accordance with section 771(16) of the Act, we considered all products sold in the foreign markets as described in the ''Scope of the Review'' section of this notice, above, that were in the ordinary course of trade for purposes of determining appropriate product comparisons to U.S. sales. Where there were no sales of identical merchandise in the foreign markets made in the ordinary course of trade (*i.e.,* sales within the contemporaneous window which passed the cost test), we compared U.S. sales to sales of the most similar foreign like product made in the ordinary course of trade, based on the characteristics listed in sections B and C of our antidumping questionnaire, or constructed value (CV), as appropriate.

Level of Trade (LOT)

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 LOT as the US 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 selling, general and administrative (SG&A) expenses and profit. For EP sales, the U.S. LOT is also the level of the starting-price sale, which is usually from the exporter to the importer.

To determine whether NV sales are at a different LOT than EP sales, 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 the export transaction, we make a LOT adjustment under section 773(a)(7)(A) of the Act.

In determining whether separate LOTs actually existed in the home and U.S. markets for each respondent, we examined whether the respondent's sales involved different marketing stages (or their equivalent) based on the channel of distribution, customer categories, and selling functions (or services offered) to each customer or customer category, in both markets.

Dong Won reported sales through one LOT, consisting of two channels of distribution for its Canadian sales. The first channel of distribution was direct sales with two customer categories (*i.e.,* distributors/wholesalers and retailers). The second channel of distribution was also sales to the two customer categories listed above but through Korean trading companies. Dong Won reported only EP sales in the U.S. market. For EP sales, Dong Won reported the same channels of distribution and customer categories as those in the third country market (*i.e.,* direct sales to distributors/wholesalers and retailers and direct sales to distributers/wholesalers and retailers through Korean trading companies). Dong Won claimed in its response that its U.S. and third country market sales were made at the same LOT. For this reason, Dong Won has not asked for a LOT adjustment to NV for comparison to its EP sales.

In analyzing Dong Won's selling activities for the third country and U.S. market, we determined that essentially the same services were provided for both markets. These selling activities in both markets were minimal in nature and limited to some low levels of technical service, warranty, ocean freight, and advertising expenses, with high levels of inland freight expenses. No other services were rendered for either third country or EP sales. Therefore, based upon this information, we have preliminarily determined that the LOT for all EP sales is the same as the LOT for all sales in the third country market. Accordingly, because we find the U.S. sales and third country market sales to be at the same LOT, no LOT adjustment under section 773(a)(7)(A) of the Act is warranted for Dong Won. *See* Memorandum on LOT for Dong Won, dated January 30, 2001.

Daelim reported sales through one LOT, consisting of two channels of distribution for its home market sales. The first channel of distribution was sales through its affiliate in the home market, Living Star. The second channel of distribution was direct sales on a very sporadic basis to its employees or, in extremely limited circumstances, to home market customers. We have preliminarily determined that these direct sales are outside the ordinary course of trade, and therefore have not considered them in the calculation of NV. *See* Memorandum on LOT for Daelim, dated January 30, 2001. Daelim reported only EP sales in the U.S. market. For EP sales, Daelim reported one LOT, consisting of two channels of distribution. The first channel of distribution was sales to unaffiliated U.S. importers. The second channel of distribution was sales to an unaffiliated Korean trading company.

In analyzing Daelim's selling activities for the home market, we determined that the selling activities were minimal in nature and limited to some low levels of technical service, warranty, ocean freight, and advertising expenses, with high levels of inland freight expenses. No selling activities or services were rendered for EP sales. Therefore, based upon this information, we have preliminarily determined that there are differences in the number, type, and degree of selling functions performed in the home market as compared to EP sales.

Section 773(a)(7)(A)(ii) of the Act states that the Department will grant a LOT adjustment only ''if the difference in the level of trade is demonstrated to affect price comparability, based on a pattern of consistent price differences between sales at different levels of trade in the country in which normal value is determined.'' As discussed above, we find that the U.S. market LOT (EP sales) is different from the home market LOT. However, since we have determined that there is only one LOT in the home market, we are unable to calculate ''a pattern of consistent price differences between sales at different levels of trade in the country in which normal value is determined.'' Thus, in this instance, we have not granted Daelim a LOT adjustment to NV.

Date of Sale

For both foreign market and U.S. transactions, Daelim and Dong Won reported the date of the contract (*i.e.,* purchase order) as the date of sale, *i.e.,* the date when the material terms of sale are finalized. The respondents note that the purchase order confirms all major terms of sale—price, quantity, and product specification—as agreed to by the respondents and the customer. During the course of the review, the Department found that there were instances where the material terms of sale had changed after the issuance of an original purchase order. The Department noted and verified that, in those instances where the material terms of sale had changed after the issuance of an original purchase order, a new purchase order had been issued and the new purchase order served as the reported date of sale. For a detailed explanation, *see* Dong Won's sales verification report (January 30, 2001). Therefore, because the Department found that there were no changes in the material terms of sale between the purchase order (or revised purchase order) and the invoice, the Department preliminarily determines that the purchase order date is the most appropriate date to use for the date of sale.

CV

In accordance with section 773(e) of the Act, we calculated CV based on the respondents' respective cost of materials and fabrication employed in producing the subject merchandise, SG&A expenses, the profit incurred and realized in connection with the production and sale of the foreign like product, and U.S. packing costs. We used the cost of materials, fabrication, and G&A expenses as reported in the CV portion of the questionnaire response, adjusted for Daelim as discussed in the COP section above. We used the U.S. packing costs as reported in the U.S. sales portion of the respondents' questionnaire responses. For selling expenses, we used the average of the selling expenses reported for home market sales that survived the cost test, weighted by the total quantity of those sales. For actual profit, we first calculated, based on the home market sales that survived the cost test, the difference between the home market sales value and home market COP, and divided the difference by the home market COP. We then multiplied this percentage by the COP for each U.S. model to derive an actual profit.

Price-to-Price Comparisons

For those comparison products for which there were sales that passed the cost test, we based the respondents' NV on the price at which the foreign like product is first sold for consumption in Korea (Daelim) or Canada (Dong Won), in the usual commercial quantities, in the ordinary course of trade in accordance with section 773(a)(1)(B)(i) of the Act. We based NV on sales at the same LOT as the EP sales.

In accordance with section 773(a)(6) of the Act, we made adjustments to the foreign market price, where appropriate, for discounts, movement expenses (inland freight, brokerage and handling, and international freight). To account for differences in circumstances of sale between the foreign market and the United States, where appropriate, we adjusted the foreign market price by deducting foreign market direct selling expenses (including credit) and commissions and by adding U.S. direct selling expenses (including U.S. credit expenses). Because Dong Won could not substantiate the payment of duties for goods purchased, we disallowed a duty drawback adjustment to the starting price. For a further discussion, *see* Dong Won's sales verification report (January 30, 2001). Where commissions were paid on foreign market sales and no commissions were paid on U.S. sales, we increased NV by the lesser of either: (1) The amount of commission paid on the foreign market sales or (2) the indirect selling expenses incurred on U.S. sales. *See* 19 CFR 351.410(e). In order to adjust for differences in packing between the two markets, we deducted foreign market packing costs and added U.S. packing costs, where appropriate, in accordance with sections 773(a)(6)(A) and (B) of the Act.

With respect to both CV and home market prices, we made adjustments, where appropriate, for inland freight, inland insurance, and discounts. We also reduced CV and home market prices by packing costs incurred in the home market, in accordance with section 773(a)(6)(B)(i) of the Act. In addition, we increased CV and home market prices for U.S. packing costs, in accordance with section 773(a)(6)(A) of the Act. We made further adjustments to home market prices, when applicable, to account for differences in physical characteristics of the merchandise, in accordance with section 773(a)(6)(C)(ii) of the Act. Finally, pursuant to section 773(a)(6)(C)(iii) of the Act, we made an adjustment for differences in circumstances of sale by deducting home market direct selling expenses and adding any direct selling expenses associated with U.S. sales not deducted under the provisions of section 772(d)(1) of the Act.

Preliminary Results of the Review

As a result of our review, we preliminarily determine that the following weighted-average dumping margins exist for the period January 1, 1999, through December 31, 1999:

Manufacturer/exporter	Margin (percent)
Dong Won Metal Co., Ltd	14.14
Dae-Lim Trading Co., Ltd	1.69
Sam Yeung Ind. Co., Ltd	31.23
Ssang Yong Ind. Co., Ltd	31.23
Chefline Corporation	31.23
B.Y Enterprise, Ltd	31.23
Clad Co., Ltd	31.23
Sae Skwang Aluminum Co., Ltd	31.23
East One Co., Ltd	31.23
East West Trading Korea, Ltd	31.23
Bae Chin Metal Ind. Co	31.23
Han Il Stainless Steel Ind. Co., Ltd	31.23
Il Shin Co., Ltd	31.23
Kyung-Dong Industrial Co., Ltd	31.23
Poong Kang Ind. Co., Ltd	31.23
Namyang Kitchen Flower Co., Ltd	31.23

Pursuant to 19 CFR 351.224(b), the Department will disclose to parties to the proceeding any calculations performed in connection with these preliminary results within 5 days of the date of publication of this notice. Any interested party may request a hearing within 30 days of the date of publication of this notice. Parties who submit arguments in this proceeding are requested to submit with each argument: (1) A statement of the issue and (2) a brief summary of the argument. All case briefs must be submitted within 30 days of the date of publication of this notice. Rebuttal briefs, which are limited to issues raised in the case briefs, may be filed not later than seven days after the case briefs are filed. Further, we would appreciate it if parties submitting written comments would provide the Department with an additional copy of the public version of any such comments on diskette. A hearing, if requested, will be held two days after the date the rebuttal briefs are filed or the first business day thereafter.

The Department will publish a notice of the final results of this administrative review, which will include the results of its analysis of the issues raised in any written comments, within 120 days from the publication of these preliminary results.

The Department shall determine, and Customs shall assess, antidumping duties on all appropriate entries. The Department will issue appraisement instructions directly to Customs. The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the determination and for future deposits of estimated duties. We have calculated importer-specific ad valorem duty assessment rates based on the ratio of the total amount of dumping margins calculated for the examined sales to the entered value of sales used to calculate those duties. We will direct Customs to liquidate without regard to antidumping duties any entries for which the assessment rate is *de minimis, i.e.,* less than 0.5 percent.

Furthermore, the following deposit requirements will be effective upon completion of the final results of these administrative reviews for all shipments of top-of-stove stainless steel cooking ware from Korea entered, or withdrawn from warehouse, for consumption on or after publication date of the final results of these administrative reviews, as provided by section 751(a)(1) of the Act: (1) The cash deposit rate for the reviewed companies will be the rate established in the final results of this administrative review, except if the rate is less than 0.5 percent *ad valorem* and, therefore, *de minimis,* no cash deposit will be required; (2) for exporters not covered in this review, but covered in the original LTFV investigation or a previous review, the cash deposit rate will continue to be the company-specific rate published in the most recent period; (3) if the exporter is not a firm covered in this review, a previous review, or the original LTFV investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; and (4) if neither the exporter nor the manufacturer is a firm covered in this or any previous reviews or the LTFV investigation, the cash deposit rate will be 8.10 percent, the ''all-others'' rate established in the LTFV investigation. These 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) of the Department's regulations 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 this notice are in accordance with sections 751(a)(1) and 777(i)(1) of the Act. Effective January 20, 2001, Bernard T. Carreau is fulfilling the duties of the Assistant Secretary for Import Administration.

Dated: January 30, 2001.

Bernard T. Carreau,

Deputy Assistant Secretary, AD/CVD Enforcement II.

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DEPARTMENT OF COMMERCE

International Trade Administration

[A–588–857, A–201–828]

Notice of Initiation of Antidumping Duty Investigations: Welded Large Diameter Line Pipes From Mexico and Japan

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

ACTION: Initiation of antidumping duty investigations.

EFFECTIVE DATE: February 23, 2001.

FOR FURTHER INFORMATION CONTACT: Rick Johnson (Mexico) or Nancy Decker (Japan) at (202) 482–3818 and (202) 482–0196, respectively; Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230.

Initiation of Investigations

The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 (the Act) by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department's regulations are references to the provisions codified at 19 CFR Part 351 (2000).

The Petitions

On January 10, 2001, the Department of Commerce (the Department) received petitions filed in proper form by the following parties: Berg Steel Pipe Corp., American Steel Pipe Division of American Cast Iron Pipe Company, and Stupp Corporation (collectively ''petitioners''). Additionally, one other domestic producer, although a non-petitioner, issued a statement supporting the petition. The Department received information from the petitioners supplementing the petition on January 22, January 24, January 26, and January 29, 2001.

In accordance with section 732(b) of the Act, the petitioners allege that imports of welded large diameter line pipes (hereafter referred to as LDLP)